Stable through the pandemic
Annual Shareholders‘ Meeting LANXESS AG

CEO Matthias Zachert
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
2020: LANXESS kept running – despite Corona

Operations maintained in the pandemic

- Strict hygiene concepts in production and office work
- Home office made extensively possible
- Plants were running almost continuously
- Largely stable logistics and raw material supply
Balanced portfolio mitigates corona effects

Sales
-10%
2019: 6,802
2020: 6,104

EBITDA
-15%
2019: 1,019
2020: 862

Net income
+>100%
2019: 205
2020: 885

All figures in million euros
All EBITDA figures are pre exceptionals
Strategic realignment ensures stability

**EBITDA**

- 2012: 1,223 million euros
- 2013: 735 million euros

-40%

**EBITDA margin**

- 2012: 13.4%
- 2013: 8.9%

-4.5%p

**Southern European debt crisis 2013**

- 2012: 1,223 million euros
- 2013: 735 million euros

-4.5%p

**EBITDA**

- 2019: 1,019 million euros
- 2020: 862 million euros

-15%

**EBITDA margin**

- 2019: 15.0%
- 2020: 14.1%

-0.9%p

**Corona pandemic 2020**

- 2019: 1,019 million euros
- 2020: 862 million euros

All figures in million euros
All EBITDA figures are pre exceptionals
NRW government policy strengthens economy

- Balanced energy policy
- Ambitious digitization offensive
- Consistent reduction of bureaucracy
Consumer Protection: Long-term growth trends

Animal health
- Antibiotic-free meat
- Plagues on the rise worldwide

Food & Beverages
- Increasing hygiene requirements
- Longer shelf life
Important strategic acquisitions

Intace
Specialty fungicides for paper and packaging

Theseo
Disinfection and hygiene solutions for livestock farming

Emerald Kalama Chemical
Specialty chemicals for the consumer segment
LANXESS acquires Emerald Kalama Chemical
EU market for battery chemicals to grow to over €10 billion by 2025

Demand for battery cells in the EU is growing massively

<table>
<thead>
<tr>
<th>Year</th>
<th>Value GWh</th>
</tr>
</thead>
<tbody>
<tr>
<td>2020</td>
<td>40</td>
</tr>
<tr>
<td>2025</td>
<td>&gt; 250</td>
</tr>
</tbody>
</table>

Chemistry accounts for 2/3 of battery cell costs

- Cathode
- Anode
- Electrolyte
- Separator
- Other materials
- Depreciation
- Energy
- Labour
- Administration
- R&D
- Warranty

40 GWh > 250 GWh
On track to become climate neutral by 2040

**CO₂e emissions**

-14%

<table>
<thead>
<tr>
<th>Year</th>
<th>CO₂e emissions (kilotons)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>3,177</td>
</tr>
<tr>
<td>2019</td>
<td>2,950</td>
</tr>
<tr>
<td>2020</td>
<td>2,533</td>
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</tbody>
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**Target**

- 2025: 2,533 kilotons

**Notes:** CO₂e emissions in kilotons; includes scope 1 and scope 2
Nitrous oxide reduction in Antwerp

1. Plant significantly reduces emissions: 150,000 t CO$_2$e / year less

2. Second plant planned for 2023
   Effect: 300,000 t CO$_2$e / year less
2021: Board compensation linked to sustainability

Share of variable compensation

- Fixed compensation
- Variable compensation

References for variable compensation

- EBITDA
- LTIFR
- CO$_2$e emissions
- Stock performance

Short-term variable compensation

Sustainability criteria

Long-term variable compensation

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

CO$_2$e emissions include Scope 1 and Scope 2
LTIFR: Lost Time Injury Frequency Rate
All EBITDA figures are pre exceptionals
Dividend increase despite Corona

Dividend

<table>
<thead>
<tr>
<th>Year</th>
<th>Dividend</th>
</tr>
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<tbody>
<tr>
<td>2014</td>
<td>0.50 €</td>
</tr>
<tr>
<td>2015</td>
<td>0.60 €</td>
</tr>
<tr>
<td>2016</td>
<td>0.70 €</td>
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<tr>
<td>2017</td>
<td>0.80 €</td>
</tr>
<tr>
<td>2018</td>
<td>0.90 €</td>
</tr>
<tr>
<td>2019</td>
<td>0.95 €</td>
</tr>
<tr>
<td>2020</td>
<td>1.00 €*</td>
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</table>

+5%

* Proposal to the Annual Stockholders’ Meeting on May 19, 2021