



Working Together For Our Community

Community Report 2022/2023

Prepared by



K+S Potash Canada

We acknowledge that K+S Potash Canada operates in Treaty 4 territory and our Saskatoon office is located in Treaty 6 territory. These are the traditional lands of the Cree, Saulteaux, Dakota, Lakota and Nakoda and the homelands of the Métis people. Our Port Moody operations are located on unceded territories of the Coast Salish peoples, including the Kwikwetlem, Tsleil-Waututh, Squamish and Musqueam First Nations.

We are committed to developing positive and meaningful relationships with local Indigenous communities and people in the regions where we work.

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Connecting With Our Community

A Message from Sam Farris, President

Saskatchewan contains approximately half the earth's potash, a crucial fertilizing mineral that makes scaled-up industrial farming possible. In a world where acres of arable land are being lost every hour and the population is growing by more than 200,000 people every day, the work done by our citizens right here at home has a worldwide impact. This means we must always act with this in mind.

Since the Bethune mine project began over 10 years ago, we have been conscious of how our operations affected communities at home and abroad, and vice versa. We've listened to and learned many lessons over the years. These lessons are now guiding us forward into a better future, with our leadership team taking a closer look at our actions in the community and identifying opportunities to improve.

Along the way, we have drawn inspiration from the people in our networks. Our communities provide support and confidence, which are essential to our business being here in the generations ahead. Our employees have adapted with agility and resilience to the shifting realities of our industry. Our partners and liaisons give us the services and tools we need to succeed and help us deliver this potash to a hungry world.

At KSPC, there's a clear responsibility in what we do. This responsibility drives us to maintain strong operations,

build positive relationships, and show that this mine is worth the combined efforts of so many people. For myself and my team, we want that to be as true in 100 years as it is today. KSPC is a key employer, a strong economic supporter, and most importantly, a good neighbour. We understand that it's a privilege to be here, not a right, and we take that seriously when we think about our specific sustainability goals and the future of our business.

Our parent company, K+S Group in Germany, recognizes the necessity of planning for that future, too. Our facilities represent an important part of their long-term sustainability plans, and our employees work every day to make those plans a reality.

"In our company, it's not just one person's responsibility to consider the people and places around us - it's something we all participate in, because we understand what's at stake."

It's a journey with no definitive end, and we're all better for it.

While the future is uncertain, we know that one thing is true: as a potash mine operation in Saskatchewan, we will always be evaluating our impact and how we can continuously improve. The population may be getting bigger, but the world community is becoming smaller. It's more connected and collaborative than ever. There's no single path forward, but we're trying to be purposeful in choosing one that gives back as much goodwill and talent as our communities have given us. As we move further into a decade with some of our most important work to date, we're proud to let this spirit of cooperation, shared opportunity, and hope inform how we can all change the world - together.



Potash 101

Working Towards a Food-Secure Future

What do Canadian grain, Brazilian soybeans, and Chinese rice paddies have in common? They are all staple foods that help feed a growing world population – and to do that, they all require high-quality fertilizers and nutrients. Potash is the most important source of potassium, one of the three macronutrients (together with phosphorus and nitrogen) that all plants need to live.

Growth at Home and Abroad

For decades, potash has been an important part of our economy, and an even more important component of global food production. In Saskatchewan, potash is the common name for the most common global potassium fertilizer, muriate of potash (MOP), or potassium chloride, which is mined from sylvinite ore.

Approximately 50% of the world's reserves are found here in the Canadian prairies, mostly concentrated in southern Saskatchewan. Recovering and refining it is no small feat, but the effect on the environment is mitigated with greener methods that cut greenhouse gas emissions in half compared to those used elsewhere in the world.

In 2020, potash producers in our province*:



Contributed \$8.3 billion to Saskatchewan's GDP



Paid \$526 million in municipal, provincial, and federal taxes



Provided 6,000 direct jobs and \$800 million in salaries



Donated \$10.5 million in community investments



Exported 95% of recovered potash for \$5.5 billion in sales



Contributed \$1.4 billion to local Saskatchewan businesses, with \$160 million going to Indigenous-owned business

*Saskatchewan Mining Association. (2021). Saskatchewan Potash: Nourishing the Earth. A snapshot of Saskatchewan's potash industry in 2020.

In this report, you'll learn about...



Our hundreds of employees, local contractors, procurement partners, and businesses



How KSPC supports local communities through volunteerism, dedicated funding, and ongoing initiatives



Our pursuit of excellent relationships with the Indigenous communities that we partner and work with



Our funding and resource goals for sustainability as a major customer of SaskEnergy, SaskPower, and SaskWater



Our commitments to safe and long-term operations that always benefit the people of Saskatchewan



Our focus on cultivating the next generation of leaders and enabling opportunities for disadvantaged youth

Bringing the potash up from underground is just the beginning of a journey that touches many distant corners of the world. Alongside our 400+ employees in Saskatchewan, our partners – united in a shared belief of a food-secure future – bring this potash to the coast and beyond. We couldn't do what we do without them, and we are endlessly grateful for their dedicated efforts.

Exporting Potential

Bringing Saskatchewan's Resources to the World

Across different locations, communities, and landscapes, hundreds of people on multiple teams work together to bring thousands of tonnes of potash from the plains of Saskatchewan to our port facility at Port Moody, British Columbia, every month. While our partners at Pacific Coast Terminals (PCT) and CP Rail provide the manpower and transportation solutions that deliver every single granule to the coastal facilities and our customers, our small but impactful Logistics team oversees the entire operation across immense stretches of North American railway track.

From Mine to Market

Led by Tyler McDougall, Senior Manager of Logistics and Transportation, our Logistics team monitors shipments coming into and out of Bethune and our port facility at Pacific Coast Terminals in Port Moody. These loads of potash are sent in train cars that carry approximately 100 tonnes each, filling entire trains of 170+ cars before heading to the coast to offload into a waiting vessel. From there, the potash is sent around the world to international buyers.

"We line up the vessels with the trains about a month or six weeks ahead of time," McDougall says. "We work closely with our overseas teams to make sure the timelines work. We ship to China, Brazil, Taiwan, Indonesia, New Zealand, and directly by train to about 130 locations all around North America."

With about 35 to 45 vessels sent out in a given year, each carrying about 50,000 tonnes of potash, it's a big undertaking with a lot of moving parts.

Quality control is constant, and scaled operations are the key to success. "We utilize a third-party independent surveyor to take cargo samples every five minutes while loading the product. They do analysis at the lab to make sure it all aligns with our commitments and the specifications," McDougall explains.

These controls all occur in the background, as our partners from Pacific Coast Terminals help transfer the loads from trains to ships. "PCT is our partner, with a team of workers to move the cargo. They help us get everything done and moving smoothly. Once the cargo is on their premises, they work with us and the shipping agents to arrange berth for the vessel, navigate the terminals, put in union labour orders, and help with the loading." The assistance of our partners - all over North America, but especially in Port Moody - allows the relatively small Logistics team to effectively manage operations across the continent, even from remote workstations far from the main offices.

Part of the Port Moody Community

Being a good corporate citizen for the long-term is an important part of our operations in Saskatchewan - and it's no different at our facility in British Columbia. In 2022, we were able to extend some of our Saskatchewan Youth + Us partnerships out west through our support of the Tri-Cities and British Columbia chapters of Big Brothers and Big Sisters and

Make-a-Wish Foundation.

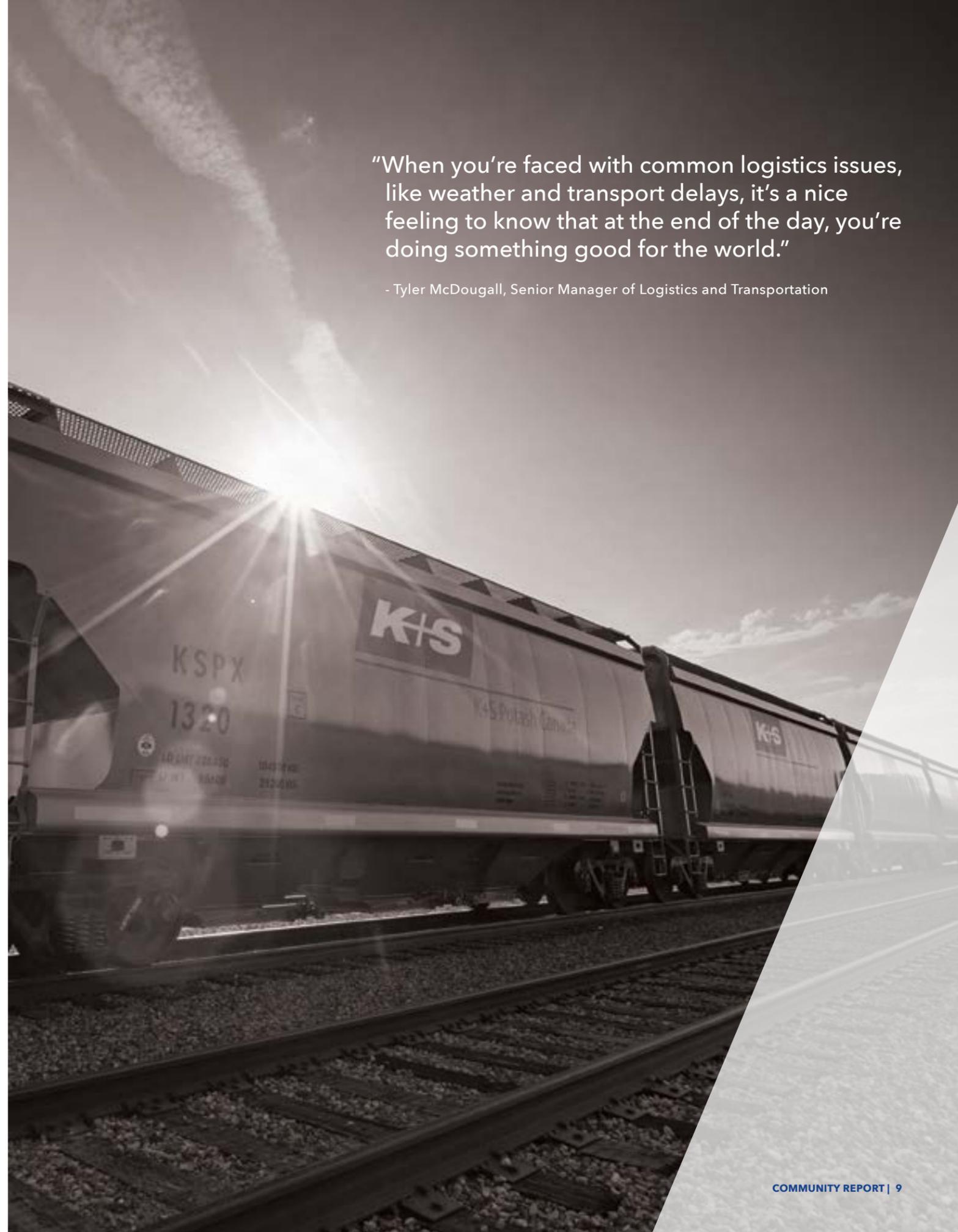
In addition to youth initiatives, we align our community involvement with what Pacific Coast Terminals is doing in the community, such as scholarships and other longstanding community events.

We are also proud to be a major sponsor of the Inlet Spring Regatta in the springtime, which sees hundreds of

paddlers come to the beautiful Rocky Point Park neighbouring our facility and competing on the waterfront directly in front of our potash storage shed. The paddlers' village also provides an opportunity for us to set up our own tent and engage with the people in the community, tell them a bit about who we are, and explain why potash is so important around the world.

"When you're faced with common logistics issues, like weather and transport delays, it's a nice feeling to know that at the end of the day, you're doing something good for the world."

- Tyler McDougall, Senior Manager of Logistics and Transportation





A Place To Be Proud Of

Making Room for Inclusion and Diversity

At KSPC, we know that to drive innovation and remain competitive, a diverse workforce and supporting inclusive culture are essential.

Our Inclusion + Diversity mission is to be a company that fosters a truly inclusive environment - reflecting the diverse communities in which we live and work and encouraging every employee to contribute, grow, and thrive. This diversity brings an amazing array of different perspectives, backgrounds, competencies, and experiences. In turn, each of these factors contributes to an open and welcoming workplace, and act together as the key to longevity, sustainability, and growth.

The Inclusion + Diversity Committee

With a goal of ensuring equal representation across the organization, the Inclusion + Diversity Committee was formally set up in 2021 with membership from multiple areas of the organization. After external consultations throughout the last year, an updated strategy is in development that will account for and emphasize our Inclusion + Diversity commitments.

Markel Chernenkoff, General Counsel and Compliance Officer and Chairperson of the Inclusion + Diversity Committee, oversees the operations of the group and helps guide its strategic plans. "In 2021, a big part of our development was to get the data and find out where we're at," he says. "There were already some big things underway, such as Indigenous Relations initiatives, which we continued."

All the work so far is foundational, though, for even more initiatives to come in the future. "On our committee, there are 12 people reviewing our baseline data, and making the decisions on how to proceed and what's important," he continues. "There are senior leaders, front-line labourers, people from communications. We want to implement a clear path to an inclusive culture and a representative workforce, exceeding the industry average by 2026."

That theme of constant improvement is one that touches the very heart of our operations and affects everything we hope to achieve. "Though this is an ongoing process that will never quite be finished, it's something that's very

important to us - it's a top-level priority in our strategic plan," Markel explains. "There's data to suggest that, for a company to grow and thrive, it's important to have both diversity and inclusivity. It has to be a place where everyone feels like they belong."

Our Inclusion + Diversity Commitments

- We will work together to focus on inclusion and diversity and build a stronger KSPC with the knowledge that the diversity of our employees and contractors is the foundation for our competitive advantage.
- We commit to being change agents and advocates for Inclusion + Diversity within our own teams and throughout KSPC, working to ensure every employee feels a sense of belonging.
- We will facilitate support to supervisors and staff in incorporating the Inclusion + Diversity Framework in their work.
- We commit to ensuring our strategy and plans compliment KSPC's Indigenous Relations policy and reinforce KSPC's commitments to the Indigenous community, including specifically in Treaty 4.
- We will work together to build an inclusive and diverse organization that builds and fosters capacity and inclusion for Indigenous people, women, people with disabilities, people of the 2SLGBTQ+ community, and other visible minority groups.

The Agility+ Flexible and Hybrid Work Program

Building off our Inclusion + Diversity principles, the Agility+ program is a company-wide response to the way that modern workplaces are changing. After the initial stages of the pandemic caused a mass adoption of remote and hybrid work, we decided to fully lean into those practices and create a customized, KSPC-designed solution that could universally enhance our inclusivity practices. Built on a holistic philosophy of trust,

accountability, inclusion, balance, and equity, our Agility+ program is a flexible but systematic approach to remote and hybrid work. It factors in overall responsibilities for each role, expected competencies, removal of hidden biases, and accommodation for personal circumstances to create an equitable and engaging remote, hybrid, and on-site working plan. Employees can often choose where they would like to work, using clear and direct criteria to ensure quality is maintained at any location.

The result is improved accessibility and inclusion for employees - regardless of background, lifestyle, or unique need. It's a system that can adapt for various roles, allowing employees to contribute in the way that suits them best, and leads to more satisfaction and productivity. We believe this future-facing workplace model will be immensely positive in the years ahead and serve as an inspiration for other companies looking to be more inclusive and flexible.

Our Commitment to Meaningful Relationships

Prioritizing Indigenous Relations

Our commitment to building and sustaining positive relationships with Indigenous peoples, communities, and business partners is apparent in our Indigenous Relations policy. This policy was developed in 2019 in consultation with past and present Indigenous leaders, academics, and business partners. At its core is a commitment to continually improve upon it and ensure meaningful engagement and participation throughout KSPC's business practices.

Our Commitments

As an organization, we are committed to:

- Having long-lasting relationships with the local Indigenous people and communities in the regions where we work.
- Employing a leadership team and workforce that endorses these commitments and strives to engage local Indigenous people and communities, such that KSPC becomes a primary example for other organizations to follow.
- Employing a diverse workforce that is representative of Indigenous people, reflective of the overall populations of locations within which KSPC operates, and is educated about KSPC's local Indigenous communities.
- Being a respectful environmental steward of the treaty territory on which its mine operates.
- Sourcing and aligning the direct procurement opportunities of KSPC, as well as the indirect procurement opportunities of KSPC's contractors, to local Indigenous businesses with a goal of further developing local Indigenous business capacity for long-term mutual benefits of the local Indigenous communities and KSPC.
- Supporting community investment opportunities that align with the values of local Indigenous communities and of KSPC.

Running a modern mine is a massive team effort - one that cannot take place without the contribution of hundreds of talented employees and contractors. From security and supply chain logistics to skilled labour and technical expertise, Indigenous people, communities, and business partners integrate into our operations in many ways and provide multiple services that contribute to KSPC's success.



Melissa Shepherd
Manager of Indigenous Relations

Melissa Shepherd has been a part of KSPC since 2017, and in October 2021 she became the Manager of Indigenous Relations. As a member of the Métis community, she brings a valued perspective and passion to the role as an advocate for Indigenous employees, contractors, and communities.

“My role is to ensure KSPC is following our commitments, as identified in our Indigenous Relations policy – and that we continuously strive to do better,” she says. “We know that there is a lot of work to do to build meaningful relationships with Indigenous communities. Whether it’s procurement, employment, or community investment initiatives, Indigenous relations at KSPC are everyone’s responsibility and I’m proud to work with the leadership team and employees committed to doing that work.”

Melissa also strives to ensure there is always open dialogue and a welcoming atmosphere for both Indigenous and non-Indigenous employees. Her commitment to inclusion means looking for creative ways to educate employees through training, workshops, internal libraries, and special guest speakers. “I want all KSPC employees to understand why our commitments to our Indigenous Relations policy are so important. I also want them to know that if they have questions, they can simply reach out and ask.”



The Every Child Matters Feather Project

Last fall, Pasqua First Nation and ProMetal Industries created the Every Child Matters Feather Project in response to the many unmarked graves discovered in Saskatchewan at the sites of former residential schools.

Their goal was to produce and sell small, beautifully designed metal feathers, with the proceeds donated to scholarships and bursaries designated for Indigenous students at local Saskatchewan educational institutions. The project also provided larger orange feathers to be used as grave markers to communities who wished to use them.

KSPC committed funds to the project and launched an additional employee matching campaign. Employees were encouraged to purchase as many feathers as they wished and KSPC would match the dollars spent with an equal company pledge. With great participation from many employees, this initiative resulted in a \$25,000 donation for Indigenous bursaries and the grave marker project.

As an ongoing reminder of the impact of residential schools and the resilience of Saskatchewan’s Indigenous peoples, and to further solidify an atmosphere of open dialogue and education, a permanent art installation utilizing the feathers from this project was hung at the Bethune mine in March 2022.



Tomorrow's Trailblazers: Youth+Us

Inspiring a New Generation of Leaders



In the future, Saskatchewan and the world will have unpredictable challenges that require innovative solutions. Planting those seeds of success begins today - by encouraging tomorrow's trailblazers to build confidence, unleash their creativity, and develop strong characters and personalities.

KSPC's Youth+Us program does that, by creating strong foundations supported by our core values in our communities and beyond.

Our Partners

With 60+ organizations now partnered with the program, receiving about \$1.5 million each year, the impacts across Saskatchewan and British Columbia

continue to grow. Our partners use funding to do what they do best in the community - empowering youth and inspiring social change.

The results are improved experiences of youth across Saskatchewan and British Columbia. These may be in the form of sports programs, artistry and creativity, medical or social assistance, life skills, or something else entirely. No matter the form, it's easy to see the immediate benefits: youth get access to programs that they otherwise would not, which then become brand-new, lifelong opportunities to flourish.

Sydney Gossard Senior Communications Specialist

Sydney Gossard has been a part of KSPC for nearly a decade, helping to shape many of the community-facing programs - like Youth+Us - that have become an integral part of our culture.

"ESG programs, sustainability, and social giving are big priorities for KSPC, because we can be here for generations. A huge part of the community investment program plays into that - being a good citizen and neighbour, and supporting the next generation that will run the plant and the province. We hope to be here for a long time as a source of employment and a producer of something that feeds the world of the future." It's hard

to argue with the personal effects that are plain to see. "When you read about a youth whose life has been changed by what a partner has done, it makes it personal. These kids are right here - our neighbours, family, and friends. It drives home how important the work of those organizations is."

"The purpose of the program is to give kids access to something that they may not otherwise have."



Current annual community investments of over \$1.5M into 60+ organizations

~30% of annual investments go to Indigenous communities



\$300 per employee, per year, given to charities where they volunteer



We are committed to giving back to the communities where we live and work



500 organizations supported in Saskatchewan and British Columbia since 2011



Each year, we continue to grow our Youth+Us program to support diverse youth organizations that build confidence, creativity, and character

Tragedy Into Triumph: Caiden's Story

Life in Saskatchewan often takes place far from the quick services of the big cities - and for the Hendry family, based outside of Nokomis, living in a rural area nearly cost a young boy his life.

STARS on the Scene

September 1, 2014, dawned clear like many prairie summer days, so 10-year-old Caiden, his brother Maddox, and their father Tim went dirt biking at a nearby gravel pit. Not long into the ride, Caiden jumped over a hill too fast and went airborne. He hit the ground and his bike landed on him.

"At first, he kept trying to get up, and collapsing. We thought his neck or back could be broken," his mom Kalie recalls. She got a call and rushed from her parents' house to meet the others. Caiden's leg was badly broken, and he could not even stand. Being far away from help, Tim had to make a tough decision.

"Dad took me to the Nokomis Health Centre," Caiden explains. This small building - undergoing renovations, with no beds available - had no doctor, only a nurse who helped prevent Caiden from going into shock. He waited on the floor for more help to arrive.

Kalie called 911 and first responders came with additional supplies, calling STARS when they arrived. After 2.5 hours, Caiden and Kalie were in the helicopter and on their way to Saskatoon.

Improving Quality of Life for Rural Communities

Strangely, one of the worst days of Caiden's life has had a beneficial effect on the rest of it. From physiotherapy and perseverance to public speaking and advocacy, he has overcome every obstacle and become a thriving young man.

Kalie watches her son proudly, quick to praise STARS for all they do. "STARS has been out here quite a bit," she says,

Becoming a STARS VIP

At the hospital, Caiden's broken leg was set and the danger faded. Throughout recovery, the STARS crew became close with the family, and Caiden soon became a well-known advocate for STARS staff in Saskatoon.

"I remember Darcy - he was my flight nurse, a nice guy. He was always making sure I'm okay, or checking in with me," Caiden remembers. Kalie is quick to agree. "They treated him really well and they were really personable - he felt like a person, and not just a story to sell tickets. They made him, and me, feel special." Nearly a decade later, that bond has continued to grow.

"In the first few years, they invited me to STARS VIP meets and photo shoots. I even did one commercial for the STARS home lottery, and an interview on TV," Caiden says. He was also featured on a STARS calendar, which got a laugh from Kalie when she received a plain envelope marked "MR. JANUARY" in the mail.

Now an adult, Caiden's easygoing humour and confidence are, themselves, partially due to the influence from STARS. As Kalie says, "The ripple effect from the day of his accident has been nothing but positive. They've treated us wonderfully, and it's been nice for Caiden to give back and do some service in return. Now, he's an engaging and confident young man, and a lot of that is due to the opportunity he's had to foster that and do good."

referring to the area around Nokomis. "It makes me feel like I can experience the same service and emergency care that people in the city have - it's a lifesaving service and it just makes me feel comforted."

She doesn't need many words to express her gratitude. "We were very lucky that day. We had STARS, and the minute they walked in, they knew what to do."

Since 2017, Youth+Us has been a funding partner for STARS Air Ambulance in Saskatchewan, contributing more than \$1M to the organization. Allocated funds go toward equipment, training, flight costs, the STARS Bears stuffed animal program, and other expenses. Dedicated donations such as these have been especially crucial during the pandemic, with many other fundraisers cancelled.





Working Towards Safety, Together

Drawn from communities around Saskatchewan and British Columbia, the 400+ people that make up our workforce represent our collaboration and mutual achievements. No matter what process is happening within our facilities on any given day, there is a sense of mutual attention, care, and kindness. We have a commitment to a safe and stable work environment that brings everyone home to their loved ones at the end of each shift.

Leading the Way: The Saskatchewan Mining Association

We are a part of the Saskatchewan Mining Association (SMA), an organization that advocates for over 20,000 people working in our province's mines. Since 2012, when work on the Bethune mine began, their guidance and leadership have provided us with exceptional safety tools and data to incorporate into our own operations. We are proud to be involved with some of their most notable initiatives, like the Serious Injury and Fatality Elimination (SAFE) Committee - an exchange of industry-wide incident reports to advance key learnings and improvements - and the annual SMA Mine Safety Summit, which reinforces safety education.

Their endless advocacy leads to better process enhancements and safety management systems, as well as early prevention of future incidents across the province and the industry. This assists us in our pursuit of Mission: Zero - no accidents, injuries, or suffering on the job.

Safety Day

In October 2021, a new event took place at the Bethune mine with the goal of engaging site employees through presentations and demonstrations of proper safety techniques. The first annual "Safety Day", planned and made a reality by a dedicated group of safety staff, saw vendors and representatives from different groups come to the mine, offering discussions and activities to help us avoid complacency and always look out for one another.

"When it comes to health and safety in Saskatchewan, the mining industry is a leader. Different companies work together to improve prevention and keep everyone safe."

- Brett Welder, Senior Manager, Health, Safety, Security, Environment, and Quality

The initiative was a great success and will return in an updated form each fall, tailored to the most pressing information and needs as identified by the Safety Team.

The Saint Barbara Awards

How does a third-century teenage martyr relate to safety in mining?

Saint Barbara is the patron saint of miners, and according to European traditions, she protects miners as they face the dangers of their daily work. Brought to Saskatchewan from our German parent company, the Saint Barbara Awards happen during the holiday season each year. They help our different teams and communities show solidarity for one another, recognize common goals for health and wellbeing, and highlight the contributions of individuals to the safety of all.

Through a peer nomination process, employees select colleagues who have gone above and beyond in demonstrating a commitment to health and safety in four key areas.

Culture: The nominee has taken the safety ideals of KSPC to heart,

strengthening it through their everyday actions.

Care: Awarded to an employee who demonstrates careful consideration of their fellow workers and maintains a safe work environment.

Compliance: Recognizes a person whose ongoing actions and decisions keep our operations compliant with all safety regulations.

Creativity: Given to the nominee that has shown innovative solutions to enhance safety, including new policies, processes, or equipment use.

The winners take part in a Ledersprung ceremony, the "leather jump." After making the jump, each person is recognized as an "Honourary Miner" and the achievements of all are celebrated together.

SAFETY IS JOB ONE

 Two years with zero lost time injuries

 Bi-weekly meetings with industry partners to discuss health standards

 No significant downtime throughout the entire pandemic

Jordan Hintz
**Superintendent, Health,
Safety, and Security**

Modern mining is relatively safe and highly regulated, and we work hard to stay prepared. Jordan Hintz, a Superintendent, Health, Safety, and Security, is one of five commanders of our 50-member Emergency Response Team (ERT) - made up of company volunteers and ensuring there is always someone ready to respond to a crisis.

"I come from a mining family - my dad worked for over 20 years on the ERT of a different site. So, I grew up seeing the value, the skillsets, the leadership development," Hintz says. "I started right away when I joined the company three years ago. It's hard to explain, but there's such a family atmosphere. The Saskatchewan mining emergency response community is so close-knit, because people work together and get to know each other. They come in with different backgrounds and experiences, but it's always with the right reasons in mind."

Now, Hintz helps handle the world-class training and practices of the team, properly equipping members to handle emergencies: fires, accidents, rescue situations, hazardous material spills, and medical issues. It's a lot to cover. "It's an extensive internal and external training program for every member, and it takes years to get all competencies."

But that training then expands far beyond the job site. "The people on the team are people from the community. They're out on the highways, the hockey rinks, the soccer fields. We really equip people for life, and then they get to be out in the communities. We have controls on site so they may never need their training here, but out there in the real world, they are often first responders in dangerous situations." Creating that far-reaching impact is one of the things Hintz likes most about the role.

"If we can be that community partner, that's a huge value for us and it's something we take seriously. Knowing we helped train and support people who can go out and help others - that's a big, positive outcome."

Brett Welder
**Senior Manager, Health, Safety,
Security, Environment, and Quality**

Since joining KSPC in 2013, Brett Welder has always pursued a strong safety culture. In fact, he was instrumental in developing the overall Safety Vision that helps to guide our policies, strategic decisions, and standards. Today, he maintains a focus on the four safety commitments - leading by example, taking time for safety, stopping all unsafe work, and personal accountability - and uses them to create a culture that prioritizes safe operations across the board.

Brett was part of a leadership team that took swift action on COVID-19 protocols throughout the last two years and played a large role in our adaptability to changing situations. Coordinating across multiple teams and all KSPC locations, his foresight helped to prevent outbreaks and enabled our work to continue without interruption. Brett is also a part of the SMA's SAFE Committee, showing his genuine commitment and care to everyone he works with.

Employee Highlights

The Important Contributions of Our Safety Team



Living Our Values: Acting Sustainably

According to the Government of Saskatchewan, even with conservative estimates the province has enough potash in its reserves that it could maintain current supply rates for at least several hundred years.¹ But the future of potash isn't the only thing we're thinking about - we're also working to ensure that our long-term impact on the environment is minimal, and that the communities around us have economic opportunities for many years to come.

Greenfield & A Greener Future

As a new mine site, just five years into operations - and Saskatchewan's first greenfield mine in more than four decades - the Bethune mine is a useful testing ground for adopting sustainable practices and implementing less intensive resource use. Even now, we are actively exploring other technologies to reduce our footprint and we look forward to having more commercially viable options available to us in the future. This is especially important to consider for the communities around us, as the scale of our operations grow in the years ahead.

Cogeneration & Renewables

Cogeneration is the practice of using waste heat, generated during combustion of natural gas in a turbine, to heat a secondary steam generator. In this way, natural gas can be used more efficiently for the mining process - providing electricity from the turbine in the first step and capturing heat for solution mining in the second.

"It's a more effective use of the natural gas we're already using," says James Wirth, the Senior Manager of Resource Sustainability. "We're interested in those renewable technologies, but we have to wait for them to arrive."

So, while there is potential to harness renewable energy sources, such as geothermal hotspots in certain areas of southern Saskatchewan, more work needs to be done to make those methods feasible. "It's specific to geology - it's not like Iceland," says Wirth. "We would have to go much deeper to

reach geothermal areas, around 2500 to 3000 metres, and it's cost-prohibitive at that level." Small modular reactors (SMRs) fall into a similar category: "They could be useful, but they don't exist in the real world yet. We need proven, off-the-shelf technology that works with our heat requirements."

While cogeneration is not a complete solution for greenhouse gas emissions, we are pursuing its use in order to reduce our total emissions from fossil fuels. In the process, we have brought down our reliance on the SaskPower grid, causing a domino effect of positive change. "One of the big things we've done since 2017 is working with SaskPower to explore being an additional generator in the province," Wirth points out. "The regulatory framework can change to benefit everyone, and our industry can be a willing and able partner. And now, we're seeing the government and the Crown corporations reaching out to collaborate with us and 'green the grid'. There's a lot of education on both sides."

It is still in the early stages, but we believe that further investments - not only from ourselves, but also major contributions from the Government of Saskatchewan and SaskPower - will result in exceptional outcomes in the years ahead. Today, we recognize that renewables cannot provide the total energy that global potash production requires, but we are hopeful that technology can change that for tomorrow. Until then, cogeneration will be a useful tool to guide us toward our ultimate goal of net-zero emissions.



NET-ZERO

We are currently at 5% below 2020 emissions levels. Our goal is to reach 10% below 2020 levels by 2030, and ultimately align with our parent company K+S Group's efforts to be net-zero by 2050.

This is a challenge due to the large amounts of energy required to extract and refine huge quantities of potash. However, several of our industry and community partners are doing amazing work in this space, which will open up more possibilities in the future. One of them is Whitecap Resources, whose efforts in operating a carbon capture facility in southern Saskatchewan

and establishing an industrial carbon capture and storage hub are well underway. This hub would allow KSPC and other emitters to sequester carbon dioxide underground instead of releasing into the air.

As of early 2022, interest is high, and a memorandum of understanding has already been signed between us while the technology is developed. We look forward to seeing more of Whitecap's work, and we are thankful to be included in such a large and collaborative project that has the potential to shape Saskatchewan's future.

"Sustainability is about more than raw emissions numbers. It's about trying to be a good neighbour, reducing our impact on communities, and giving back as much as possible."

Community

As of early 2021, we have begun discussions with a First Nations community partner, George Gordon Developments Ltd., who is graciously collaborating with us on the design, construction, and installation of a 25+-megawatt solar array - one of the largest solar power projects in the province. Under this agreement, they would be able to sell us renewable power from their project for use at our process plant, especially during periods of high demand in the middle of the day.

This arrangement would bring dual benefits in that it would reduce KSPC's reliance on fossil fuels, while providing a complementary renewable power source and "greening" the SaskPower grid. Secondly, George Gordon First Nation would get an ongoing investment back into their community as the power is purchased, enabling further spending on their own infrastructure, programs, and other needs that arise.

BY 2050



The world will have to grow more food than in the last 10,000 years combined



On decreasing farmland, yields will have to increase 70% to feed nearly 10 billion people²



Greenhouse gases must be reduced by 11 gigatons to mitigate climate change³

Contributing to a Healthier World

Balanced fertilization is crucial for resilient crops that can better withstand hard conditions and the long journey from field to table. In the future, as Earth's population grows, there will be less arable land for food production - so we must make the most of what we already have.

For us, this means:

- Seeking help in developing efficient long-term systems and processes
- Considering the needs of external communities
- Deploying the best technology and people to reduce resource consumption
- Being mindful of waste production
- Protecting ecosystems that sustain life

Our Environmental Commitments

Saskatchewan is home to thousands of lakes, ponds, rivers, and other water bodies that serve as breeding grounds for waterfowl and fish, lining the landscape throughout the entire province. Over them, migratory birds fly back and forth each year from around the world, on routes that affect where green energy can be generated via wind turbines (such as the Buffalo Pound Preserve). Ongoing urban development and commercial activities are one of the biggest threats to these environments and recognizing that



Over \$2.8 million in funding to DUC



Nearly \$1 million to NCC



993 acres of grasslands and 361 acres of wetlands restored



280-acre nature preserve at Pasqua Lake Property

Our mine impacts approximately 480 acres of grasslands and 199 acres of wetlands near Bethune. To offset this, we have an ongoing agreement with Nature Conservancy Canada and Ducks Unlimited Canada to restore and conserve nearly a thousand acres

of additional grasslands and 361 acres of wetland in the area. This constitutes the largest known industry investment of its kind in Saskatchewan history, accounting not only for the area of the habitat itself, but the quality and value it provides to local wildlife.

early on has helped shape the way we run our daily operations.

To help us do better, we regularly bring in surveyors, consultants, and environmental experts to monitor wildlife near the mine, test water and air quality, and advise on water and resource use. At Pasqua Lake Property to the east, we support our partners in conservation as they help protect many at-risk and unique species on a 280-acre preserve with national ecological importance.

Our Philosophy for the Future

For our work to succeed, "sustainability" must be more than a buzzword or policy. It must be an inspiration and an aspiration, spurring us forward to do better for our communities.

1 Government of Saskatchewan. (n.d.). *Subsurface Dispositions: Potash and Salt*. <https://www.saskatchewan.ca/business/agriculture-natural-resources-and-industry/mineral-exploration-and-mining/mineral-tenure/subsurface-dispositions>

2 United Nations, Department of Economic and Social Affairs. (2019, June 17). *World Population Prospects 2019*. <https://www.un.org/development/desa/en/news/population/world-population-prospects-2019.html>

3 World Resources Institute. (2018, December 5). *How to Sustainably Feed 10 Billion People by 2050, in 21 Charts*. <https://www.wri.org/insights/how-sustainably-feed-10-billion-people-2050-21-charts>

The Sustainable Future

In terms of food production and sustainability, we see the next decade as being full of opportunities: to innovate, to grow, and to continuously improve. We will work responsibly every day to ensure that people around the world have the product they need for a hopeful tomorrow.

For us, our ongoing sustainability efforts and commitment to the future are a project with no end, used to guide every level of our business. We look forward to the continued collaboration and opportunities shared among our team, our communities, and our world.

Keep Up With KSPC

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