Climate Neutral 2040

Sebastian Roehrig, Head of Corporate Responsibility

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LANXESS’ Corporate Responsibility creates alignment with societal drivers for greater sustainability

U.N. Sustainable Development Goals

Corporate Responsibility

Resilient sourcing
Safe and sustainable sites
Climate protection and energy efficiency
Motivated employees and performing teams
Business-driven innovation
Sustainable product portfolio
Valuing customer relations

Good Corporate Governance

LANXESS is a leading, resilient, sustainable, and profitable company
LANXESS – major achievements in climate protection

Nitrous oxide reduction plant in Krefeld-Uerdingen, Germany
- Reduction by 1,500 kt CO₂e/year
- Awarded several times

Co-generation plant in Porto Feliz, Brazil
- Degree of efficiency of 90 percent
- Powered by biomass, thus CO₂-neutral

Steam network in Antwerp, Belgium
- Highly efficient due to joint energy use by numerous partners in the port of Antwerp

Portfolio optimization
- Focus on low-emission specialty chemicals
LANXESS goes climate neutral

CO₂e emissions (kt)

<table>
<thead>
<tr>
<th>Year</th>
<th>CO₂e emissions (kt)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2004</td>
<td>6,500</td>
</tr>
<tr>
<td>2018</td>
<td>3,200</td>
</tr>
<tr>
<td>2025</td>
<td>2,400</td>
</tr>
<tr>
<td>2030</td>
<td>1,600</td>
</tr>
<tr>
<td>2040</td>
<td>Neutral*</td>
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Three-pillar strategy until 2040

- **Major impact projects**
  - Promote coal phase-out in chemical parks
  - Nitrous oxide reduction plant in Antwerp
  - Switch to renewable energies in India

- **Decouple emissions and growth**
  - Climate targets for each business unit
  - CO₂ footprint as a criterion for organic growth and acquisitions

- **Technical innovations**
  - Increase energy efficiency in Verbund structure
  - Focus research on climate-neutral process and technology innovation
  - Climate-neutral production technologies in global asset park

CO₂e as management compensation criterion

Scope 1 + Scope 2 emissions

*+<300kt CO₂e emissions per year, reduced by compensation measures
Specific projects until 2025

<table>
<thead>
<tr>
<th>Year</th>
<th>CO₂e emissions (kt)</th>
<th>Projects</th>
<th>CO₂e</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3,200</td>
<td>Sale of chrome chemicals business</td>
<td>-200 kt</td>
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<tr>
<td></td>
<td></td>
<td>Nitrous oxide reduction in Antwerp Phase 1</td>
<td>-150 kt</td>
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<tr>
<td></td>
<td></td>
<td>Nitrous oxide reduction in Antwerp Phase 2</td>
<td>-300 kt</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Climate neutrality in India</td>
<td>-150 kt</td>
</tr>
<tr>
<td>2025</td>
<td>2,400</td>
<td><strong>Total</strong></td>
<td><strong>-800 kt</strong></td>
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Investments of EUR 100 million
Political framework conditions have to be right

<table>
<thead>
<tr>
<th>Working European Emissions Trading System</th>
</tr>
</thead>
<tbody>
<tr>
<td>Renewable energies at competitive prices</td>
</tr>
<tr>
<td>Simplified and accelerated approval procedures</td>
</tr>
<tr>
<td>Improve financial and tax structure for future investments</td>
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