



LANXESS
Energizing Chemistry

On course in the crisis

Q3 2020 telephone press conference

November 5, 2020

Safe-harbor statement

The disclosures in this presentation are for information purposes only and do not constitute an offer to sell or an invitation to submit an offer to buy LANXESS AG securities. There is no public market for the trade of LANXESS AG securities in the U.S.

This presentation contains certain forward-looking statements, including assumptions, opinions, expectations and views of the company as well as assumptions and opinions cited from third-party sources. Various known and unknown risks, uncertainties and other factors could cause the actual results, financial position, development or performance of LANXESS AG to differ materially from the estimates expressed or implied herein. LANXESS AG does not guarantee that the assumptions underlying such forward-looking statements are free from errors, nor does it accept any responsibility for the future accuracy of the opinions expressed in this presentation or the actual occurrence of the forecast developments. No representation or warranty (expressed or implied) is made as to, and no reliance should be placed on, any information, estimates, targets and opinions contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and accordingly, no representative of LANXESS AG or any of its affiliated companies or any of such person's officers, directors or employees accepts any liability whatsoever arising directly or indirectly from the use of this document.



On course in the crisis

Guidance confirmed, corridor narrowed

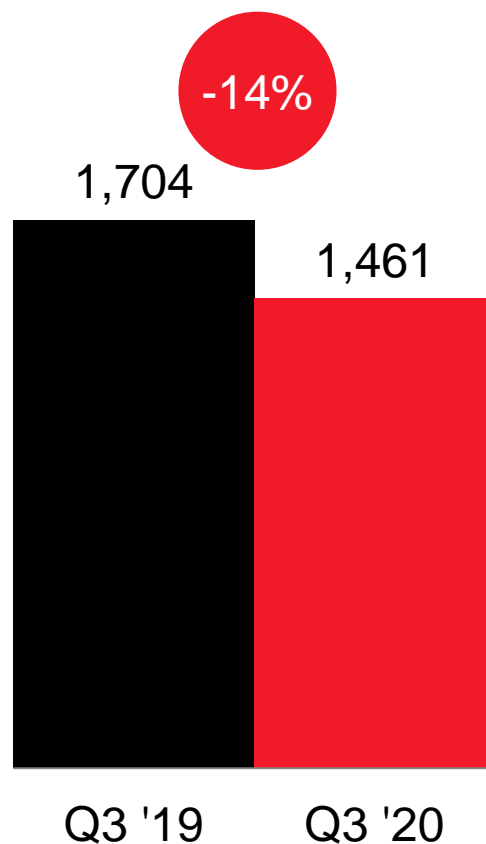
Operative margin stable despite pandemic (9M 2020: 14.4%)

Consumer Protection remains strong pillar in the Group

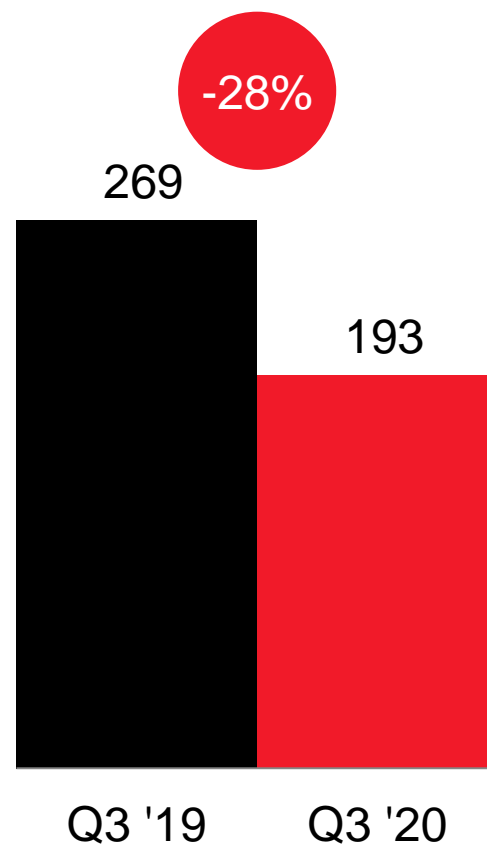
Further sustainability targets set

Corona pandemic burdens – yet first silver linings

Sales



EBITDA



Positive signals in Q3

- Demand recovers in many industries
- Automotive industry shows first signs of improvement
- China leads economic recovery
- US sales relatively stable

Consumer Protection remains strong pillar

Advanced Intermediates

Lower prices weigh on results



Sales: EUR 470 million (-14%)
EBITDA: EUR 65 million (-29%)

Specialty Additives

Weak demand in automotive and aviation



Sales: EUR 410 million (-18%)
EBITDA: EUR 65 million (-33%)

Consumer Protection

Disinfectants are bestsellers



Sales: EUR 278 million ($\pm 0\%$)
EBITDA: EUR 59 million (+7%)

Engineering Materials

Burden from pandemic and planned shutdown



Sales: EUR 285 million (-19%)
EBITDA: EUR 33 million (-44%)

Reliability and recognition for employees in challenging times

Safeguarding company pension scheme

- Voluntary increase of pension assets by EUR 100 million

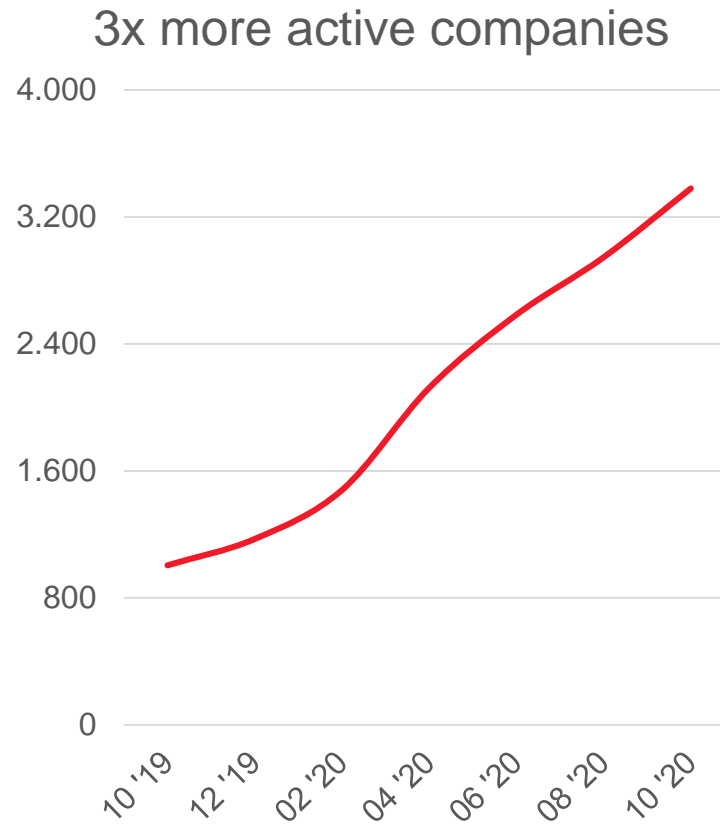
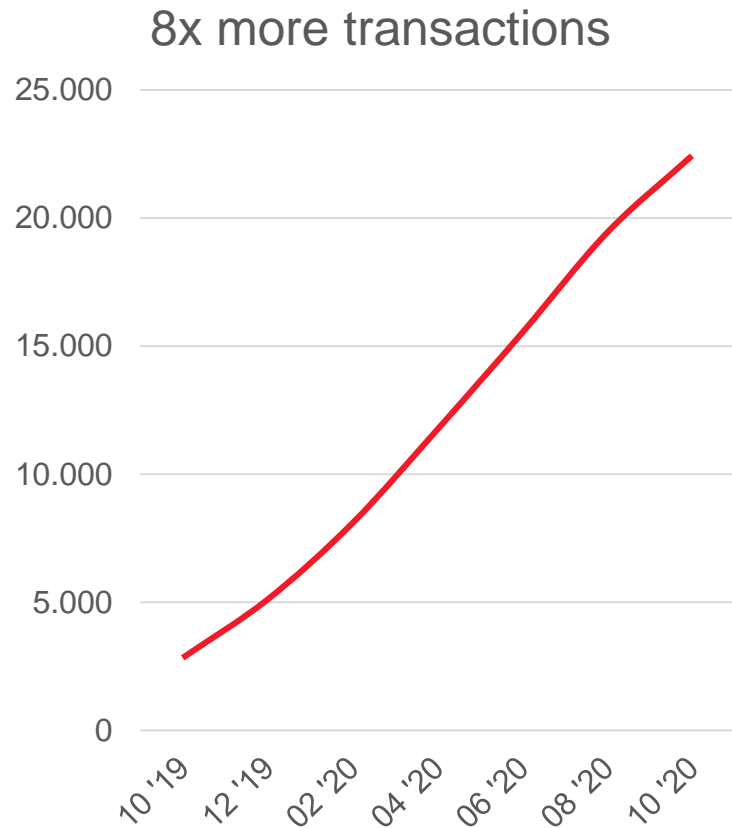
Special Bonus

- Acknowledgement for outstanding achievements during the Corona pandemic
- Appreciation in particular for employees in production



Digital commerce at CheMondis is booming

Sustained demand for digital sales within the chemical industry



Partnership with Brenntag

- CheMondis to become the online marketplace for Brenntag's leading Paint & Coating and Adhesives & Sealants portfolio in Germany
- Cooperation enables further expansion into adjacent chemical market segments



Improved sustainability rating

MSCI
ESG RATINGS

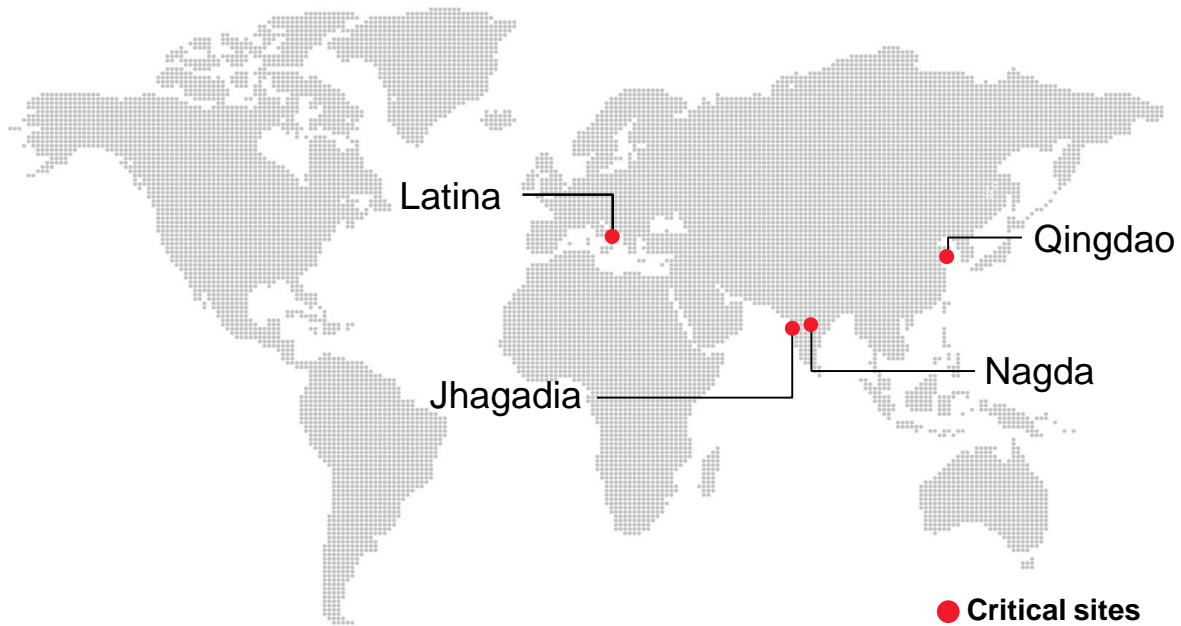


Promotion to A rating category

- Upgrade from BBB to A
- Important rating for an increasingly sustainably investing capital market
- Convincing climate strategy
- Above average in corporate governance
- Robust efforts to ensure chemical safety

New targets for a sustainable water management

LANXESS Water Stewardship Program



- Water risk analysis revealed: Over 90% of water withdrawal at sites without water scarcity
- Special measures for sites in areas with highest water stress planned

Target at these sites: 15% reduction of water withdrawal by 2023

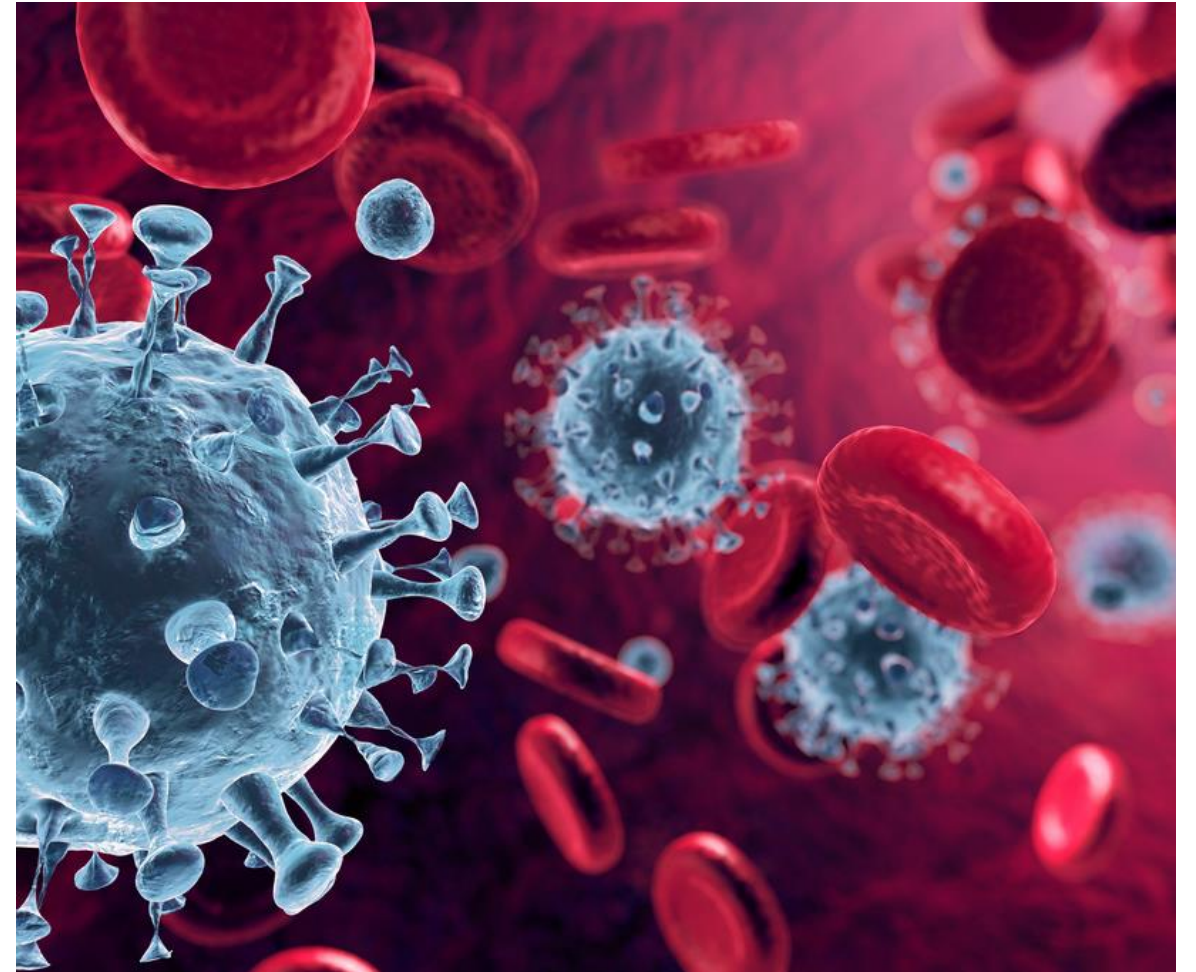
Corona update

Production running

- All plants in operation
- Supply chains intact
- 250 employees in short time work, mostly in auto related production plants

Health and safety is our utmost priority

- Safety concepts enable safe work in production and administration
- Hybrid work model: Working from home or in the office as needed



Guidance confirmed, corridor narrowed

Market development

- Automotive industry shows first signs of improvement
- High unpredictability due to corona pandemic expected to continue

LANXESS

- Guidance for full year 2020 confirmed, corridor narrowed: EBITDA at EUR 820-880 million



LANXESS

Energizing Chemistry