

# STOCKHOLDERS' MEETING

Invitation

We hereby give notice of our Annual Stockholders' Meeting to be held on Friday, 26 May 2017, at 10:00 a.m. at the LANXESS arena, Willy-Brandt-Platz 1, 50679 Cologne.

## I. Agenda

### 1. Presentation of the approved annual financial statement and the adopted consolidated financial statement for the year ended 31 December 2016 with the consolidated management report for LANXESS Aktiengesellschaft and for the group of companies, including the explanatory report on the information pursuant to Section 289 Para. 4 as well as Section 315 Para. 4 of the German Commercial Code (HGB), as well as presentation of the report of the Supervisory Board for the fiscal year 2016

The Supervisory Board has approved the annual financial statement and the consolidated financial statement prepared by the Board of Management. The annual financial statement thus has been adopted pursuant to Section 172 Para. 1 German Stock Corporation Act (AktG). Accordingly, there will be no adoption of a resolution by the Stockholders' Meeting.

### 2. Adoption of a resolution regarding the appropriation of the balance sheet profits

The Board of Management and the Supervisory Board propose that the balance sheet profits of EUR 332,005,021.59 for the fiscal year 2016 shall be used as follows:

– Distribution of a dividend of EUR 0.70 per dividend-bearing no-par value share	EUR 64,066,055.20,
– Allocation to other retained earnings	EUR 175,000,000.00,
– Profit carried forward	EUR 92,938,966.39,
Total balance sheet profits	EUR 332,005,021.59.

The stated amounts available for dividends, transfer to other retained earnings, and profit carried forward were based on the dividend-bearing no-par value shares existing when the appropriation of profits proposed by the Board of Management and the Supervisory Board were determined. Should the number of dividend-bearing no-par value shares change by the date of the Annual Stockholders' Meeting, a motion for a resolution adapted as follows to such change shall be submitted to the Annual Stockholders' Meeting: the dividend per dividend-bearing no-par value share of EUR 0.70, as well as the amount of EUR 175,000,000.00 allocated to other retained earnings remain unchanged. Insofar as the number of dividend-bearing no-par value shares and therefore the sum of dividends increases, the amount of profit carried forward shall decrease accordingly. Insofar as the number of dividend-bearing shares and therefore the sum of dividends decreases, the amount of profit carried forward shall increase accordingly.

According to Section 58 Para. 4 Sentence 2 AktG as amended with effect as of 1 January 2017, the claim to the dividend is due on the third business day following the resolution of the Annual Stockholders' Meeting, i. e. on 31 May 2017, which is when it will be paid out.

### **3. Adoption of a resolution on the ratification of the actions of the members of the Board of Management**

The Board of Management and the Supervisory Board propose that formal approval be given for the actions of the members of the Board of Management in office during the fiscal year 2016 with respect to that fiscal year. The intention is to have the Annual Stockholders' Meeting vote on the ratification of the actions of the members of the Board of Management by way of a ratification of individual members.

### **4. Adoption of a resolution on the ratification of the actions of the members of the Supervisory Board**

The Board of Management and the Supervisory Board propose that formal approval be given to the actions of the members of the Supervisory Board in office during the fiscal year 2016 with respect to that fiscal year. The intention is to have the Annual Stockholders' Meeting vote on the ratification of the actions of the members of the Supervisory Board by way of a ratification of individual members.

### **5. Appointment of the auditor**

Upon recommendation of the Audit Committee, the Supervisory Board proposes that PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, shall be appointed as

- a) auditor of the annual financial statements and the consolidated financial statement for fiscal year 2017, as well as;
- b) auditor for the review of the abbreviated financial statements and the interim management report as contained in the 2017 half-year report.

For the aforementioned audit services, the Audit Committee, having completed a selection procedure and pursuant to the requirements in Article 16 Para. 2 of Regulation (EU) No 537/2014 of the European Parliament and of the Council of 16 April 2014 on specific requirements regarding statutory audit of public-interest entities and repealing Commission Decision 2005/909/EC, has recommended

1. PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main, and

2. KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin,

and stated its preference for PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft, Frankfurt am Main.

## **6. Adoption of a resolution on the new election of a member of the Supervisory Board**

Pursuant to a court order of 1 July 2016, Dr. Heike Hanagarth was appointed to the Company's Supervisory Board to replace the previous Supervisory Board member Ms. Claudia Nemat. As her membership in the Supervisory Board ends upon the close of the Annual Stockholders' Meeting on 26 May 2017, the Annual Stockholders' Meeting is to now elect Dr. Heike Hanagarth to the Supervisory Board as stockholders' representative.

Pursuant to Sections 96 Para. 1 and 2, 101 Para. 1 AktG, Sections 1 Para. 1, 7 Para. 1 Sentence 1 No. 1, Para. 2 No. 1 and Para. 3 of the German Co-Determination Act (Mitbestimmungsgesetz) and Section 8 Para. 1 of the Articles of Association, the Supervisory Board of LANXESS Aktiengesellschaft is composed of 12 members, six of whom are elected by the stockholders and six of whom are elected by the employees.

In total, at least four seats on the Supervisory Board must be occupied by women and at least four by men in order to meet the minimum requirements under Section 96 Para. 2 Sentence 1 AktG. At the time of convening the Annual Stockholders' Meeting, there have been no objections pursuant to Section 96 Para. 2 Sentence 3 AktG to the overall fulfillment. At the time of convening the Annual Stockholders' Meeting, the Supervisory Board has one other female member in addition to Dr. Heike Hanagarth, so that the minimum share of female Supervisory Board members has not yet been reached at this point in time.

Based on the recommendations of the Nomination Committee of the Supervisory Board, the Supervisory Board proposes to appoint

**Dr. Heike Hanagarth, Oberteuringen,**  
Business Consultant

as stockholders' representative to the Supervisory Board effective as of the close of this Annual Stockholders' Meeting to the close of the Annual Stockholders' meeting adopting a resolution on the ratification of the actions of the members of the Supervisory Board for the fiscal year 2021.

The Annual Stockholders' Meeting is not bound to nomination proposals.

Membership of Dr. Heike Hanagarth in other supervisory boards to be formed in accordance with the law:

- LANXESS Deutschland GmbH, Cologne

Dr. Heike Hanagarth's memberships in comparable domestic and foreign supervisory organs of commercial enterprises:

- aichele GROUP GmbH & Co. KG, Bretten

Regardless of the fact that Dr. Heike Hanagarth is already a member of the Supervisory Board for the Company and the Supervisory Board of its subsidiary, LANXESS Deutschland GmbH, in the opinion of the Supervisory Board there are no personal or business relationships as defined in Clause 5.4.1 of the German Corporate Governance Code between the proposed candidate and LANXESS Aktiengesellschaft, its group companies, the corporate bodies of LANXESS Aktiengesellschaft, or a shareholder with a substantial interest in the LANXESS Aktiengesellschaft with any significance for the election decision of the Annual Stockholders' Meeting.

Reference is made to Dr. Heike Hanagarth's résumé and overview of main activities in addition to her Supervisory Board appointment in Section II of the invitation.

**7. Adoption of a resolution regarding the creation of new authorized capital III (with the option of excluding subscription rights) as well as the corresponding amendment of Section 4 (capital stock) of the Articles of Association.**

The authorization of the Board of Management granted by the Annual Stockholders' Meeting on 23 May 2013 to increase the capital stock by up to EUR 16,640,534 (authorized capital I) and the authorization of the Board of Management granted on 13 May 2015 to increase the capital stock by up to EUR 18,304,587 (authorized capital II) both expire on 22 May 2018. A reorganization of all authorized capital is planned for the 2018 Annual Stockholders' Meeting. It is possible that the Annual Stockholders' Meeting will be held after 22 May 2018. In addition, newly created authorized capital becomes effective only once the resolution has been registered in the commercial register, which is typically some time after its adoption. Therefore, it cannot be ruled out that during a transition period, the Company might be left entirely without any authorized capital.

In order to avoid this, a new authorized capital III is to be created already in the Annual Stockholders' Meeting of 26 May 2017. It is to be limited to capital increases against cash contributions of up to 10 % of the capital stock, and includes an authorization for a simplified subscription right exclusion pursuant to Section 186 Para. 3 Sentence 4 AktG. This is meant to ensure that the Company will be able, without interruption, to quickly and flexibly cover its financial needs until the new authorized capital to be created by the 2018 Annual Stockholders' Meeting becomes effective. The newly authorized capital III shall not create additional dilution potential for the Stockholders. The Board of Management will therefore use the authorized capital III only to the extent that the authorized capital I and the authorized capital II have expired or to the extent that a capital increase from the existing authorized capitals I and II is not possible because the registration of the implementation of the capital increase is not expected to occur within the term of the authorized capitals I and II.

The Board of Management and the Supervisory Board propose that the following resolution shall be adopted:

#### **a) Creation of new authorized capital III**

The Board of Management will be authorized to increase the capital stock by 25 May 2022, with the approval of the Supervisory Board, by way of issuance of new no-par value bearer shares against cash contributions, either once or several times, by up to a total of EUR 9,152,293 (authorized capital III).

Stockholders will be granted a subscription right with the following restrictions:

The Board of Management is authorized, with the approval of the Supervisory Board, to exclude the Stockholders' subscription rights with regard to fractional amounts in the case of capital increases against cash contributions.

The Board of Management will furthermore be authorized, with the Supervisory Board's approval, in the case of capital increases against cash contributions, to exclude subscription rights if the amount for which the new no-par value bearer shares are issued does not significantly fall short of the market price at the time of final determination of the amount for which the shares are issued, which should be as close as possible to the placement of the no-par value bearer shares (simplified exclusion of subscription rights in accordance with Section 186 Para. 3 Sentence 4 AktG). The shares issued under exclusion of the subscription right in accordance with Section 186 Para. 3 Sentence 4 AktG may not exceed 10 % of the capital stock existing at the time when the resolution is passed by the Annual Stockholders' Meeting or – if

the value is lower – when the resolution regarding the initial exploitation of authorized capital is passed. This upper limit of 10 % of capital stock shall be reduced by the prorated amount of the capital stock attributable to those shares issued or sold during the period of effectiveness of this authorization under the exclusion of the subscription right in direct or analogous application of Section 186 Para. 3 Sentence 4 AktG. Furthermore, this ceiling is decreased by shares that have been or must be issued in order to satisfy option or conversion rights or obligations, if the option or conversion rights or obligations were issued under exclusion of the subscription right in accordance with Section 186 Para. 3 Sentence 4 AktG during the period of effectiveness of this authorization.

The Board of Management will also be authorized, with the Supervisory Board's approval, to determine the further particulars of the capital increase and its implementation.

## **b) Amendments of the Articles of Association**

After Section 4 paragraph 3 of the Articles of Association, a new paragraph 4 is inserted. The number of the following paragraphs increases accordingly so that the previous paragraphs 4 and 5 will become paragraphs 5 and 6. The new Section 4 paragraph 4 of the Articles of Association is worded as follows:

“The Board of Management will be authorized to increase the capital stock by 25 May 2022, with the approval of the Supervisory Board, by way of issuance of new no-par value bearer shares against cash contributions, either once or several times, by up to a total of EUR 9,152,293 (authorized capital III). Stockholders will be granted a subscription right with the following restrictions: The Board of Management is authorized, with the approval of the Supervisory Board, to exclude the Stockholders' subscription rights with regard to fractional amounts in the case of capital increases against cash deposits. Furthermore, with the Supervisory Board's approval, in the case of capital increases against cash contributions, the Stockholders' subscription rights can be excluded if the amount for which the new no-par value bearer shares are issued does not significantly fall short of the market price at the time of final determination of the amount for which the shares are issued, which should be as close as possible to the placement of the no-par value bearer shares (simplified exclusion of subscription rights in accordance with Section 186 Para. 3 Sentence 4 AktG). The shares issued under exclusion of the subscription right in accordance with Section 186 Para. 3 Sentence 4 AktG may not exceed 10 % of the capital stock existing at the time when the resolution is passed by the Annual Stockholders' Meeting or – if the value is lower – when the resolution regarding the initial exploitation of authorized capital is passed. This upper limit of 10 %

of capital stock shall be reduced by the prorated amount of the capital stock attributable to those shares issued or sold during the period of effectiveness of this authorization under the exclusion of the subscription right in direct or analogous application of Section 186 Para. 3 Sentence 4 AktG. Furthermore, this ceiling is decreased by shares that have been or must be issued in order to satisfy option or conversion rights or obligations, if the option or conversion rights or obligations were issued under exclusion of the subscription right in accordance with Section 186 Para. 3 Sentence 4 AktG during the period of effectiveness of this authorization. The Board of Management will also be authorized to determine the further particulars of the capital increase and its implementation with the Supervisory Board's approval."

Even after the creation of a new authorized capital III, the Board of Management will continue to be bound by the content of the restrictions on the overall volume of the capital measures with exclusion of subscription rights which were set forth in the invitation to the Annual Stockholders' Meeting of 13 May 2015 in connection with the creation of the authorized capital II and on which a resolution was passed in the Annual Stockholders' Meeting of 13 May 2015.

## **II. Résumé of the Stockholder representative proposed for election to the Supervisory Board, Dr. Heike Hanagarth**

### **Dr. Heike Hanagarth**

Born in Karlsruhe on 11 April 1959

Business Consultant

Member of the Supervisory Board of LANXESS AG since 2016

Dr. Heike Hanagarth began her career in 1988 at Daimler-Benz AG where she was last employed as department manager for materials and process engineering. In 1998, she switched to MTU Friedrichshafen GmbH, where she held various management positions in engine production and then took on worldwide quality and risk management in 2005. In 2008, Dr. Heike Hanagarth became CEO of the automotive supplier Rotorion GmbH, a Tognum Group company. From 2009 on, she was a member of the management of IFA Rotorion-Holding GmbH. In 2011, she moved to the BMW Group where she managed the Munich engine plant until the end of November 2013. Thereafter, Dr. Heike Hanagarth was a director for technology and environment in the board of directors of Deutsche Bahn AG. She was responsible for procurement, engineering strategy/innovation, quality, IT, environment and resource controlling.

Dr. Heike Hanagarth studied mechanical engineering at TH Karlsruhe, where she completed her doctoral degree in 1989 while working at Daimler-Benz AG.

Main activities in addition to her Supervisory Board appointment:

Dr. Heike Hanagarth is a member of the Senate of Helmholtz Association, a union of scientific-technical and biological-medical research centers promoting and funding research projects. Moreover, she is a member of the Board of Trustees of the Fraunhofer Institute for Systems and Innovation Research (ISI) as well as of the Board of Trustees of the "Haus der kleinen Forscher" Foundation. In 2015, she was appointed to the high-tech forum implementing the Federal Government's high-tech strategy.

### III. Report of the Board of Management

#### **The report of the Board of Management to the Annual Stockholders' Meeting concerning Item 7 of the Agenda in accordance with Section 203 Para. 2 Sentence 2 AktG in conjunction with Section 186 Para. 4 Sentence 2 AktG**

The Board of Management is submitting to the Company's Annual Stockholders' Meeting convened for 26 May 2017 the following written report pursuant to Section 203 Para. 2 AktG in conjunction with Section 186 Para. 4 Sentence 2 AktG regarding the recommendation on the resolution to be passed under agenda item 7 regarding the creation of a new authorized capital III:

The authorization of the Board of Management granted by the Annual Stockholders' Meeting on 23 May 2013 to increase the capital stock by up to EUR 16,640,534 (authorized capital I) and the authorization of the Board of Management granted on 13 May 2015 to increase the capital stock by up to EUR 18,304,587 (authorized capital II) both expire on 22 May 2018. A reorganization of all authorized capital is planned for the 2018 Annual Stockholders' Meeting. It is possible that the Annual Stockholders' Meeting will be held after 22 May 2018. In addition, newly created authorized capital becomes effective only once the resolution has been registered in the commercial register, which is typically some time after its adoption. Therefore, it cannot be ruled out that during a transition period, the Company might be left entirely without authorized any capital.

In order to avoid this, a new authorized capital III shall be created already in the Annual Stockholders' Meeting of 26 May 2017. It is to be limited to capital increases against cash contributions of up to 10 % of the capital stock and includes an authorization for a simplified exclusion of subscription rights pursuant to Section 186

Para. 3 Sentence 4 AktG. This is meant to ensure that the Company will be able, without interruption, to quickly and flexibly cover its financial needs until the new authorized capital to be created by the 2018 Annual Stockholders' Meeting becomes effective. The newly authorized capital III shall not create additional dilution potential for the Stockholders. The Board of Management will therefore use the authorized capital III only to the extent that the authorized capital I and the authorized capital II have expired or to the extent that a capital increase from the existing authorized capitals I and II is not possible because the registration of the implementation of the capital increase is not expected to occur within the term of the authorized capitals I and II.

### **Creation of a new authorized capital III**

The new authorized capital III amounts to EUR 9,152,293 and is thus equal to 10 % of the current capital stock in a total amount of EUR 91,522,936.

The authorized capital I of EUR 16,640,534 approved by the Annual Stockholders' Meeting on 23 May 2013 (Section 4 paragraph 2 of the Articles of Association) and the authorized capital II of EUR 18,304,587 approved on 13 May 2015, shall continue to exist alongside the new authorized capital III provided for in Section 4 paragraph 4 of the Articles of Association and remain unaffected.

The proposed new authorized capital III places the Company, within reasonable limits, in a position that will continue to enable it to quickly and flexibly cover its financial needs in the future. Decisions about the coverage of need for capital generally have to be made quickly. It is therefore important that the Company does not depend on the annually scheduled Annual Stockholders' Meetings and that authorized capital is available at any time. By providing the instrument of authorized capital, lawgivers have taken this fact into account. The creation of a new authorized capital III is to prevent a transition period during which the Board of Management does not have access to any authorized capital at all.

Against this background, the new authorized capital III is limited to capital increases against cash contributions and, as usual, to have a term of five years. On 22 May 2018, the authorizations for the existing authorized capital I and the existing authorized capital II will expire. This means that the Annual Stockholders' Meeting in 2018 will be able to decide on the creation of new authorized capital including capital increases against contributions in kind. This will allow in the future for decisions on authorized capitals to be made on a staggered basis in two consecutive years without creating any transition periods without authorized capital.

The Stockholders are generally entitled to a statutory subscription right when the authorized capital III is utilized. With the Supervisory Board's approval, it shall however be possible to exclude this subscription right in the following cases:

### **Subscription right exclusion for fractional amounts relating to capital increases**

It should be possible to exclude the subscription right with regard to fractional amounts in the case of capital increases against cash contributions. This is to facilitate the processing of an issue with a basic subscription right for Stockholders. Fractional amounts may result from the respective issue volume and from the fact that it is necessary to constitute a technically feasible subscription right relationship. The value of such fractional amounts is usually low for the individual Stockholder. The potential dilution effect can also be disregarded due to the limitation to fractional amounts. Also, the effort necessary for an issue without such an exclusion is much greater for the Company, which leads to additional costs. The exclusion of the subscription right thus serves the purpose of practicability and cost efficiency and simplifies the implementation of an issue. The new shares that are excluded from the Stockholders' subscription right as fractional shares are liquidated in a manner that is most beneficial for the Company, either by selling them on a stock exchange or in another way.

### **Subscription right exclusion regarding capital increases against cash contributions pursuant to Section 186 Para. 3 Sentence 4 AktG**

Finally, the Stockholders' subscription right may also be excluded with the Supervisory Board's approval if the no-par bearer shares against cash contributions are issued at a price that is not significantly lower than the stock market price. Such an authorization enables the Company to quickly and flexibly utilize market opportunities and to quickly cover possible capital requirements. Section 186 Para. 2 Sentence 2 AktG does allow publication of the subscription price up until the third from last day of the subscription period. In light of the frequently observed volatility of the stock markets, however, there is also a market risk over several days, which leads to safety discounts in the determination of the subscription price and thus to conditions that are not close to the market. Also, in the case of the existence of a subscription right, the uncertainty surrounding the exercise of a granted subscription right (subscription behavior) jeopardizes successful placement with third parties or gives rise to associated costs. On the other hand, the exclusion of the subscription right allows for quick action and a placement close to the stock exchange price without the usual discounts when issuing subscription rights due to the high volatility on the stock markets. This way, a speedy capital procurement for the Company can be optimized even

further, in particular since experience has shown that the ability to act more quickly results in larger cash inflow. Therefore, this form of capital increase is also in the Stockholders' best interest.

Protection against dilution is addressed by the fact that no-par value bearer shares may only be sold at a price that is not significantly lower than the prevailing stock exchange price. The Board of Management will strive to minimize any discount on the stock exchange price, giving due consideration to the current market conditions. In this context, the Stockholders are protected by the fact that the discount on the stock exchange price at the time of the utilization of the authorized capital cannot be significant, i. e. that it may never exceed 5 % of the current stock exchange price. Stockholders shall furthermore have the option of maintaining their share in the Company's capital stock at any time by acquiring shares on the stock market.

The capital increase against cash contribution with exclusion of the subscription right in accordance with Section 186 Para. 3 Sentence 4 AktG must not exceed 10 % of the respective existing capital stock, neither at the time this authorization becomes effective nor at the time it is exercised. This ceiling relevant for the simplified exclusion of the subscription right is reduced by the prorated amount of the capital stock attributable to those shares that were issued or sold during the time this authorization was effective under the exclusion of the subscription right in direct or respective application of Section 186 Para. 3 Sentence 4 AktG. Furthermore, this ceiling is decreased by shares that have been or must be issued from the authorized capital I or the authorized capital II in order to satisfy option or conversion rights or obligations, if the option or conversion rights or obligations were issued under exclusion of the subscription right in accordance with Section 186 Para. 3 Sentence 4 AktG during the period of effectiveness of this authorization.

### **Utilization of the new authorized capital III**

The Board of Management will use the authorized capital III only to the extent that the authorized capitals I and II have expired or to the extent that a capital increase from the existing authorized capitals I and II is not possible because the registration of the implementation of the capital increase is not expected to occur within the term of the authorized capitals I and II. The Board of Management will be bound to these limitations until a future Annual Stockholders' Meeting passes another resolution about the authorization of the Board of Management regarding capital measures under exclusion of the Stockholders' subscription rights.

In each individual case mentioned in this authorization, the Board of Management will carefully review whether it will use the authorization to increase capital under exclusion of the Stockhold-

ers' subscription right. The Board of Management will only do so if the exclusion of the subscription right lies, in the opinion of the Board of Management and the Supervisory Board, in the interest of the Company and therefore in the interest of its Stockholders. As in the past, the Board of Management will also exercise this authorization responsibly.

In the event of a utilization of the above authorization, the Board of Management will issue a corresponding report.

**Continued validity of the declaration on the total scope of capital measures with exclusion of the subscription rights, on which the Annual Stockholders' Meeting of 13 May 2015 passed a resolution**

Even after the creation of a new authorized capital III, the Board of Management will continue to be bound by the restrictions on the overall volume of capital measures with exclusion of subscription rights which were set forth in the invitation to the Annual Stockholders' Meeting of 13 May 2015 in connection with the creation of the authorized capital II and on which a resolution was passed in the Annual Stockholders' Meeting of 13 May 2015. These are the restrictions that were set forth:

*"The Management Board can only use the authorization to issue shares from the new authorized capital II in the maximum amount of 20 % of the capital stock that exists at the time the resolution is passed. When deciding on the exclusion of the subscription right of stockholders, the Management Board will also take into consideration an issue of bonds with option or conversion rights and/or obligations, which is issued on the basis of other authorizations granted by the Annual Stockholders' Meeting of 13 May 2015 under exclusion of the subscription right of stockholders, with the provision that it will only use the authorizations granted by the Annual Stockholders' Meeting of 13 May 2015 for capital measures under exclusion of the stockholders' subscription right to increase the capital stock in the maximum amount of 20 % of the capital stock that exists at the time the resolution is passed. The shares issued from the authorized capital II under exclusion of the subscription right regarding capital increases by way of contributions in kind should not exceed 10 % of the capital stock that exists at the time the resolution is passed."*

The Board of Management will be bound to these limitations until a future Annual Stockholders' Meeting passes another resolution about the authorization of the Board of Management regarding capital measures under exclusion of the Stockholders' subscription rights.

## **IV. Additional information regarding the convening**

### **1. Total number of shares and voting rights**

At the time of the notice convening the Annual Stockholders' Meeting, a total of 91,522,936 no-par value shares have been issued. Each issued share carries one voting right. The Company holds no own shares at the time the Annual Stockholders' Meeting is convened. Therefore, the total number of voting rights is 91,522,936. There are no different classes of shares.

### **2. Requirement for the participation in the Annual Stockholders' Meeting and execution of voting rights**

Stockholders are entitled to attend the Annual Stockholders' Meeting and to exercise voting rights provided that they have furnished proof of their right to attend the Annual Stockholders' Meeting in form of a special verification of stock ownership issued in text form by the depositary institution and have registered with the Company in text form, in German or English, no later than on or before Friday, 19 May 2017 (24:00 hours CEST). The verification of stock ownership must refer to the beginning of the 21st day prior to the Annual Stockholders' Meeting, i. e. Friday, 5 May 2017, 0:00 hours CEST (evidence reference date), and must be drawn up in the German or English language. Both verification of stock ownership and registration must be received by the Company no later than Friday, 19 May 2017 (24:00 hours CEST) at the following address:

**LANXESS Aktiengesellschaft  
c/o Deutsche Bank AG  
Securities Production  
General Meetings  
Postfach 20 01 07  
60605 Frankfurt am Main**

**email: [wp.hv@db-is.com](mailto:wp.hv@db-is.com)  
Fax: + 49 (0)69 12012-86045**

The evidence reference date shall be authoritative for exercising participation rights and for the scope of voting rights in the Annual Stockholders' Meeting. In the relationship with the Company, as regards participation in the Annual Stockholders' Meeting and exercising voting rights, only a person having furnished such special verification of stock ownership as of the evidence reference date shall be considered a Stockholder. Changes in stock ownership after the evidence reference date shall be without rele-

vance for the participation right and the scope of voting rights. Anyone who as of the evidence reference date has not yet held any shares and who has acquired their shares only after the evidence reference day, therefore shall not be entitled to attend or vote, unless they are appointed as authorized representatives or proxy. Stockholders who have duly registered and furnished special verification of stock ownership, shall continue to be entitled to attend and to vote to the extent of the demonstrated stock ownership if they sell all or part of their shares after the evidence reference date. The evidence reference date shall be of no relevance for dividend rights.

Upon receipt of registration and verification of stock ownership, Stockholders entitled to attend shall be sent admission tickets for the Annual Stockholders' Meeting. We ask Stockholders to ensure in a timely way their registration and provision of the verification of stock ownership by their depository institution so as to facilitate the organization of the Annual Stockholders' Meeting.

### **3. Proxy procedure**

#### Third-party authorization

Stockholders have the option of having their voting rights exercised by an authorized representative, also including a financial institution or a stockholders' association as proxy. Issuing, revoking, or evidencing of such proxy vis-à-vis the Company shall be made in text form unless a financial institution or a stockholders' association or any other similar institution or person under Section 135 Para. 8 and Para. 10 AktG are to be authorized to exercise voting rights.

To nominate proxies to third parties, Stockholders may use the proxy section of their admission tickets, which shall be mailed to them upon registration. A proxy form is also available on the Internet at [www.stockholdersmeeting.lanxess.com](http://www.stockholdersmeeting.lanxess.com).

It is also possible to authorize third parties electronically on the Internet. This too requires an admission ticket. Stockholders may access the Internet-supported proxy system via the Company's website at [www.stockholdersmeeting.lanxess.com](http://www.stockholdersmeeting.lanxess.com). The electronic proxy must be forwarded in due time in order to be considered. The same applies for a possible electronic revocation of the proxy.

Evidence of the appointment of an authorized representative may also be transmitted to the Company via the email address [hv2017@lanxess.com](mailto:hv2017@lanxess.com).

If a bank or any other similar institution or enterprise (Sections 135 Para. 10, 125 Para. 5 AktG) or a Stockholders' association or a person defined in Section 135 Para. 8 AktG are to be authorized, there is no text form requirement. However, the proxy statement must be in a verifiable form. It must furthermore be complete and may contain only statements related to exercising voting rights. Accordingly, if you intend to authorize a financial institution, a stockholders' association, or any other similar institution or person under Section 135 AktG, please check the form of proxy with those institutions or persons.

#### Company-nominated proxies

The Company is offering its Stockholders the opportunity to appoint company-nominated proxies to exercise their voting rights. Stockholders utilizing this option must have an admission ticket. Such proxies must be given authorization and instructions on how to exercise the voting rights with regard to each relevant item on the agenda. Proxies are obligated to vote as instructed. In the absence of explicit or clear instructions, proxies shall abstain from voting on the respective item. Authorization, voting instruction, revocation of such proxy as well as evidence of authorization shall be provided to the Company in text form.

Authorization of and voting instructions to company-nominated proxies may be issued only by using the authorization and instruction section on the admission ticket unless specified otherwise below. The authorization (with instructions) must be received by the Company no later than Wednesday, 24 May 2017, 18:00 hours (CEST) (receipt decisive) at the following address:

**LANXESS Aktiengesellschaft  
c/o Computershare Operations Center  
80249 Munich**

**Fax: +49 (0)89 309037-4675  
email: hv2017@lanxess.com**

Company-nominated proxies may also be authorized and instructed via the Internet. Stockholders may access the Internet-supported proxy system via the Company's website at [www.stockholdersmeeting.lanxess.com](http://www.stockholdersmeeting.lanxess.com). Authorizations and instructions issued on the Internet must have been completed by Thursday, 25 May 2017, 18:00 hours (CEST) at the latest; until such time, issued authorizations may be revoked or instructions changed on the Internet.

Stockholders attending the Annual Stockholders' Meeting in person may also authorize company-nominated proxies to vote on their behalf by issuing relevant authorizations and instructions at the exit in text form. This option will be available to Stockholders regardless if they subsequently leave the Annual Stockholders' Meeting or wish to continue to attend.

Even in case of authorization of third parties or company-nominated proxies, registration and verification of stock ownership are required in due time in accordance with the above provisions.

#### **4. Minority amendments to the agenda in accordance with Section 122 Para. 2 AktG**

Stockholders whose total shares together amount to one-twentieth of the capital stock or a prorated amount of EUR 500,000 may demand that items are added to the agenda and announced. Each new item must be accompanied by a justification or proposal.

Any motions shall be sent in writing to the Company's Board of Management. We request that proposals are sent to the following address:

**To the Board of Management of  
LANXESS Aktiengesellschaft  
FAO Legal & Compliance Department  
Kennedyplatz 1  
50569 Cologne**

It must be received by the Company no later than 30 days prior to the Meeting, whereby the day of receipt and the day of the Annual Stockholders' Meeting are excluded. The last possible date of receipt is therefore Tuesday, 25 April 2017, 24:00 hours (CEST). Any motions for amendments received after such day shall not be considered.

A motion for amendments will only be considered if the applicants prove that they have owned the aforementioned minimum number of shares for no less than 90 days prior to the request being received, and that they have held the minimum shareholding up until and including the decision of the Board of Management on the motion for amendments. Section 121 Para. 7 AktG shall apply mutatis mutandis to the calculation of the time period. Section 70 AktG must be complied with in calculating the minimum duration of ownership.

**5. Motions and voting nominations by Stockholders in accordance with Section 126 Para. 1 and Section 127 AktG**

Countermotions which include reasons against a proposal by the Board of Management and/or the Supervisory Board regarding a particular agenda item and proposals from shareholders on the appointment of Supervisory Board members or annual auditors are to be sent to the following address exclusively. Countermotions and nominations sent to another addresses will not be considered.

**LANXESS Aktiengesellschaft  
FAO Legal & Compliance Department  
Kennedyplatz 1  
50569 Cologne**

**Fax: +49 (0)221 8885-4806  
email: hv2017@lanxess.com**

Countermotions and appointment proposals received at the latest 14 days before the Annual Stockholders' Meeting (not counting the date of receipt and the day of the Annual Stockholders' Meeting, i. e. by Thursday, 11 May 2017, 24:00 hours (CEST)) at the aforementioned address with evidence of qualification as a Stockholder will, insofar as these are to be made available to the other Stockholders, be published immediately on the Internet at [www.stockholdersmeeting.lanxess.com](http://www.stockholdersmeeting.lanxess.com). Any potential position statements by the administration will also be published at the stated Internet address.

Further information, in particular about circumstances in which motions and nominations are not to be made available, can be found on the website of the Company at [www.stockholdersmeeting.lanxess.com](http://www.stockholdersmeeting.lanxess.com).

**6. Stockholders' Right to information in accordance with Section 131 Para. 1 AktG**

Upon request, each Stockholder shall be provided by the Board of Management during the Annual Stockholders' Meeting with information about matters concerning the Company, including its legal and business relationships with affiliated enterprises and the financial situation of the group and the enterprises included in the consolidated financial statements if this information is required for a proper assessment of an agenda item.

Such information shall be provided in accordance with the principles of diligent and truthful reporting. Under the conditions set forth in Section 131 Para. 3 AktG, the Board of Management may refuse information and under the conditions set forth in Section 16 Para. 4 of the Company's Articles of Association, the chairman of the meeting may limit the time Stockholders' have to speak and raise questions.

Further information is available on the Company's website at [www.stockholdersmeeting.lanxess.com](http://www.stockholdersmeeting.lanxess.com).

## **7. Information on the Company's website**

In compliance with Section 124a AktG, this invitation to the Annual Stockholders' Meeting, the documents to be made available, and other information in connection with the Annual Stockholders' Meeting are available on the Company's website at [www.stockholdersmeeting.lanxess.com](http://www.stockholdersmeeting.lanxess.com).

## **8. Partial broadcast of the Annual Stockholders' Meeting on the Internet**

Subject to technical availability, the Company's Stockholders and other interested parties will be able to follow the speech given by the Chairman of the Board of Management during the Annual Stockholders' Meeting on Friday, 26 May 2017 on the Internet at [www.stockholdersmeeting.lanxess.com](http://www.stockholdersmeeting.lanxess.com). The other portions of the meeting will not be broadcast.

Cologne, April 2017

LANXESS Aktiengesellschaft  
The Board of Management

## LANXESS

Aktiengesellschaft  
Kennedyplatz 1  
50569 Cologne  
Germany

Contact:

Investor Relations

Phone:

+49 (0) 221 8885-1035

Order

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Phone:

+49 (0) 221 8885-2674

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