

BACKGROUND PAPER

WORKING AT LANXESS

LAST UPDATE: APRIL 2026

LANXESS
Energizing Chemistry

MANAGEMENT SUMMARY

As a globally operating company with approximately 11,700 employees, we see ourselves as a responsible and forward-looking employer. Our corporate identity is shaped throughout the Group by a team-oriented and performance-driven culture, underpinned by our five core values: respect, ownership, trust, professionalism, and integrity. We are committed to supporting the professional development of our employees in a focused and strategic manner – beginning with comprehensive training programs that enable us to cultivate skilled talent from within and proactively address the global shortage of qualified professionals. Our ambition is to position LANXESS as an employer of choice worldwide, to foster long-term employee retention, and to strengthen engagement at all levels. To this end, we have established clear and measurable objectives. As a company in the chemical industry, the health and safety of our workforce remains our highest priority.

- 🎯 **2025 target:** Continuous decrease in the lost time injury frequency rate (LTIFR) by >50% (reference LTIFR of 2.0 in 2016)

At LANXESS, the concept of Diversity & Inclusion stands for the enriching mix of different nationalities, cultures and life experiences. One of our central goals is to increase the proportion of women in the company.

- 🎯 **2027 target:** 25% women at the first level below the Board of Management
- 🎯 **2027 target:** 28% women at the second level below the Board of Management
- 🎯 **2030 target:** 30% women in management below the Board of Management

Our employee turnover rate resulting from voluntary resignations shows the extent to which we are achieving our goal of being a preferred employer. We continuously aim for a rate below 4.5% across all countries.

CONTENT

MANAGEMENT SUMMARY

WORKING AT LANXESS 4

1. HEALTH AND SAFETY 5

Occupational safety 5

Health and well-being 6

Fair remuneration for everyone 7

Pensions and financial protection 8

2. ACTIVELY SHAPING PROFESSIONAL LIFE 8

Supporting development 8

Learning and development offers 9

Recognizing and valuing diversity 11

Flexible working conditions 12

Decent working hours 13

Digital Security and Cyber Resilience 13

Engaging our partners 14

Engaging our employees for sustainability 14

3. LANXESS: EMPLOYER OF CHOICE 14

Satisfaction and commitment 14

GLOSSARY 15

WORKING AT LANXESS

LANXESS is committed to establishing itself as a sustainable and consistently successful leader in the chemical industry over the long term. Our success fundamentally relies on our employees' sense of responsibility, professionalism, and solution-oriented mindset. Our identity as an employer is shaped Group-wide by a team-driven, performance-oriented culture anchored in five core values: respect, ownership, trust, professionalism, and integrity. These principles are consistently upheld by our approximately 11,700 employees worldwide. We actively cultivate a corporate culture in which safety, responsibility, and the highest ethical standards are seamlessly integrated with a strong drive for performance. In line with our company slogan, "Energizing Chemistry," LANXESS strives to ensure that its long-term success is powered by the personal commitment of every employee and by high-performing, diverse teams.

Our goal is to empower our employees to actively shape their professional development and to foster a productive, motivating environment in which they truly enjoy working. This approach enhances our attractiveness to the next

generation of talent and positions us to proactively address demographic shifts and the shortage of skilled workers, while simultaneously advancing and cultivating a diverse workforce where everyone feels valued and included. To fulfill this ambition, our Human Resources (HR) organization is robustly established at the local, regional, and global levels. In addition, key issues related to social responsibility and working conditions – particularly in the context of sustainability – are addressed and managed at the highest level, spanning all functions and business areas. The Sustainability Committee serves as the central body for steering all sustainability-related topics across the Group. In addition to technical experts, the entire Board of Management is represented on this committee. All sustainability topics related to "working at LANXESS" are overseen by the Social & Governance sub-committee, which is chaired by our Labor Director.

 Further information on our committees and functions


At LANXESS, people are at the center of everything we do. Our global "You Matter" program, launched in 2021, unites

all employee benefits offered worldwide under one comprehensive framework. We are particularly focused on advancing three key aspects of our working environment, thereby supporting several United Nations 2030 Sustainable Development Goals (SDGs):

For LANXESS, **health and safety** are the foundation for a satisfied and high-performing workforce. As such, occupational health and safety is our highest priority (SDG 3 – Good Health and Well-Being). We are committed to providing our employees with secure jobs offering long-term prospects and fair compensation, irrespective of gender (SDG 5 – Gender Equality, SDG 8 – Decent Work and Economic Growth).

For us, **empowering employees** to actively shape their professional lives means supporting them in developing the skills needed to excel in their roles and to continue growing both personally and professionally (SDG 4 – Quality Education). Through our diversity and inclusion (D&I) strategy, we foster diversity and equal opportunity across our workforce (SDG 5 – Gender Equality). A range of flexible working models further enables our employees to achieve an optimal work-life balance.

Our goal is to be recognized as an **employer of choice**. This means creating a productive and positive environment where employees are motivated and engaged. The strong commitment of our workforce and our consistently low voluntary turnover rate are clear indicators of our attractiveness as an employer. Nevertheless, we remain dedicated to further strengthening our employer brand and deepening our employees' identification with LANXESS.

 Further information on LANXESS and the SDGs






1. HEALTH AND SAFETY

Occupational safety

As a company in the chemicals industry, occupational health and safety is our highest priority. Comprehensive benefits and robust measures in this area not only protect our employees, but also have a demonstrably positive impact on employee satisfaction and performance.

We are committed to ensuring that all employees – including those of our partner companies – return home just as healthy as when they arrived at work. Our vision of “zero accidents” underscores our firm belief that all workplace accidents are preventable. This unwavering commitment to occupational safety is firmly embedded in our Corporate Policy and our Position on Human Rights. The LANXESS Code of Conduct, together with detailed internal guidelines, clearly defines the standards and expectations for employee behavior regarding occupational safety.

-  LANXESS Corporate Policy
-  LANXESS Position on Human Rights
-  LANXESS Code of Conduct

With our Health, Safety & Environment sub-committee embedded within the Sustainability Committee, the topic of occupational safety is firmly anchored at the Board of Management level and cascades through all levels of management.

Since January 2021, the short-term annual variable remuneration for both the Board of Management and the first management level below the Board has included occupational safety as a key performance objective. In this way, adherence to occupational safety standards and the prevention of workplace accidents directly impact this component of management compensation.

This structure underscores the critical importance LANXESS places on the safety of its employees and sites. Notably, 15% of the long-term variable remuneration is directly linked to safety performance indicators for the respective year. Until 2026, safety performance was tied to the short-term variable remuneration of the Board of Management.

 Further information on remuneration of the Board of Management since 2026

Xact: Global initiative for more safety

Our ambition is to ensure that our production is safe, sustainable, and therefore remains competitive in every respect over the long term. Organizational responsibility for this objective lies with our Production, Technology, Safety & Environment (PTSE) Group function, whose head reports directly to the Board of Management. PTSE sets the standards and oversees responsibilities for health and environmental protection, chemical handling, plant safety, and workplace safety measures. Ongoing employee training and regular audits of our health, safety, and environmental management systems are designed to guarantee that these requirements are systematically and sustainably embedded in our processes.

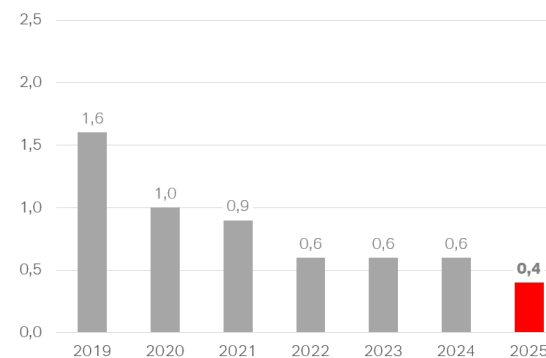
In addition, our Xact safety initiative is focused on continuously advancing our safety culture throughout the organization. Starting with top management, we expect all employees to work together to further improve safety across the Group.

Our clear ambition is to eliminate all workplace accidents. To measure our progress, we use the lost time injury frequency rate (LTIFR, referred to as MAQ – “accidents per million hours worked” – in Germany). With a view to continuously reducing occupational accidents, we have set ourselves the target of reducing the LTIFR – i.e., accidents resulting in lost working days per million hours worked – by at least 50% by the end of 2025 compared to the 2016 baseline of 2.0.



2025 target: Continuous decrease in the LTIFR by > 50% (reference LTIFR of 2.0 in 2016)


Work-Related Injuries to LANXESS Employees Resulting in Absence from Work (LTIFR)



In 2025, our lost time injury frequency rate (LTIFR) was 0.4, reaffirming the already excellent level achieved in the previous year. This means we have met our 2025 target of less than 1.0 for the fourth consecutive year. We remain fully committed to maintaining this strong performance and to keeping the MAQ (accidents per million hours worked) sustainably below 1.0 over the long term.

Notably, there have been no fatal occupational accidents at LANXESS since 2012.

In line with our stringent safety guidelines, every organizational unit – such as each plant – is required to conduct systematic safety appraisals and risk assessments on a regular basis, and to define appropriate measures to mitigate potential hazards across all activities. Employees receive targeted training, and both the training programs and implemented measures are subject to ongoing monitoring and evaluation.

 Further information on the safety initiative Xact



Best practice: CEO Safety Award

For us as a chemical group, the safety of our plants and processes is a top priority. Every year, the international CEO Safety Award honors outstanding initiatives that make a sustainable contribution to occupational safety at LANXESS.

In 2026, a team from the Business Unit Polymer Additives (PLA) at the El Dorado site in the United States received the CEO Safety Award for an innovative safety solution: the deployment of a robotic, four-legged safety assistant. At the site, highly hazardous substances such as phosgene, bromine, and chlorine are processed, making early detection of leaks and hazardous conditions critical for employee safety. The robodog operates in potentially dangerous areas before employees have to enter them. It continuously scans its surroundings, detects toxic or corrosive gases, identifies leakages, reports spilled liquids, and uses a thermal imaging camera to locate uninsulated hot pipes. In one case, the system even prevented a serious incident by warning a colleague of a product leak and guiding them safely out of the danger zone.

This innovative use of technology significantly reduces exposure risks for employees and strengthens confidence in safe operations. The project demonstrates how digital solutions can actively support occupational safety and represents a best-practice example that can be transferred to other LANXESS sites.

Health and well-being

Our occupational health management is based on raising all employees' awareness of their own health and motivating them to adopt healthy behaviors in their professional and personal lives. Our commitment to maintaining and promoting both the physical and mental health of our employees is anchored in our LANXESS Corporate Policy.

 LANXESS Corporate Policy

We attach particular importance to combating stress at the workplace. As part of the workplace risk assessment, we evaluate the workplace conditions for each activity worldwide at regular intervals. Thereby, both physical and mental stress factors are taken into account. The risk assessments are repeated on an ad-hoc basis, but at the latest every three years, to identify and minimize any physical burdens and sources of stress. In this context, ergonomics at the workplace is also regularly reviewed and continuously improved. We offer our employees around the world a broad range of initiatives to support their health and well-being. These include medical check-ups and programs focused on holistic health and wellbeing. Mental health is equally important to us: we provide trainings to help develop an individual resilience strategy, supporting sustainable health and performance.

Also this year, we are once again holding our Safety and Health Week. In 2026, this initiative places a particular focus on psychological safety and offers a variety of activities and resources for our employees.

In addition, various events are offered throughout the year to raise awareness about mental health, reduce the stigma surrounding mental illness, and promote overall mental well-being. These include informational sessions, workshops, lectures, and activities focused on stress prevention and mindfulness. The aim is to inform affected individuals and interested parties, encourage open dialogue, and make support services more visible.

For management-level employees, we offer voluntary training programs that focus on promoting healthy leadership practices.

In our key regions, including Germany, North America, and China, employees have access to psychological support through Employee Assistance Programs (EAPs), with further expansion planned. At our German sites, we also support reintegration into the workplace following physical or mental illness through our company integration management (BEM/CIM) program.

These initiatives aim to raise awareness, encourage preventive approaches, and support long-term wellbeing and a healthy working environment. Our flexible working time models for management-level employees also promote a balanced working environment. Through the Flexi part-time model, employees receive additional days off, which can be accumulated for up to a three-month sabbatical.

 Further information on our health offers

Job security is a cornerstone of personal well-being and a key element of our employer value proposition. That is why we are committed to offering our employees permanent employment contracts wherever possible. This commitment is reflected in our consistently high proportion of permanent contracts, which has remained above 90% for many years, underscoring both our responsibility as an employer and our focus on long-term, stable workforce development.

Fair remuneration for everyone

One key element of our “You Matter” program is our commitment to fair remuneration. As part of our market-aligned, competitive compensation structure, we offer both our managerial population and, in most countries, our non-managerial population a variable, performance-based compensation component – the Annual Performance Payment (APP) – in addition to the fixed base salary. In selected cases, employees with a particularly significant impact on business unit performance receive an alternative compensation component that focuses on business unit targets while also considering the overall LANXESS Group objectives. Since 2025, LANXESS has, furthermore, started to roll out a Sales Incentive Plan, with four business units that started in 2025 and four business units to follow in 2026. As a consequence, certain employees in commercial roles with pricing responsibilities or direct customer contact are measured against a team-oriented variable margin target. With the Individual Performance Payment (IPP), managers can also recognize and reward extraordinary employee performance promptly and without bureaucracy. Additionally, we offer long-term variable remuneration programs for managers in Germany, the USA, India, and China. For all employees in Germany, LANXESS also provides additional remuneration components in the form of company benefits. One such benefit is our employee stock program that is not offered every year, but which has been offered in quite a few years in the past (e.g., in 2019, 2020, and 2021). The idea is to allow eligible employees to purchase company shares at favorable conditions, strengthening employee loyalty and promoting a culture of shared success.

 Further information on our remuneration components

Commitment to gender equality in pay

Our remuneration policy ensures competitive pay based on relevant external benchmarks, professional experience, and quality of work – regardless of an employee’s gender. The fixed annual salary of our management-level employees is reviewed yearly according to these criteria as part of our annual salary review. Salary increases for non-managerial employees are determined by the applicable collective agreements, also irrespective of gender.

By signing the “Women’s Empowerment Principles” (WEPs), an initiative of the UN Global Compact and UN Women, we reaffirm our commitment to gender equality – including equal pay for work of equal value.

 Further information on the WEPs

At LANXESS worldwide, the gender pay gap – the percentage difference between the average income of female and male employees relative to the average male employee income – is 3.2% (previous year: 3.9%), considering all remuneration components across all employee groups. When the wage gap is broken down by age group – a proxy for professional experience – the difference between men and women is even smaller. The goal of our HR policy is to eliminate gender-specific differences in pay. Our diversity & inclusion measures support this objective. For instance, we regularly analyze gender pay distribution, disclose the results publicly, offer managers training on unconscious biases, and promote transparency by sharing pay scales internally.

 Further information in the ESG Data Factsheet

Adequate wages

We are committed to fair compensation for all employees worldwide. Our remuneration principles align with the standards of the UN Global Compact and the International Labor Organization (ILO), including the right to adequate pay. Each year, we conduct a comprehensive review of our global wage structure, drawing on market analyses and external benchmarks to ensure fairness and competitiveness.

Currently, over 60% of our employees are covered by collective bargaining agreements. For employees not covered by such agreements, we regularly benchmark salaries against relevant market data to ensure pay remains appropriate, competitive, and in line with local expectations and the cost of living. In many cases, salaries for these employees – particularly those in management – exceed collectively agreed levels.

Through this combination of collective agreements, annual salary reviews, and ongoing social dialogue, we ensure that our employees receive fair and adequate remuneration in every country where we operate. This approach demonstrates our commitment to responsible business practices and to meeting both internal and external expectations for fair pay.

LANXESS ensures that compensation for all hours worked, including overtime, is fully compliant with applicable legal and collective bargaining requirements in every country where we operate. For the majority of our employees, working hours are recorded and any overtime is compensated in line with statutory or collective agreements. For employees in management positions, additional working hours are already reflected in their market-based compensation.

Pensions and financial protection

As a responsible employer, the financial security of our employees is important to us. LANXESS offers its employees in most countries a company pension and insurance services for their financial security, such as free accident insurance. The structure of the company pension is regulated differently in different countries depending on the state pension system. LANXESS's pension commitments often go beyond what is legally required. Employees in Germany can add to their personal financial security with private pension and insurance solutions and, since 2021, also receive a subsidy for supplementary long-term care insurance.

Further offers support the transition to retirement, such as the long-term account for pay-scale employees in Germany. Employees can pay not only money such as bonuses, but also time credit into this account. This allows them to leave working life earlier just before retirement while still being employed at LANXESS and therefore financially secured.

Another instrument for security that LANXESS offers its employees in countries such as the USA and India is employer-funded health insurance.

2. ACTIVELY SHAPING PROFESSIONAL LIFE

Supporting development

Only if we continuously invest in initial and further training for our employees and provide them with clear, globally binding values and standards, will we be able to take advantage as a company of the opportunities offered by changing markets. A wide variety of management and personnel development tools enable and motivate our employees to act on the basis of our values, think about topics in a new way, and implement them rapidly, while developing solutions as a team.

Performance dialog

One key instrument in our personnel development is the performance dialog. This group-wide format for the performance evaluation of our employees helps our managers and their team members align their mutual expectations regarding tasks, goals, responsibilities, and behavior. It takes place at least once a year, while fostering continuous feedback and thereby enhancing collaboration. The performance dialog focuses on a meaningful conversation in which the employees' professional development can be discussed on an individual basis. The assessment also takes into account how goals are achieved. This promotes our corporate culture with its values: respect, responsibility, trust, professionalism, and integrity.

Personnel conferences

Our personnel conferences build on the performance dialog and provide management with the opportunity to extend discussions on employee performance and development across departments and organizational units. At the conferences, taking place on a yearly basis, we apply consistent evaluation standards, discuss (career) developments, and ensure long-term succession planning. Development measures may include job rotations, management training, or coaching, among others.

Global corporate talent programs

With our corporate talent programs "eXplorer", and "compass" we offer group-wide development opportunities across all divisions and hierarchy levels to provide targeted support to particularly high-performing employees who have the potential to fill strategically relevant positions.


Strategic HR planning

For our strategic HR planning, we use digital technologies and algorithms to make data-based decisions for the long-term development of our organization. We use people analytics to analyze large sets of HR data - for instance, to initiate recruitment or succession planning at an early stage and ensure the necessary transfer of knowledge.

This enables us to remain competitive even in a tight labor market. As part of strategic HR planning, we simulate the development of our personnel levels and requirements based on defined job roles in order to identify possible gaps and derive suitable measures such as training, job rotation, recruitment, or transfers. The assumptions we apply when simulating our personnel requirements are based on data that we gain using people analytics, such as retirement age, employee turnover, and other absence.

The people analytics functions also help us to make our recruitment goal-oriented and attractive. In this way, we can develop tailored training and onboarding offers, increase employee retention, and strengthen our role as an employer of choice.

Particularly in the context of demographic change, it is crucial for us to attract skilled and high-potential employees. Our global digital recruitment process and the corresponding software platform help us make the talent acquisition process more consistent and transparent.


 Further information on our recruitment system

 Further information on new hires in our ESG Factsheet

Commitment to young talent

Professional training for young people has always been a high priority for us, both to secure the company's future and as part of our social responsibility. It forms the basis of our strategy to develop specialist staff for the German locations from within our own ranks. We aim to retain at least 80% of our apprentices after they have successfully completed their training. With a rate of 75% (previous year: 71%), we missed this goal in 2025 due to the difficult economic conditions and structural changes. Outside Germany (e.g. in Argentina, Brazil, and India), we offer similar programs to cover our requirements for the next generation of employees.

 Further information on training in our ESG Factsheet

 **Ongoing target:** At least 80% of apprentices hired after completing their training



Best practice: Training for graduates

Dual studies: As part of a dual-study program at LANXESS, we offer high school graduates in Germany who hold a university entrance qualification the opportunity to acquire academic knowledge while simultaneously beginning their professional careers.

Graduate trainee program: In addition to the initial training program, our international graduate trainee program is another important tool for securing young talent in Germany. Especially highly qualified Master's graduates are prepared for challenging specialist and management tasks and can gain valuable experience both in Germany and abroad, as well as through participation in international projects.

Learning and development offers

Our personnel development focuses on continuously promoting our employees' potential and skills.

Training

Over 95% of all employees worldwide received training in 2025. This included basic training, safety training, and further training for career and skills development. On our in-house learning platform, our employees can find relevant training offers and materials. All our training programs and learning offers also apply for part-time employees.

In recent years, we have expanded our digital learning opportunities. We held some training courses as face-to-face events, but also continued to develop virtual formats. Experience in recent years has shown us that hybrid formats produce the best results, as they offer our employees flexibility for their own further training and support the expansion of our network at the same time.

With our digital learning platform "LinkedIn Learning", that was successfully launched in 2021, our employees benefit from more than 21,000 additional digital learning opportunities for professional and interdisciplinary development and to strengthen future skills. Our internal network comprises about 70 LinkedIn Learning curators who develop customized learning paths to increase the quality of digital learning.

As an international company operating across borders and within highly diverse, multicultural teams, cultural education is a fundamental pillar of our training and development portfolio. We recognize that the ability to understand, appreciate, and effectively navigate different cultural backgrounds is essential for our long-term business success, innovation, and collaboration. To this end, we offer a broad range of targeted learning paths (e.g., via our LinkedIn Learning platform), training programs (such as courses on intercultural competence), and dedicated initiatives (including our "Intercultural eXchange Community," special awareness sessions, and practical toolkits). These offerings are designed to raise awareness, foster mutual respect, and systematically build intercultural competence among our employees. By empowering our teams in this way, we enable more effective collaboration, help prevent misunderstandings, and unlock the full potential of our global workforce.

As part of our commitment to a sustainable transformation of the chemical industry, we also provide a broad range of trainings and learning offers that prepare our employees for digital technologies, sustainable production processes, and new regulatory requirements. Through these training and learning initiatives, we actively support job security and maintain our industry's competitiveness in the context of industrial and climate-related change.

Through a range of digital transformation initiatives, we support our employees in adapting to new digital tools, processes, and technologies in the workplace. Our goal is to harness digital advancements effectively, thereby increasing efficiency and productivity and driving the overall digital transformation at LANXESS. This transition is facilitated by a comprehensive set of measures, including learning communities (such as the "myWorkplace Community," "AI Community," and "IT Champions Community"), a central knowledge portal, helpdesks, specially designed training programs, and learning sessions – for example, on our internal AI tool "Xchat" and CoPilot trainings.

In the rare case of a downsizing program, we always strive to ensure that job cuts are implemented in a socially responsible manner. In such cases, we have consistently offered transition programs for the affected employees. The FORWARD! transition program, for example, included severance pay (taking into account employee age and years of service). Locally, we also offered outplacement services (e.g., in Germany), and assistance, such as counseling to support the transition to non-working life.

In order to keep developing our training offers, ensure their effectiveness, and align them with the organization's needs, it is essential to evaluate the trainings. For example, they are evaluated using a two-stage survey of the participants. First, the participants assess their training unit immediately after the course, and then after 90 days they receive a second evaluation form. This allows us to capture both short-term satisfaction with the course and long-term learning effects and their impact on the participants' everyday work, so that we can assess and increase the sustainability of the training offering.

Leadership development

Our leaders play a key role in the management and further development of our company. To equip them for this task, we support the targeted development of their skills. In addition to training units in the Group, our global leadership development program also includes digital learning formats, reflexive elements such as personality assessments, and social learning such as advice from colleagues and coaching units. The learning content is tailored to the requirements of different leadership levels. In addition, we promote our leaders' development by offering networking events, and multi-dimensional performance appraisals (360-degree feedback) followed by coaching (see also p. 12).

Social learning

Our employees possess a huge wealth of knowledge. Social learning is therefore becoming increasingly important and is supported by us with various different offers. Through a combination of personalized support, solution-oriented coaching for individual concerns, and targeted potential development, external coaches are engaged to act as neutral providers of feedback, helping to strengthen self-reflection and empower employees to further develop their performance and self-management skills.

We also promote social learning through mentoring. At LANXESS, every employee has the opportunity to become a mentor and use their experience and expertise to support colleagues with their personal and professional development. Our formal online mentoring platform is currently available to management-level employees in Germany, parts of the EMEA region, in APAC, and at our locations in North and South America.

International assignments

Another key component of our systematic personnel development is international assignments. International assignments not only support the professional development of our employees; they also contribute to intercultural expertise and help us understand diversity better.



Best practice: Sharing knowledge

Happy to Share: Our employees have a huge wealth of knowledge and experience. To make this visible, we regularly offer virtual sessions for sharing knowledge on various topics following the motto "Happy to Share."

Knowledge transfer in production: Our goal is to ensure that valuable expertise is retained in the company despite demographic changes. To this end, we are working on continuous digital knowledge management that documents knowledge using various different media. Initial pilot projects have been launched for this purpose. Our knowledge transfer program, which includes expert debriefings, learning tandems and a company-specific knowledge database ("Plant Wiki+"), received the "HR Excellence Award" at the end of 2021.

Recognizing and valuing diversity

We see diversity as a strategic advantage and believe that we have a responsibility to enable all of our employees to actively shape their professional lives. We therefore aim to continue developing diversity further at LANXESS and leverage its positive effects for our company and our employees. A culture of appreciation that is inclusive and open to everyone helps us to become more innovative and effective and to acquire and retain promising talent. Diversity-driven HR processes form the basis for this. We take a holistic view of D&I, looking at all relevant dimensions.

We have various training and learning offers to raise awareness of unconscious bias and promote an inclusive mindset. This includes our multilingual “Unconscious Bias” e-learning course, offered to all employees worldwide, which addresses unconscious thought patterns and encourages critical self-reflection. Through our Diversity & Inclusion events – such as the annual Global Diversity & Inclusion Day – we aim to foster awareness for the diverse needs of our workforce and promote open dialogue across the organization. As part of these events, we regularly invite inspiring guest speakers who share their personal experiences and perspectives on inclusion and belonging.


Recognizing and valuing diversity is anchored in our values and our operational and management principles. We expect our employees to value diversity and to not tolerate any form of discrimination, in line with the international labor and social standards of the International Labor Organization (ILO). This is stipulated both in our Code of Conduct for employees and in our Position on Human Rights. In 2025, there were again no reports and no knowledge of systematic discrimination against people employed at LANXESS.

This covers skin color, age, gender, sexual orientation, ethnicity, religion, physical and mental abilities, membership of trade unions, and political opinions.

 [LANXESS Position on Human Rights](#)

 [LANXESS Code of Conduct](#)

We are a member of several initiatives emphasizing different aspects of diversity. As a supporter of the Women’s Empowerment Principles (WEPs), the “Charta der Vielfalt” (Diversity Charter) and the Rhine-Ruhr Diversity Network, we work to help incorporate diversity, equity, and inclusion in German business and globally. Overseeing this topic lies in the accountability of our Social & Governance sub-committee within our Sustainability Committee and in the Board of Management.

 [Further information on the “Charta der Vielfalt”](#)

Ensuring equal opportunities


In 2025, we continued to pursue our strategic concept “Diversity & Inclusion” (D&I) for the promotion of diversity, equal opportunities, and inclusion. It is important to us to integrate the topic of D&I comprehensively in all HR processes throughout the employee cycle and to ensure equal opportunities. Our measures start with standardized recruitment and onboarding processes to prevent discrimination. We strive to create inclusive job postings to recruit from diverse talent. Furthermore, we address specific target groups and regularly take part in recruitment events that are specially tailored to women, for example. Using our mentoring platform, we can support diverse candidates in their onboarding. The mentoring platform allows to form intercultural teams, thus also fostering intercultural awareness and reducing unconscious biases in the organization.


We also measure our progress with regard to various diversity indicators, such as the proportion of women at different hierarchy levels, and have set ourselves the goal of steadily increasing the proportion of women at LANXESS. In the context of the industry in which we operate, these figures can be considered proportionate.


Since April 2023, Ms. Frederique van Baarle has been a female member to the Board of Management of LANXESS AG.

In April 2022, the Board of Management adopted new targets for the proportion of women at the two management levels below the Board of Management. According to these targets, the proportion of female employees is to be at least 25% at the first level and 28% at the second level below the Board of Management by June 30, 2027. In the 2025 financial year, the proportion of women at the first management level below the Management Board was 23.7% and 28.7% at the second level below the Management Board.

Beyond the statutory we have set ourselves further targets: Among other things, we would like to have at least 30% management positions to be held by women by the end of 2030. At the end of 2025, the proportion of women in management was 26.8% (previous year: 26.1%).

 **2027 target:** 25% women at the first level below the Board of Management

 **2027 target:** 28% women at the second level below the Board of Management

 **2030 target:** 30% women in management (below the Board of Management)

Networks: Our employees take action

Networks can make an important contribution to promoting diversity, equal opportunities and inclusion.

WInX - our global Women Initiative at LANXESS - connects women at LANXESS across national borders. As part of this initiative, virtual, hybrid and face-to-face events were held internationally where participants were able to exchange ideas. With a "Male Ally Workshop", the Women's Network Germany showed that the commitment of male employees to gender diversity and gender equality is also important. The workshop gave rise to the "HeFor-WInX" network group for committed men who will support the women's network in the future.

In the USA, a working group called "X-arise" (**A**gainst **R**acial **I**njustice and **S**ocial **E**xclusion) was initiated by employees in 2020. The group aims to raise awareness of the risk of racially motivated unequal treatment and social exclusion by providing targeted information and developing action plans where necessary.

Flexible working conditions

To support our employees in actively shaping their professional lives, we are continually working to expand and improve our offerings related to work-life balance. Through Xwork - our flexible working program - we aim to provide all employees whose roles allow it with the opportunity to organize their work independently and adapt it to their individual daily routines. Our Xwork models offer flexible options regarding working hours (such as flexitime, part-time, trust-based working hours, and job sharing) as well as work location (including mobile working and working from home). Our ambitious goal was to derive and implement specific guidelines or corresponding models for flexible working conditions, based on our global Xwork principles, in at least 95% of all countries in which we operate. We have already achieved a coverage rate of 96%.

Alternatives to full-time work

LANXESS offers its employees and managers various part-time regulations as alternatives to full-time work – as working time models for different life stages. In this way, LANXESS supports compatibility of career, family, and private life, for example for employees on parental leave or those with responsibility for elderly or care-dependent relatives. Part-time work is possible in consultation with the employee's supervisor.

Since 2019, the "flexitime" model has allowed all managers in Germany to reduce their working hours to 95%, 90%, or 85%. What is special about "flexitime" is that the volume of working hours resulting from the reduction is converted into full vacation days. These unpaid vacation days can be taken together and combined with regular vacation.

 Further information on our flexible working offers

We provide all our employees worldwide with paid annual leave and proactively encourage them to utilize their full entitlement, for example through regular communications on our LANXESS intranet. In addition, we typically grant further paid special leave at short notice for significant life events such as relocation, marriage, the birth of a child, or bereavement, in accordance with the respective legal requirements in each country. In Germany, where the majority of our workforce is based, this includes, for example, one day for moving house, two days for an employee's own wedding, and one day for the birth of a child.

This comprehensive approach to leave entitlements underscores our commitment to employee well-being and work-life balance, which we view as key drivers of long-term engagement and productivity.

In Germany, parents are entitled to a total of 14 months (approximately 60 weeks) of paid parental leave, provided that both parents take at least eight weeks each. Typically, the primary caregiver utilizes 52 weeks, while the non-primary

caregiver takes eight weeks. While such comprehensive frameworks for paid maternity, paternity, and parental leave are standard in Germany and similar models exist in parts of the European Union, these benefits are far from universal worldwide. To address this, LANXESS proactively implements country-specific work-life balance programs that exceed local legal requirements at our locations outside Europe. For example, in Brazil and the United States, we offer paid parental leave programs that surpass statutory obligations, enabling our employees to spend up to eight weeks with their children at full pay. As a result, the vast majority of our employees – both primary and non-primary caregivers – are able to take at least eight weeks of paid parental leave.

At LANXESS, we are committed to being a family-friendly employer and supporting employees in balancing their careers and family responsibilities. We fully comply with all legal requirements regarding breastfeeding and lactation facilities. For example, German law entitles nursing mothers to paid breaks for breastfeeding and requires employers to provide a suitable, private space for this purpose. Beyond these legal obligations, we offer a range of additional family-friendly measures, including flexible working arrangements, home office options, and support in finding suitable childcare. Our goal is to make it as easy as possible for mothers returning to work to combine breastfeeding with their professional lives, ensuring a smooth transition and promoting an inclusive, supportive workplace culture.

As a global company, we follow local legal frameworks for dependent care leave. While provisions vary by country, we ensure compliance across all locations. In Germany, where the majority of our employees are based, statutory entitlements include up to ten working days of short-term leave for urgent care needs, as well as longer-term unpaid leave of up to six months (full- or part-time) and up to 24 months of part-time leave for extended caregiving. These leaves are supported by government programs such as care support allowance or interest-free loans. This framework ensures that the majority of our workforce has access to legally protected leave options for dependent care.



Best practice: Support with childcare

Childcare: In many municipalities in Germany, it is difficult to find suitable childcare. LANXESS therefore offers its employees childcare places at various daycare centers in and around Cologne and offers support with searching for a suitable childcare option. At our production location in Leverkusen, we offer a daycare center where children can be looked after close to the plant.

Decent working hours

The weekly working hours may not exceed the local statutory maximum limit. Unless otherwise regulated by law, the maximum number of working hours must not exceed 48 hours per week. This also applies to employees who work on a trust-based working time model. Exceeding the 48-hour workweek shall be only permissible in exceptional cases driven by business needs and must not be regularly required. Any such exceptions need to comply with the applicable local legislation and collective bargaining and /or works council agreement.

Digital Security and Cyber Resilience

In an increasingly connected working environment, protecting digital information is a key part of our corporate responsibility. At LANXESS, we view information security not merely as a technical requirement, but as an essential element of a safe, trustworthy, and sustainable workplace.

We continuously enhance our information security systems. To mitigate risks to our information assets and ensure the integrity and protection of our data, we implemented proven preventive measures such as authorization and access management, patch and vulnerability management, and encryption. These measures are regularly reviewed and improved. Strategic decisions regarding information security are made

by the cross-functional Information Security Committee (ISC) lead by the Chief Information Security Officer (CISO).

In addition to this central committee, dedicated security teams have been established within both the IT and PTSE Group functions. These teams define and implement protection concepts and monitor information security threats. The ISC makes risk-based decisions on implementing measures across all areas of the organization. Information and cybersecurity are firmly embedded in our IT strategy and supported by continuity plans and incident response procedures related to information security. Our internal IT Security Procedure outlines the incident management process, including identification, response, recovery, prevention, and reporting.

Employee awareness is a key pillar of our information security approach. All employees receive mandatory training at least once a year on cybersecurity risks, safe conduct, and reporting procedures. In addition, we provide regular information materials and maintain a clear process for reporting incidents, vulnerabilities, or suspicious activities—documented in our internal IT Incident Management Procedures.

To ensure the effectiveness of our measures, we conduct regular internal audits and third-party vulnerability analyses. The accuracy of these assessments is continuously reviewed. Our commitment to digital security is reflected in our performance: in the 2025 reporting year, LANXESS recorded zero major information security breaches.

Engaging our partners

At LANXESS, engaging in dialogue with chemical industry social partners – including trade unions and employer associations – is a core principle of our consultative approach and a standard practice worldwide. We fully respect our employees’ freedom of association in line with the International Labor Organization (ILO) and the UN Global Compact, and we comply with all collective bargaining agreements. We regularly engage with employee representative committees in Germany, across Europe, and globally, sharing information about our corporate objectives and involving employee representatives at an early stage in organizational changes. Ensuring fair and constructive relations with employee representatives and trade unions is also a top priority for us outside Europe. In the rare event of mass terminations, we comply with the minimum consultation or notice periods required by local legislation (for example, 30 days in Germany), but we involve employee representatives much earlier – for instance, to negotiate social plans.

Engaging our employees for sustainability

LANXESS incentivizes employees to generate ideas on how to improve the environmental footprint of LANXESS. This is done via a special monetary incentive as part of our Idea Management System: Employees are encouraged to submit ideas on how to improve production processes and save costs. Included is a special incentive for ideas on new ways to reduce emissions throughout production processes.

3. LANXESS: EMPLOYER OF CHOICE

LANXESS aims to be an attractive and responsible employer. We are convinced that measures to strengthen our corporate culture lead to a better business performance, a strong employer brand, and ultimately to long-term corporate success due to increased commitment among our employees. Our goal is to attract candidates who fit with us and our corporate culture. At the same time, we want to offer our employees conditions that encourage them to stay with us in the medium to long term and help fully develop their potential. In summary, we want to be an employer of choice.

Satisfaction and commitment

Regular, structured feedback and analysis of our employees’ satisfaction and commitment are important elements for our corporate culture. They allow us to evaluate the experiences of our workforce and initiate measures to attract, retain, and develop the best employees. In a global, Group-wide survey of job satisfaction in 2020, a total of 92% of the participating employees said that they felt committed or very committed to their work. This high level of job satisfaction is further enhanced by a 360 degree feedback process, where colleagues, supervisors, employees and other interfaces provide feedback to the manager (multidimensional performance appraisal). Hence, enabling managers to identify strengths, blind spots and development potential.

We also assess the employee turnover rate on the basis of resignations as an important indicator of our employees’ commitment.

We regularly analyze the turnover pattern by age, gender, and region so that we can identify possible unequal treatment at an early stage and take countermeasures where necessary.



Ongoing target: Employee turnover resulting from voluntary resignations below 4.5%.

In 2025, the voluntary employee turnover rate was 2.8% globally (previous year: 3.6%). Retaining employees, especially talent, is increasingly becoming a challenge as the labor market is clearly changing into an employee market. It is therefore becoming increasingly important in terms of HR strategy to retain skilled employees in the company. Accordingly, we are also intensifying our employer branding internally and, for example, gearing it individually to the different age groups in the company. We also create a strong sense of belonging among our workforce through various opportunities to network internally with one another, and are expanding these opportunities in a targeted manner.

In addition to strong commitment and relatively low employee turnover on the basis of resignations, we view our performance in relevant rankings and competitions as another indicator of satisfaction among our workforce and the appeal of LANXESS as an employer.



Best practice: Awards as a top employer

China: Beginning of 2026, LANXESS was named a “Top Employer China” for the ninth time in a row by the renowned Top Employers Institute.

Brazil: For 2025, LANXESS Brazil received a classification as one of the 150 “Incredible Places to Work” in the general market ranking.

GLOSSARY

Business unit (BU): Our business units are responsible for our operating business. They are grouped together in four segments: Advanced Industrial Intermediates, Engineering Materials, Consumer Protection, and Specialty Additives.

International Labour Organization (ILO): The ILO is a special organization of the United Nations that is tasked with promoting social justice as well as human and labor rights.

Junior Management: Includes all employees at LANXESS with lower management grade. This classification defines their allocation to salary brackets and bonus levels. It is not linked to a management position, but rather to the evaluation of the position.

Lost time injury frequency rate (LTIFR): The LTIFR (known as MAQ [“accidents per million hours worked”] in Germany) is a general accident statistic that determines the total number of reportable occupational accidents for a defined period and presents this in relation to one million working hours.

Management: Regardless of the hierarchical level, all employees with a management grade are classified as management.

Management in revenue generating functions: This includes the share of revenue-generating functions in management (e.g. sales) compared with overall management. Support functions such as HR, IT, legal are not included.

Middle Management: All employees at LANXESS with middle management grade. This classification defines their allocation to salary brackets and bonus levels. It is not linked to a management position, but rather to the evaluation of the position.

STEM positions: Different professions in the fields of science, technology, engineering and mathematics.

Sustainable Development Goals (SDGs): The 17 goals for sustainable development are political objectives of the United Nations (UN). They were adopted in 2015 and are intended to help ensure sustainable development worldwide on an economic, social, and environmental level.

Top Management: Includes the first and second level below the Board of Management (heads of business units and Group functions, regional managers, and employees in senior management positions who report to them directly).

UN Global Compact: A global initiative for corporate governance. The ten principles of the UN Global Compact cover topics including human rights, labor standards, the environment, and anti-corruption.

Women’s Empowerment Principles (WEPs): The Women’s Empowerment Principles are seven principles for empowering women at companies. The WEPs are a joint initiative of UN Women and the UN Global Compact. They are based on international labor and human rights standards and are a key instrument for companies’ implementation of the equality aspects of the 2030 Agenda and the United Nations Sustainable Development Goals.

Xwork: Xwork comprises all the flexible working models at LANXESS. This includes formats that offer flexibility in terms of the work location, as well as programs allowing for a flexible arrangement or reduction of working hours.

“You Matter” program: The full package of benefits that LANXESS offers its employees.

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