

LANXESS Liyang site to use 50% renewable electricity

Shanghai, September 28, 2022 - Specialty chemicals company LANXESS recently has completed a first project of sourcing green electricity at its site in Liyang. The move brings the proportion of renewable energy used to about 50 percent of the site's total annual electricity consumption and makes Liyang the first LANXESS site in China to use green energy. By building a new power system dominated by green energy, the company is speeding up the low-carbon transition of production, thereby helping to achieve the goal of Carbon Peaking and Carbon Neutrality.

"With the global consensus on low-carbon transition, the goal of Carbon Peaking and Carbon Neutrality is also moving from conceptual planning to comprehensive realization, driven by policy guidance and market demand. With energy consumption being at the core of lowering carbon emissions, our green and low-carbon new power system will support the plant's carbon reduction. The Liyang site will keep seeking opportunities in the area of renewable energy and is committed to doing its part to achieve the company's climate goal and China's goal of Carbon Peaking and Carbon Neutrality," Biao Chen, General Manager of the Liyang site, said.

Promoting the achievement of Carbon Peaking and Carbon Neutrality

Green electricity refers to electricity with zero or near-zero carbon dioxide emissions during the production process, with main sources including solar energy, wind power, biomass energy and geothermal energy. In June this year, seven ministries including the Ministry of Ecology and Environment, the National Development and Reform Commission and the Ministry of Industry and Information Technology issued the Implementation Plan for Synergistic Efficiency of Pollution Reduction and Carbon Reduction, which proposes to propel green and low-carbon transition of energy, implement renewable energy

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alternating actions, and vigorously develop wind power, solar energy, biomass energy, ocean energy, geothermal energy, among others.

Driven by policies, a new power system with green energy as the main body is being formed, with the proportion of the supply side increasing significantly and the energy consumption of the demand side also rising rapidly, laying a solid foundation for enterprises to reduce carbon emissions. The green electricity purchased by the Liyang site is divided into 50 percent wind power, which was put to use from March to July this year, and 50 percent solar power to be used from August to December this year. The green electricity transaction is expected to reduce carbon dioxide emissions by thousands of tons.

In addition, driving energy transition in the context of Carbon Peaking and Carbon Neutrality is a systematic project. It is necessary to take measures from both supply and demand sides to make green electricity consumption more transparent and accurate, so as to explore more practical carbon reduction solutions. Following this green electricity transaction, it is expected that by the end of 2022, the Liyang site will obtain a green electricity certificate issued by the National Renewable Energy Information Center and a green electricity consumption certificate issued by the Beijing Power Exchange Center. The “dual certificate” of green electricity is proof for electricity users’ consumption of green electricity, verifying the data and records of the transaction, sale, production, consumption and expense settlement of per KWh green electricity, so as to realize the traceability of the whole life cycle of green electricity consumption.

Accelerating the realization of climate neutrality

As a chemical company, LANXESS has always placed sustainability and climate protection at the core of its strategy, integrating it into every aspect of its production and operation. For direct emissions in production (scope 1) and for energy sourced (scope 2), LANXESS already set a target of becoming climate-neutral by 2040 three years ago.

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To achieve this goal, LANXESS has formulated a clear emission reduction strategy: launching major impact projects for climate protection, decoupling emissions and growth, and strengthening process and technological innovations. In addition, LANXESS has taken such measures as green energy sourcing, and cooperated with local communities to reduce greenhouse gas emissions from its global sites and tackle climate change challenges. From 2018 to 2021, the CO₂e (carbon dioxide equivalent) emissions of LANXESS were decreased from the initial approximately 3.177 million tons to approximately 2.591 million tons, down 7 percent per year. Despite increased production and acquisitions, there were almost no additional emissions generated.

From the perspective of carbon reduction, carbon emissions are from not only the production process, but also the entire industrial chain. To this end, LANXESS further set itself in August this year the target to eliminate indirect emissions in the upstream and downstream value chain by 2050 (scope 3), and launched the Net Zero Value Chain Program. This strategy, which aims to make the entire value chain to become climate-neutral, includes three pillars: sustainable raw materials, green logistics and climate-neutral products. The company will cooperate with upstream suppliers and downstream customers to jointly build carbon reduction capabilities throughout the life cycle.

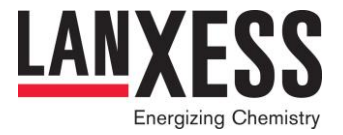
From green energy sourcing to linked carbon reduction along the value chain, LANXESS is giving play to its significant sustainable business benefits, and pushing forward green and low-carbon transition of production links and upstream and downstream supply chains, so as to accelerate the progress towards climate neutrality. With excellent performance in sustainability, LANXESS placed first in the Dow Jones Sustainability Index (DJSI) Europe in the “Chemicals” category in 2021, scoring 87 out of 100 points. In the DJSI World, LANXESS came in second place in the same category.

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Press Release



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Press Release

About LANXESS

LANXESS is a leading specialty chemicals company with sales of EUR 6.1 billion in 2021. The company currently has about 13,200 employees in 33 countries. The core business of LANXESS is the development, manufacturing and marketing of chemical intermediates, additives and consumer protection products. LANXESS is listed in the leading sustainability indices Dow Jones Sustainability Index (DJSI World and Europe) and FTSE4Good.

LANXESS China

On January 31, 2005, the company was initially listed on the Frankfurt Stock Exchange and LANXESS Chemical (China) Co., Ltd. officially started operations. LANXESS now has 13 subsidiaries, 6 R&D centers and 7 production sites with around 1,200 employees in Greater China. LANXESS works closely with its local partners to develop market-oriented solutions that meet local market needs.

Forward-Looking Statements

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