



LANXESS
Energizing Chemistry

Stable through the pandemic

Annual Press Conference on fiscal year 2020

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Stable, sustainable and on course for growth

Very solid result – LANXESS defies Corona crisis

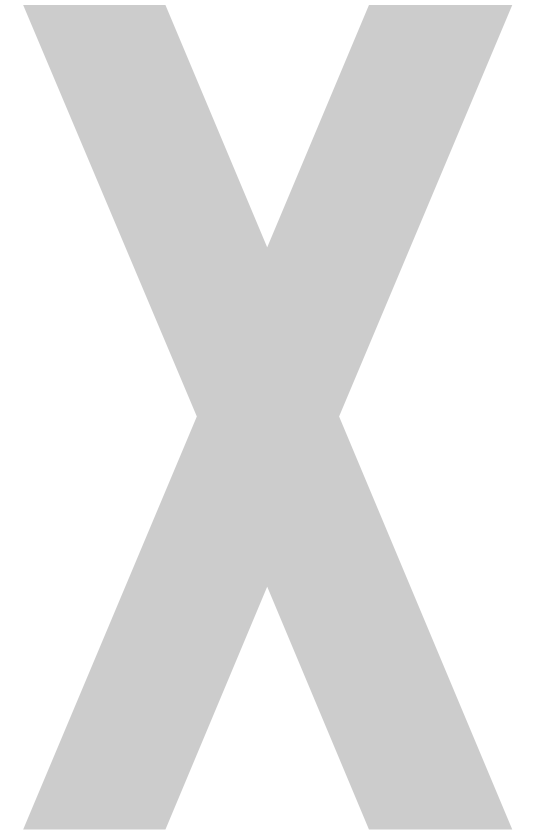
Portfolio further improved

New milestones set to become climate neutral by 2040

2021: The signs point to growth

Agenda

- 1. Business development 2020**
- 2. Our sustainability performance**
- 3. Outlook 2021**



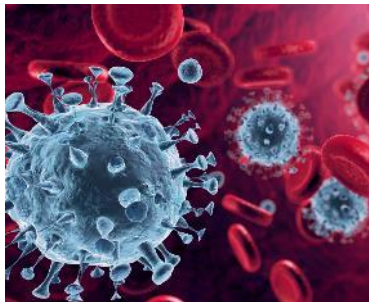
2020: LANXESS kept running – despite Corona

Operations maintained in the pandemic

- Plants were running almost continuously
- Largely stable logistics and raw material supply
- Strict hygiene concepts in production and office work

Portfolio improved, finances strengthened

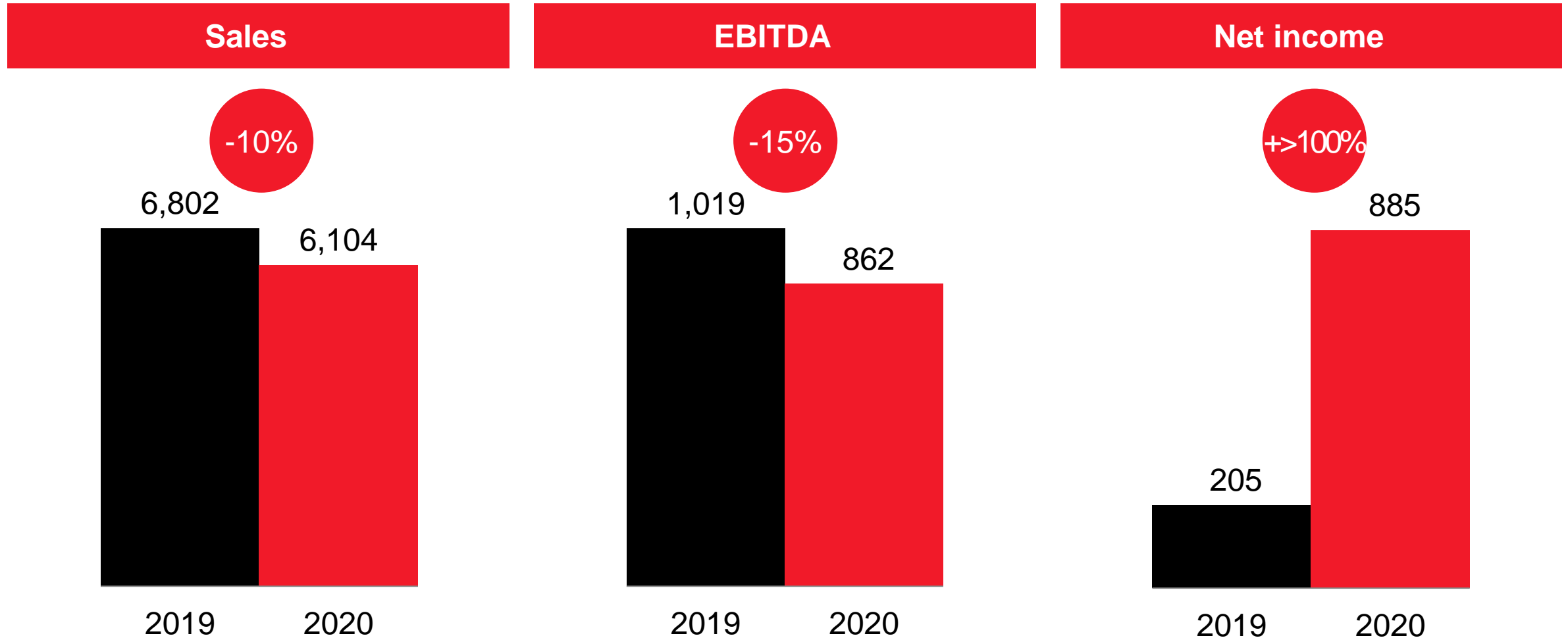
- Consumer Protection segment established
- Stake in Currenta sold
- Water treatment business realigned
- Disposal of the membrane business completed
- Chromium chemicals business divested
- Sale of leather chemicals business announced



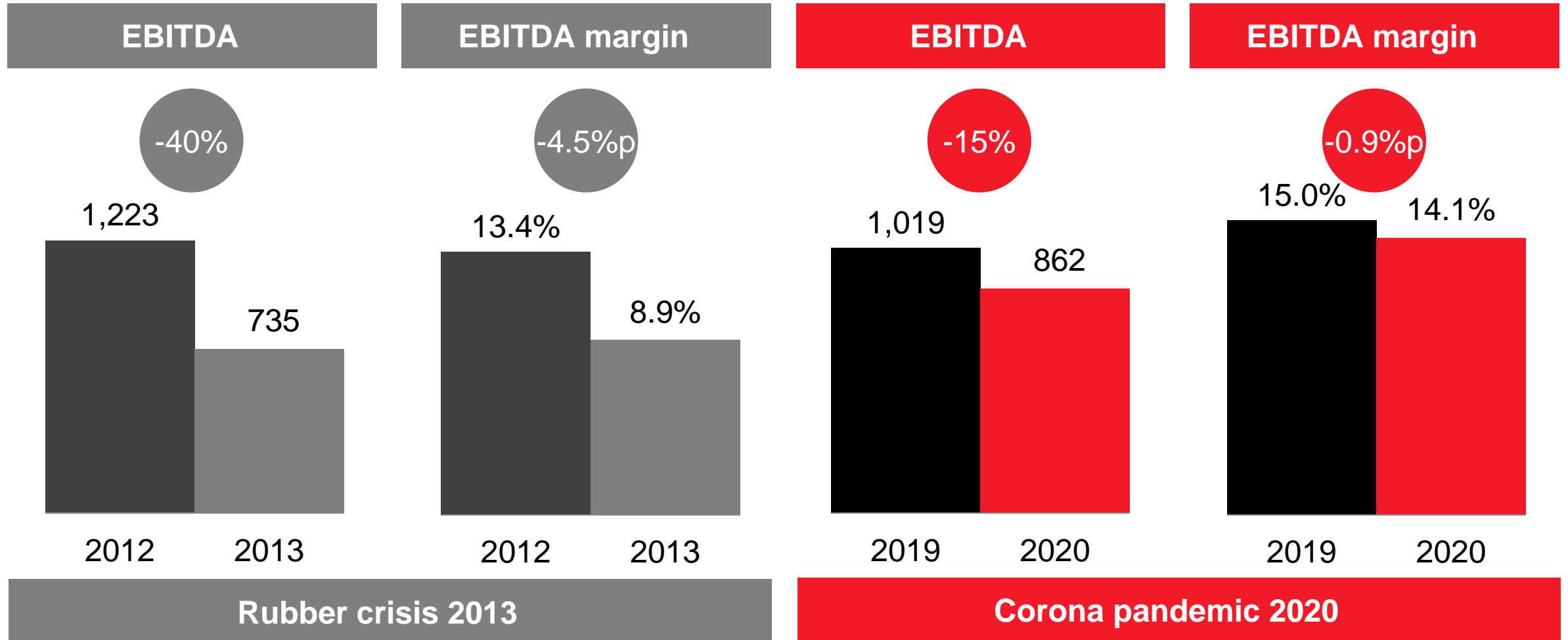
Combat COVID 19: A team challenge



Balanced portfolio mitigates corona effects



Strategic realignment ensures stability



Consumer Protection: Strong pillar

Advanced Intermediates

Lower demand due to Corona



Sales: EUR 2.00 bn (-11%)
EBITDA: EUR 336 m (-12%)

Specialty Additives

Weak demand in customer industries



Sales: EUR 1.73 bn (-12%)
EBITDA: EUR 284 m (-20%)

Consumer Protection

Disinfectants and Agro strong



Sales: EUR 1.11 bn (+6%)
EBITDA: EUR 233 m (+18%)

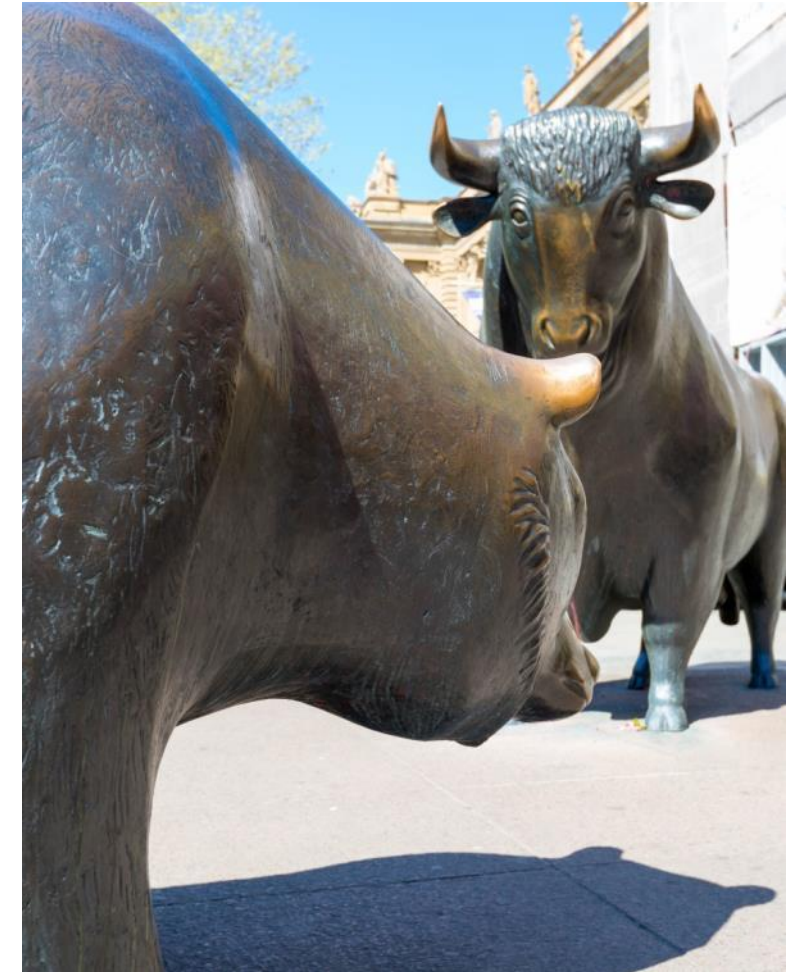
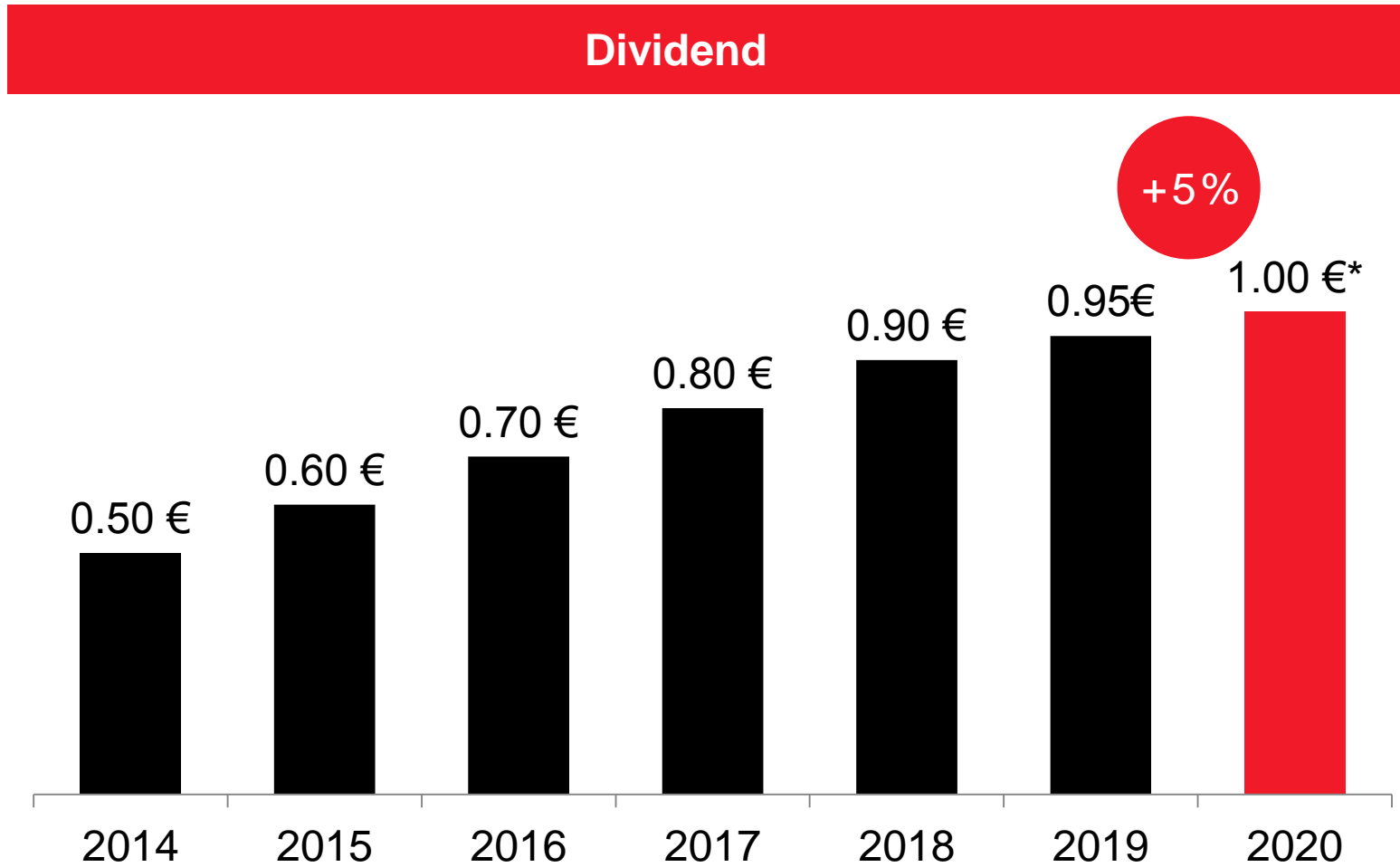
Engineering Materials

Weak auto industry burdens



Sales: EUR 1.19 bn (-18%)
EBITDA: EUR 151 m (-37%)

Dividend increase despite Corona

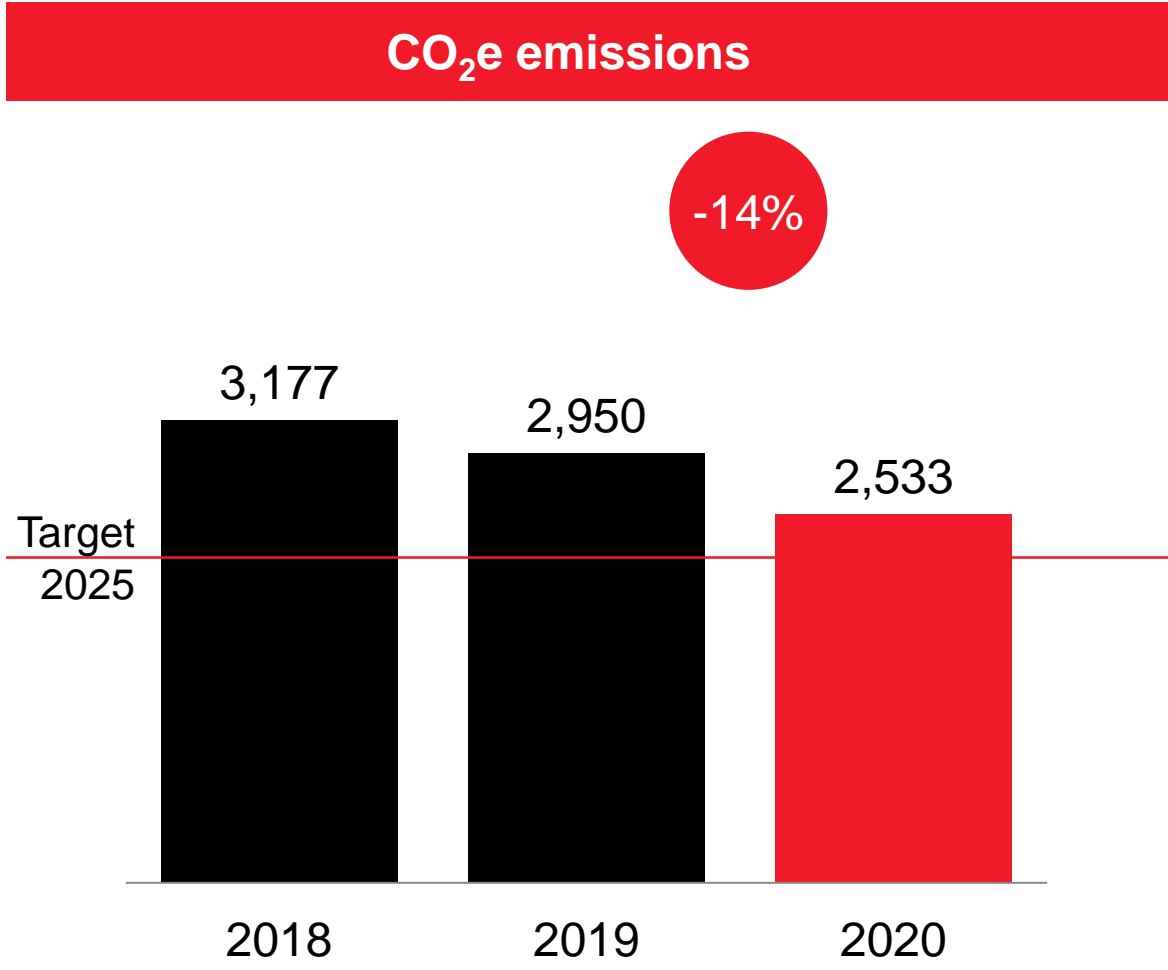


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On track to become climate neutral by 2040



Nitrous oxide reduction in Antwerp



Milestone in our climate strategy

- Nitrous oxide is generated during caprolactam production
- Investment of roughly EUR 10 million

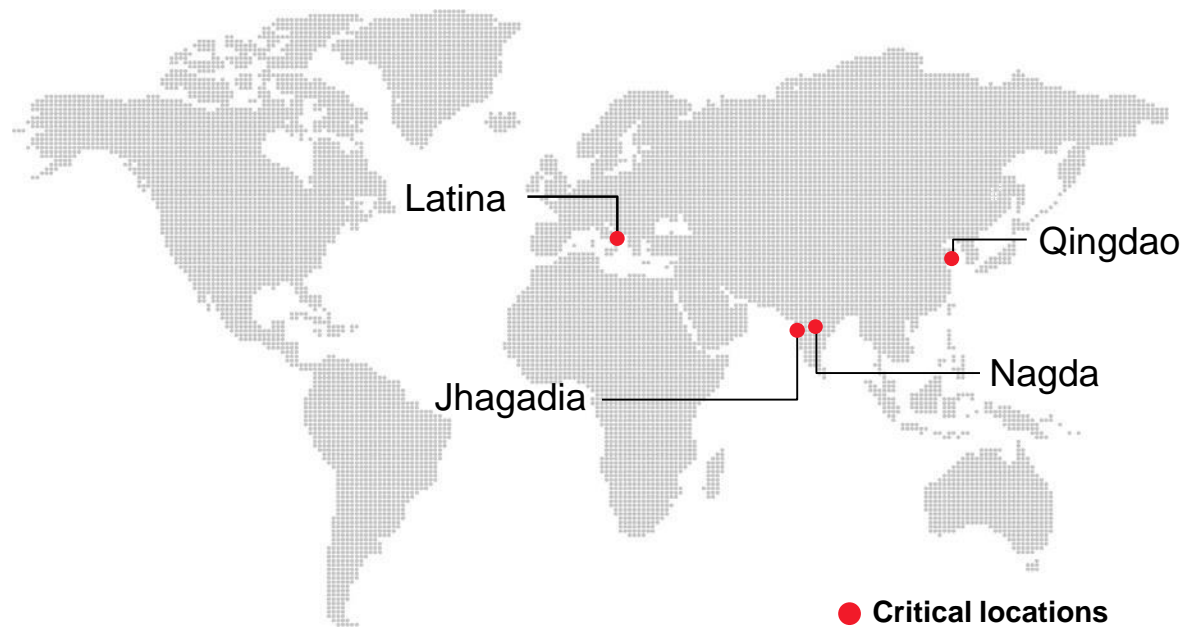
1 Plant significantly reduces emissions:
150.000 t CO₂e / year less



2 Second plant planned for 2023
Effect: 300.000 t CO₂e / year less

New goals for sustainable water management

LANXESS Water Stewardship Program

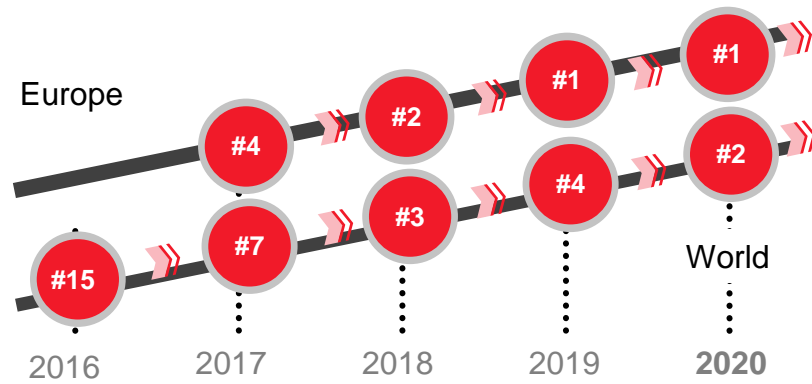


- Water risk analysis: 4 sites in areas of highest water stress
- Specific measures at these sites to conserve water
- Over 90% of water withdrawals at sites without water scarcity

Target at these sites: 15% less water withdrawal by 2023

Awarded for sustainability commitment

Top positions in Dow Jones Sustainability Index



CDP: Top score for climate protection



Upgrade to ISS ESG "Prime" status

MSCI
ESG RATINGS

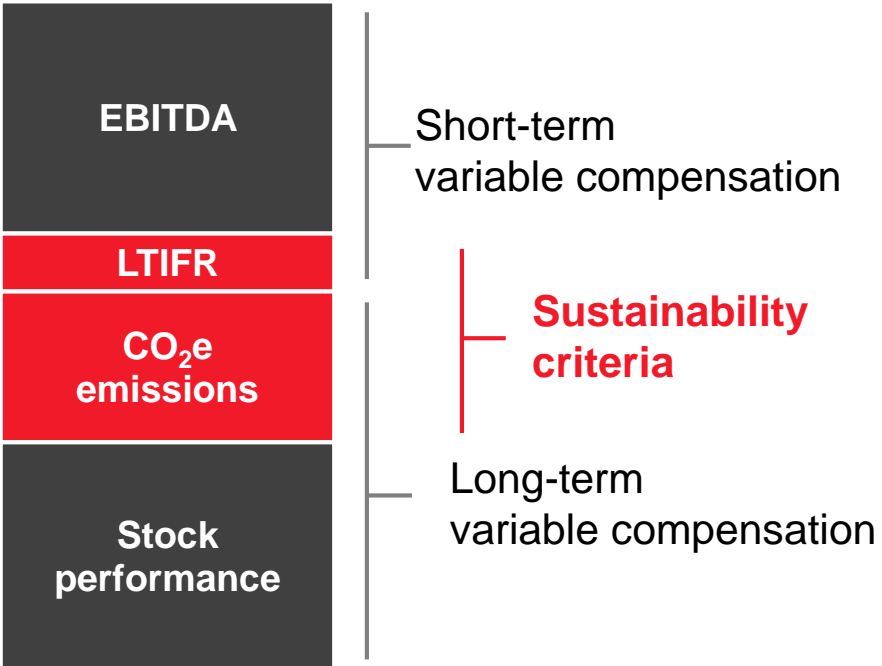
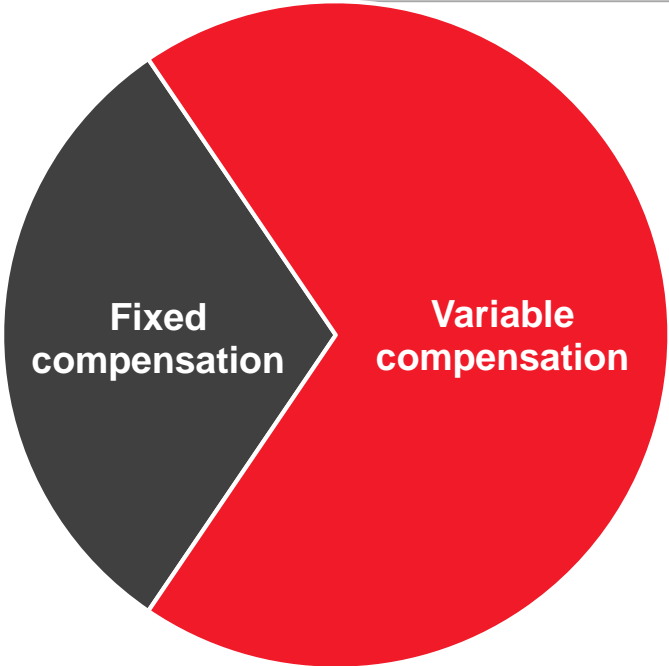


MSCI ESG rating improved

2021: Board compensation linked to sustainability

Share of variable compensation

References for variable compensation

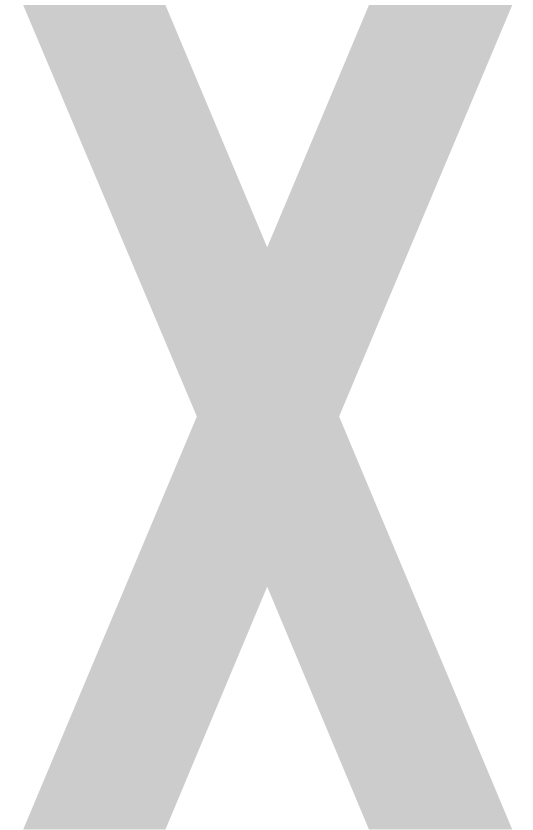


1/3 of variable Board compensation is based on sustainability criteria

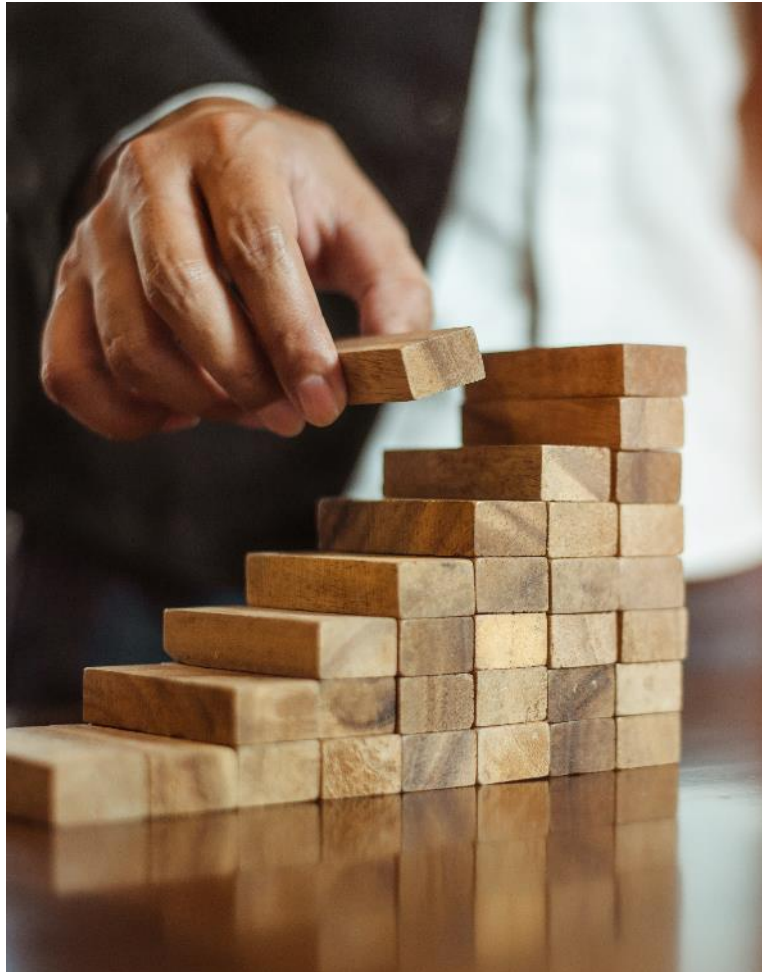
CO₂e emissions include Scope 1 and Scope 2
LTIFR: Lost Time Injury Frequency Rate
All EBITDA figures are pre exceptionals

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2021: All signs point to growth



Intace

Specialty fungicides for paper and packaging



Theseo

Disinfection and hygiene solutions for livestock farming



Emerald Kalama Chemical

Specialty chemicals for the consumer segment

Strengthening the Consumer Protection segment

LANXESS to acquire Emerald Kalama Chemical

Tailor-made addition

- Ideal fit for Consumer Protection portfolio (e.g. preservatives and flavors)
- Present in attractive growth markets
- High synergy potential

Core data Emerald Kalama Chemical

- Sales: USD 425 million
- EBITDA: USD 90 million
- Enterprise value: USD 1.075 billion
- Synergies: USD 30 million



Consumer Protection: Long-term growth trends

Animal Health

- Antibiotic-free meat
- Plagues on the rise worldwide

Food & Beverages

- Increasing hygiene requirements
- Longer shelf life

Water purification

- Trend toward ultra-pure water
- Closed water circuits

Agriculture

- Increasing demand due to population growth
- Higher productivity with lower input



Crucial: Highest product quality and strong expertise in regulatory matters

Guidance 2021: Good development in all segments

**Advanced
Intermediates**

**Recovery in
end markets**



**Specialty
Additives**

**Customer industries
recover**



**Consumer
Protection**

**High demand, but
already high utilization**



**Engineering
Materials**

**Auto industry
recovers**



Guidance 2021: LANXESS expects recovery

Macro Environment

- Recovery expected in most customer markets, especially automotive sector
- Uncertainties due to Corona pandemic should decrease as the year progresses

LANXESS

- Good development in all segments
- EBITDA for full year 2021 expected between EUR 900 million and EUR 1 billion
- EBITDA for Q1 2021 expected between EUR 200 million and EUR 250 million



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