

# 2024

LANXESS AG ANNUAL FINANCIAL STATEMENTS

# LANXESS AKTIENGESELLSCHAFT, COLOGNE

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# Income Statement

## LANXESS AG

€ thousand	Note	Dec. 31, 2023	Dec. 31, 2024
<b>Sales</b>	(1)	<b>5,843</b>	<b>9,929</b>
Cost of sales	(2)	(4,692)	(8,839)
<b>Gross profit</b>		<b>1,151</b>	<b>1,090</b>
General administration expenses	(3)	(36,406)	(36,473)
Other operating income	(4)	2,934	1,905
Other operating expenses	(5)	(16,358)	(1,101)
<b>Operating result</b>		<b>(48,679)</b>	<b>(34,579)</b>
Expense for loss absorption from affiliated companies		(87,610)	(267,175)
Income from other securities and loans included in financial non-current assets	(6)	9,505	11,034
Net interest expense	(7)	151,406	196,688
Other financial income and expenses – net	(8)	8,229	4,646
<b>Financial result</b>		<b>81,530</b>	<b>(54,807)</b>
Income taxes	(9)	(17,665)	(1,154)
<b>Income after income taxes</b>		<b>15,186</b>	<b>(90,540)</b>
<b>Net income/loss for the year</b>		<b>15,186</b>	<b>(90,540)</b>
Carryforward to new account	(21)	427,309	433,860
<b>Distributable profit</b>		<b>442,495</b>	<b>343,320</b>

# Statement of Financial Position

## LANXESS AG

€ thousand	Note	Dec. 31, 2023	Dec. 31, 2024
<b>ASSETS</b>			
<b>A. Non-Current Assets</b>	(13)		
<b>I. Property, plant and equipment</b>		<b>34</b>	<b>38</b>
<b>II. Financial assets</b>			
1. Investments in affiliated companies	(14)	738,864	738,864
2. Loans to subsidiaries	(15)	98,670	98,670
3. Other loans	(16)	61,456	64,587
		899,024	902,159
<b>B. Current assets</b>			
<b>I. Receivables and other assets</b>			
1. Receivables from affiliated companies	(17)	6,569,042	6,441,982
2. Other assets	(18)	43,219	46,261
<b>II. Securities</b>	(19)	<b>350,000</b>	<b>315,823</b>
<b>III. Liquid assets</b>		<b>30,834</b>	<b>204,682</b>
		<b>6,993,095</b>	<b>7,008,748</b>
<b>C. Prepaid Expenses</b>	(20)	<b>17,056</b>	<b>14,436</b>
<b>Total assets</b>		<b>7,909,175</b>	<b>7,925,343</b>

€ thousand	Note	Dec. 31, 2023	Dec. 31, 2024
<b>EQUITY AND LIABILITIES</b>			
<b>A. Equity</b>	(21)		
<b>I. Capital stock</b> (conditional capital €8,635 thousand)		<b>86,346</b>	<b>86,346</b>
<b>II. Capital reserves</b>		<b>1,235,706</b>	<b>1,235,706</b>
<b>III. Other retained earnings</b>		<b>913,481</b>	<b>913,481</b>
<b>IV. Distributable profit</b>		<b>442,495</b>	<b>343,320</b>
		<b>2,678,028</b>	<b>2,578,853</b>
<b>B. Provisions</b>			
1. Provisions for pensions and other post-employment benefits	(22)	112,780	113,851
2. Tax provisions	(23)	29,402	33,027
3. Other provisions	(24)	17,233	25,242
		159,415	172,120
<b>C. Liabilities</b>			
1. Bonds	(25)	2,800,000	2,800,000
2. Liabilities to banks	(26)	16,146	21,235
3. Trade payables	(27)	600	3,229
4. Payables to affiliated companies	(28)	2,254,347	2,349,011
5. Other liabilities	(29)	639	895
		<b>5,071,732</b>	<b>5,174,370</b>
<b>Total equity and liabilities</b>		<b>7,909,175</b>	<b>7,925,343</b>

# Notes to the Annual Financial Statements of LANXESS Aktiengesellschaft, Cologne, for the Fiscal Year 2024

## GENERAL INFORMATION

The Board of Management and Supervisory Board have issued the declaration required under Section 161 of the German Stock Corporation Act (AktG) regarding the German Corporate Governance Code. This has been made available to the stockholders and can be found at [www.lanxess.com](http://www.lanxess.com) in the Investors Section under Corporate Governance.

## FUNDAMENTALS

The annual financial statements of LANXESS AG, Cologne (registered at Cologne District Court, HRB 53652), are prepared in accordance with the provisions of the German Commercial Code (HGB) and the German Stock Corporation Act that are applicable to large stock corporations as well as the supplementary provisions of the articles of association. As in the previous year, the management report of LANXESS AG has been combined with the management report of the LANXESS Group in application of Section 315, Paragraph 5 HGB in conjunction with Section 298, Paragraph 2 HGB. The financial statements were prepared in euro. All amounts are stated in thousands of euros (€ thousand) unless specifically noted otherwise.

To enhance clarity, certain items in the income statement and the statement of financial position are combined and are explained in the Notes. Also for reasons of clarity, the “of which” items required for certain financial statement items are included exclusively in the Notes.

The income statement has been drawn up using the cost-of-sales method.

Financial income and expenses whose disclosure is not covered by a mandatory item and which cannot be assigned to a separate item are reported under other financial income or expenses.

As the primary parent company of the LANXESS Group, LANXESS AG has prepared consolidated financial statements as of December 31, 2024, in accordance with the International Financial Reporting Standards (IFRS), as endorsed by the European Union.

The annual financial statements and combined management report for fiscal year 2024 prepared in application of Section 315, Paragraph 5 HGB in conjunction with Section 298, Paragraph 2 HGB are published together with the auditor's report in the German Federal Gazette (Unternehmensregister). They are made available at [www.lanxess.de](http://www.lanxess.de) under Investors, Publications.

## ACCOUNTING POLICIES AND VALUATION PRINCIPLES

Intangible assets that have been acquired are capitalized at the cost of acquisition including the incidental acquisition costs and amortized on a straight-line basis over their estimated useful lives or carried at fair value if lower. Self-generated intangible assets are not capitalized.

Property, plant and equipment is capitalized at the cost of acquisition including the incidental acquisition costs and depreciated on a straight-line basis over its estimated useful life or carried at fair value if lower.

Low-value assets costing up to €250.00 are expensed in the year of acquisition. Low-value assets costing between €250.00 and €1,000.00 are combined in a collective item and depreciated over five years using the straight-line method.

**Useful lives of intangible assets, property, plant and equipment:**

Software licenses	3 to 4 years
Computer equipment	3 to 4 years
Furniture, fixtures and other equipment	4 to 10 years

Investments in affiliated companies are recognized at cost of acquisition or carried at the lower of cost and fair value in the event of unscheduled write-downs that are expected to be permanent. Where the reasons for write-downs made in previous years no longer apply or only partially apply, the respective items are written back accordingly, provided that the write-back does not cause the carrying amount to exceed the cost of acquisition.

Cash has been deposited in a fiduciary account to meet the obligations relating to the “demographic change fund” for employees defined in the collective bargaining agreement for the German chemical industry. This cash deposit is administered on behalf of LANXESS AG by the fiduciary agent Willis Towers Watson and is ring fenced against other creditors' claims. The level of benefits owed to the employees thus meets the conditions for classification as “securities linked pension or similar commitments” pursuant to Section 253, Paragraph 1, Sentence 3 HGB. The fund assets as defined in Section 246, Paragraph 2, Sentence 2, Subsentence 1 HGB are measured at fair value pursuant to Section 253, Paragraph 1, Sentence 4 HGB and offset against the underlying commitments pursuant to Section 246, Paragraph 2, Sentence 2, Subsentence 1 HGB. Since, in the case of “securities linked pension and similar

commitments,” adjusting the carrying amount of the commitments to the fair value of the corresponding assets acts as a de facto bar to distribution, the ban on distribution pursuant to Section 268, Paragraph 8, Sentence 3 in conjunction with Sentence 1 HGB therefore does not apply.

Loans receivable that are interest free or bear low rates of interest are carried at present value; other loans receivable are carried at the lower of nominal or fair value.

Receivables and other assets are stated at nominal value, less any necessary write-downs. The amounts of such write-downs reflect the probability of default.

Marketable securities are valued at the lower of cost and fair value.

Bank deposits held in euros are recognized at their nominal value; such assets held in foreign currencies are translated at the average spot exchange rate on the closing date of the financial statements.

Disbursements prior to the closing date that represent spending for a specific period thereafter are recognized as prepaid expenses. The option according to Section 250, Paragraph 3 HGB was utilized and the differences between the issue and settlement amount for bonds issued by LANXESS AG included; they will be amortized over the maturity of the bonds.

Deferred taxes are calculated for temporary differences between the accounting valuations and tax valuations

of assets, liabilities and deferred items. As the primary company of the LANXESS Group's fiscal entity in Germany, LANXESS AG therefore has to recognize temporary differences relating both to its own financial statements and to those of companies with which it forms a fiscal entity. In addition to temporary differences, tax loss carryforwards are also accounted for. Deferred taxes are based on the aggregate income tax rate for all companies in LANXESS AG's fiscal entity, which is currently 29.0% (previous year: 29.0%). The combined income tax rate comprises corporate income tax, trade tax and the solidarity surcharge. Any resulting tax liability would be recognized as a deferred tax liability in the statement of financial position. The option of capitalizing tax refunds is not utilized. In the reporting year, there was a net surplus of deferred tax assets, which is not recognized.

The capital stock is stated at par value.

Provisions for pensions and other post-employment benefits are computed using the projected unit credit method on the basis of biometric probability using the Heubeck reference tables 2018 G. Expected future salary and pension increases are taken into account. The current assumptions for salary increases are unchanged from the previous year at 2.50% for non-managerial employees and 2.75% for managerial employees. For older pension commitments, the expected rate of increase was reduced to 2.10% in the annual financial statements for 2024 (previous year: 2.20%). For pension commitments from 2001 onwards, the expected rate of increase is unchanged from the previous year at

1.00%. The discount rate used is 1.90% (previous year: 1.82%) for pensions, 1.48% (previous year: 1.07%) for early retirement benefits and 1.96% (previous year: 1.74%) for miscellaneous post-employment benefits. The interest rate used to discount pension obligations to December 31, 2024, is the average market interest rate for the past ten fiscal years for an assumed residual maturity of 15 years as calculated and published by the Deutsche Bundesbank. The interest rates for the other personnel-related provisions measured using financial calculation methods correspond to the average market interest rate of the past seven years published by the Deutsche Bundesbank. For the miscellaneous post-employment benefits, a general residual maturity of 15 years was assumed. The actual residual maturity of three years was recognized for the early retirement obligations.

For employees who joined after December 31, 2016, and new employees, LANXESS has launched a pension model comprising employee and employer-financed components as an accessory to pension liability insurance. The settlement amount of the obligation equates to the fair value of the pension liability insurance secured via a contractual trust arrangement (CTA), which constitutes fund assets as defined in Section 246, Paragraph 2, Sentence 2 HGB, so the obligation and fund assets balance out to zero. In the case of the present commitment, the interest expense from the interest portion of the provision equals the income from the pension liability insurance. Both amounts are to be netted in accordance with Section 246, Paragraph 2, Sentence 2 HGB.

Tax provisions are established for the amounts of tax arrears expected to be payable less the advance payments made and for tax risks.

The BEPS Pillar Two requirements were codified in German law (MinStG) for the first time at the end of 2023 and went into effect on January 1, 2024. These rules are applicable to the LANXESS Group. As of the closing date, LANXESS AG carried out an analysis to determine the impact and the jurisdictions from which the Group is exposed to possible effects in connection with a Pillar Two minimum tax. First it was checked whether the CbCR safe harbor regulations were applicable. If a country was not excluded from the Pillar Two calculation after checking the safe harbor regulations, the effective tax rate was calculated on a simplified basis. LANXESS AG applies the exception provided by Section 274, Paragraph 3 HGB, according to which an entity does not recognize or disclose information on deferred tax assets and liabilities related to the OECD BEPS Pillar Two income taxes. LANXESS AG is attentively observing the progress of this legislative process in every country in which LANXESS operates.

The other provisions are established to cover all foreseeable risks and uncertain liabilities, based on reasonable estimates of the future settlement amounts of such commitments. Future price and cost increases are taken into account if there are sufficient objective indications that they will occur. Provisions maturing in

more than one year are discounted to present value using the average market interest rate for the past seven years, based on their remaining maturities.

Liabilities are generally reflected at their settlement amounts.

Contingent liabilities arising from sureties and debt guarantees are shown at the amounts equivalent to the loans or commitments actually outstanding on the closing date.

Income and expenses are accrued in the fiscal year.

Foreign currency receivables and liabilities, forward exchange contracts and other currency derivatives are recognized using the mark-to-market method. Foreign currency receivables and payables are valued at middle spot exchange rates, while currency derivatives contracts concluded to hedge them are valued at the forward market rates on the closing date. Valuation gains and losses are offset against one another. Provisions for impending losses are established with respect to any excess of losses over gains. Gains are only recognized if they relate to receivables and payables due within one year. Foreign currency cash and cash equivalents and balances with banks are translated at the average spot exchange rates prevailing on the closing date.

## NOTES TO THE INCOME STATEMENT

### 1 | Sales

Sales revenues totaled €9,929 thousand (previous year: €5,843 thousand) and related mainly to services provided to LANXESS Deutschland GmbH in Germany on the basis of a service agreement. The increase in sales is attributable to a revision of the service agreement in the reporting year.

### 2 | Cost of Sales

The cost of sales totaling €8,839 thousand (previous year: €4,692 thousand) primarily comprised expenses relating to the services provided, which also increased due to the revision of the service contract. These were in particular personnel and general administration expenses.

### 3 | General Administration Expenses

The general administration expenses of €36,473 thousand (previous year: €36,406 thousand) principally comprised personnel and other business expenses not directly related to the service agreement with LANXESS Deutschland GmbH.

### 4 | Other Operating Income

The other operating income included prior-period income of €1,438 thousand (previous year: €2,233 thousand) from the reversal of provisions.

### 5 | Other Operating Expenses

The decline in other operating expenses resulted from one-time expenses in connection with the FORWARD! action plan in previous year. The other operating expenses included prior period expenses of €231 thousand (previous year: €3 thousand).

### 6 | Income from Other Securities and Loans Included in Financial Non-Current Assets

The income from other securities and loans included in financial non-current assets comprised income of €4,391 thousand (previous year: €4,379 thousand) from a long-term loan to LANXESS Deutschland GmbH as well as income from the pro rata trust assets of LANXESS Pension Trust e.V., Leverkusen, of €6,643 thousand (previous year: €5,126 thousand).

### 7 | Net Interest Expense

€ thousand	2023	2024
<b>Other interest and similar income</b>		
from third parties	8,377	9,525
from affiliated companies	275,819	310,885
	<b>284,196</b>	<b>320,410</b>
<b>Interest and similar expenses</b>		
to third parties	49,143	34,578
for the interest portion of provisions for pensions and other non-current provisions	1,874	2,026
to affiliated companies	81,773	87,118
	<b>132,790</b>	<b>123,722</b>
<b>Net interest expense</b>	<b>151,406</b>	<b>196,688</b>

Other interest and similar income from affiliated companies and interest and similar expenses to affiliated companies were mainly influenced by the increase in the general interest rate level. The early repayment of the bond originally maturing in 2076 resulted for the first time in a full year in lower interest and similar expenses owed to third parties.

## 8 | Other Financial Income and Expenses – Net

€ thousand	2023	2024
<b>Other financial expenses</b>		
Exchange losses	394,230	194,065
Miscellaneous financial expenses	20,467	11,335
	<b>414,697</b>	<b>205,400</b>
<b>Other financial income</b>		
Exchange gains	421,579	207,805
Miscellaneous financial income	1,347	2,241
	<b>422,926</b>	<b>210,046</b>
<b>Other financial income (expenses) – net</b>	<b>8,229</b>	<b>4,646</b>

The exchange gains and losses were principally attributable to foreign currency items relating to LANXESS AG and to the valuation of foreign currency transactions undertaken with third parties on behalf of Group companies.

The miscellaneous financial expenses include guarantee commission payments to affiliated companies as well as reversals of the discounts on the bonds issued, which were recognized as prepaid expenses. In fiscal year 2023, this figure was increased by €9,548 thousand due to the early repayment of the bond originally maturing in 2076. Miscellaneous financial income largely comprised guarantee commission payments received from affiliated companies.

## 9 | Income Taxes

The tax expense of €1,154 thousand in the reporting year (previous year: €17,665 thousand) is the aggregate of the tax expense of €1,226 thousand for the reporting year (previous year: €0 thousand) and the tax expense of €2,380 thousand (previous year: €17,665 thousand) in respect of previous years.

Tax expense does not include deferred taxes. As of December 31, 2024, LANXESS AG expected to receive a future tax benefit resulting from temporary accounting differences, both in its own financial statements and in those of companies with which it forms a fiscal entity for tax purposes. This amount was calculated on the basis of a combined income tax rate of 29.0% (LANXESS AG and companies with which it has profit and loss transfer agreements).

Deferred tax liabilities mainly relate to differences in valuations of property, plant and equipment, intangible assets and equity interests in Group companies. A deferred tax asset is recognized as a result of the higher pension obligations recognized for accounting purposes than for tax purposes. Other deferred tax assets relate to provisions that are not tax deductible, such as those for impending losses, and valuation differences, as in the case of provisions for service anniversaries and miscellaneous provisions and liabilities.

## 10 | Personnel Expenses

€ thousand	2023	2024
Wages and salaries	21,488	25,272
Social expenses and expenses for pensions and other benefits	10,039	5,374
of which for pensions	7,697	3,121
	<b>31,527</b>	<b>30,646</b>

The interest portion of personnel-related provisions, especially provisions for pensions, is recognized not as regards personnel expenses but in interest expense.

## 11 | Employees

	Average 2023	Dec. 31, 2023	Average 2024	Dec. 31, 2024
General administration	147	147	141	142

## 12 | Audit Fees

All fees for the services of KPMG AG Wirtschaftsprüfungsgesellschaft, Berlin are published in the notes to the LANXESS Group consolidated financial statements. The fees were mainly paid for the audit of LANXESS AG's annual financial statements and of the consolidated financial statements including the early

warning system and for the review of the condensed consolidated interim financial statements. Fees were also paid for other audit-related services and other services. The other audit-related services primarily include services in connection with sustainability reporting and for audit certificates. The other services include project-related consulting services.

## NOTES TO THE STATEMENT OF FINANCIAL POSITION

### 13 | Non-Current Assets

	Gross carrying amounts				Amortization/depreciation and write-downs				Net carrying amounts	
	Jan. 1, 2024	Additions	Disposals	Dec. 31, 2024	Jan. 1, 2024	Additions	Disposals	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024
€ thousand										
<b>Intangible assets</b>										
Software licenses	60	0	0	60	60	0	0	60	0	0
	<b>60</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>60</b>	<b>0</b>	<b>0</b>	<b>60</b>	<b>0</b>	<b>0</b>
<b>Property, plant and equipment</b>										
Furniture, fixtures and other equipment	116	22	17	121	82	18	17	83	34	38
	<b>116</b>	<b>22</b>	<b>17</b>	<b>121</b>	<b>82</b>	<b>18</b>	<b>17</b>	<b>83</b>	<b>34</b>	<b>38</b>
<b>Financial assets</b>										
Investments in affiliated companies	738,864	0	0	738,864	0	0	0	0	738,864	738,864
Loans to subsidiaries	98,670	0	0	98,670	0	0	0	0	98,670	98,670
Other loans	61,456	6,643	3,512	64,587	0	0	0	0	61,456	64,587
	<b>898,990</b>	<b>6,643</b>	<b>3,512</b>	<b>902,121</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>898,990</b>	<b>902,121</b>
<b>Total non-current assets</b>	<b>899,166</b>	<b>6,665</b>	<b>3,529</b>	<b>902,302</b>	<b>142</b>	<b>18</b>	<b>17</b>	<b>143</b>	<b>899,024</b>	<b>902,159</b>

## 14 | Shareholdings Pursuant to Section 285, No. 11 HGB

The mandatory disclosures in accordance with Section 285, No. 11 HGB in Note (41) are contained in the list of shareholdings.

## 15 | Loans to Subsidiaries

Loans to subsidiaries comprised one long-term loan to LANXESS Deutschland GmbH.

## 16 | Other Loans

The other loans almost entirely comprised the pro rata trust assets of LANXESS Pension Trust e.V. (LXS Trust). LANXESS AG (trustor) has transferred cash amounting to €56,834 thousand, of which €0 thousand (previous year: €0 thousand) in the reporting year, to LXS Trust (trustee) in several tranches under a contractual trust arrangement (CTA) to secure pension obligations

The pro rata trust assets of LANXESS AG are primarily invested in shares in a special fund run by an investment management company. Revenue recognition by LANXESS AG takes place at the time a distribution resolution is reached by the investment management company. Contractually agreed obligations for the payment of additional premiums by the trustor may also have an impact. One distribution resolution amounting to €6,637 thousand was passed in the reporting period. A further portion of the trust assets is invested in other investment funds. Here, too, revenue at the level of

LANXESS AG is recognized on distribution. There were no distributions from the investment funds in 2024. In fiscal year 2024, LXS Trust invested funds of €2,214 thousand from interim distributions from the special fund in the other investment funds.

The net income and expenses of €6,643 thousand recorded in the reporting year (previous year: €5,126 thousand) largely resulted from distributions from the special fund. These are recognized in income from securities and loans included in financial non-current assets. The fair value of the pro rata trust assets in LXS Trust exceeded their carrying amount at year end.

Since the assets allocated to the CTA do not constitute plan assets within the meaning of Section 246, Paragraph 2, Sentence 2 HGB, they are measured at cost of acquisition pursuant to Section 253, Paragraph 1, Sentence 4 HGB and not at fair value, and there is no ban on their distribution.

Cash has been deposited annually in a fiduciary account to meet the obligations relating to the “demographic change fund” for employees defined in the collective bargaining agreement for the German chemical industry. The fair value of the fiduciary assets corresponds to the fair value of the obligations under the “demographic change fund” amounting to €270 thousand (previous year: €318 thousand). The carrying amounts of the fiduciary assets and the obligations recognized under other provisions have been netted, as have income and expenses.

## 17 | Receivables from Affiliated Companies

Receivables from affiliated companies amounting to €6,441,982 thousand (previous year: €6,569,042 thousand) related mainly to short-term loans receivable, including accrued interest, and receivables from financial transactions. Trade receivables amounting to €0 thousand (previous year: €1,008 thousand) existed in connection with the service agreement described in Note (1). Furthermore, there were no receivables with maturities in excess of one year, as in the previous year.

## 18 | Other Assets

Other assets comprised the following:

€ thousand	2023	2024
Tax claims		
from income taxes	18,348	20,752
from sales taxes	21,463	22,203
Miscellaneous assets	3,408	3,306
	<b>43,219</b>	<b>46,261</b>

All of the other assets were due in the respective following year.

## 19 | Securities

The securities of €315,823 thousand (previous year: €350,000 thousand) comprise units in money market funds that can be sold at any time.

## 20 | Prepaid Expenses

The prepaid expenses in fiscal year 2024 mainly included discounts of €12,156 thousand (previous year: €16,914 thousand) on the bonds issued.

## 21 | Equity

Changes in equity in 2024 were as follows:

€ thousand	Dec. 31, 2023	Dividend	Net loss	Dec. 31, 2024
Capital stock	86,346	0	0	86,346
Capital reserves	1,235,706	0	0	1,235,706
Other retained earnings	913,481	0	0	913,481
Distributable profit	442,495	(8,635)	(90,540)	343,320
	<b>2,678,028</b>	<b>(8,635)</b>	<b>(90,540)</b>	<b>2,578,853</b>

As of the closing date, the capital stock was thus still divided into 86,346,303 no-par bearer shares with a notional share in the capital stock of €1.00 per share. All

shares carry the same rights and obligations. One vote is granted per share, and profit is distributed per share.

On the basis of the proposed resolution submitted to the Annual Stockholders' Meeting, the Annual Stockholders' Meeting on May 24, 2024, resolved to utilize the distributable profit for fiscal year 2023, amounting to €442,495 thousand, as follows:

- › To pay a dividend totaling €8,635 thousand (€0.10 per no-par share entitled to the dividend)
- › To carry forward €433,860 thousand to new account

## Authorized Capital I

Pursuant to Section 4, Paragraph 3 of LANXESS AG's articles of association, the Annual Stockholders' Meeting on May 24, 2023, authorized the Board of Management until May 23, 2026, with the approval of the Supervisory Board, to increase the capital stock on one or more occasions by issuing new no-par bearer shares against cash or contributions in kind up to a total amount of €17,269,260 (Authorized Capital I). Stockholders are generally entitled to subscription rights when Authorized Capital I is utilized. These rights can be excluded in certain cases which are defined in Section 4, Paragraph 3 of the articles of association of LANXESS AG. Authorized Capital I has not yet been utilized.

## Authorized Capital II

Furthermore, pursuant to Section 4, Paragraph 4 of LANXESS AG's articles of association, the Annual Stockholders' Meeting on May 24, 2023, authorized the Board of Management until May 23, 2025, with the approval of the Supervisory Board, to increase the capital stock on one or more occasions by issuing new no-par bearer shares against cash contributions up to a total amount of €8,634,630 (Authorized Capital II). Stockholders are generally entitled to subscription rights when Authorized Capital II is utilized. These rights can be excluded in certain cases which are defined in Section 4, Paragraph 4 of the articles of association of LANXESS AG. Authorized Capital II has likewise not yet been utilized.

**Conditional Capital**

The Annual Stockholders' Meeting of LANXESS AG on May 24, 2023, authorized the Board of Management until May 23, 2026, with the approval of the Supervisory Board, to issue in one or more installments warrant bonds and/or convertible bonds and/or income bonds or a combination of these instruments (collectively referred to as "bonds") as either registered or bearer bonds with a total nominal value of up to €1,000,000,000, with or without limited maturity, and to grant option rights to, or impose exercise obligations on, the holders or creditors of warrant bonds or income bonds with warrants, and/or to grant conversion rights to, or impose conversion obligations on, the holders or creditors of convertible bonds or convertible income bonds in respect of bearer shares of the company representing a total pro rata increase of up to €8,634,630 in the company's capital stock on the terms to be defined for these bonds. Pursuant to Section 4, Paragraph 5 of the articles of association, the capital stock of LANXESS AG is thus conditionally increased by up to €8,634,630 (Conditional Capital). The Board of Management is authorized, with the approval of the Supervisory Board, to exclude subscription rights in certain cases which are detailed in the authorization. The Board of Management will consider other capital measures with stockholders' subscription rights disappplied in its decision to disapply stockholders' subscription rights when issuing convertible bonds and/or bonds with warrants and/or income bonds (or combinations of these instruments). The authorization to issue bonds has yet to be utilized.

Any shares issued with subscription rights disappplied on the basis of the aforementioned Authorized Capitals I and/or II may not, together with such shares issued or to be issued as part of conditional capital to service warrants or conversion rights or obligations, provided the warrants or conversion rights or obligations were granted or imposed during the term of the authorization with subscription rights disappplied, exceed 10% of the capital stock of LANXESS AG at the time the respective authorization becomes effective.

**Treasury Shares and Their Purchase and Utilization**

As of December 31, 2024, neither the company nor dependent or majority-owned entities, or third parties acting for the account of the company or for the account of dependent or majority-owned entities, held shares in the company or had taken shares in the company as a pledge.

On May 24, 2024, the Annual Stockholders' Meeting of LANXESS AG resolved to issue an authorization for the purchase and utilization of own shares by the Board of Management. The authorization allows the Board of Management until May 23, 2027 to purchase shares in the company representing up to 10% of the capital stock at the time the resolution is passed or – if this figure is lower – the capital stock existing at the time this authorization is exercised, and to utilize them for any purpose permitted by law. This authorization may also be utilized by subsidiaries of the company or by third parties

on behalf of the company or its subsidiaries. The Board of Management had not made use of this authorization as of year end 2024.

**22 | Provisions for Pensions and Other Post-Employment Benefits**

Pension provisions relate to pension obligations for present and former employees and to commitments under early retirement programs.

Provisions for pensions and other post-employment benefits as of December 31, 2024, amounted to €113,851 thousand (previous year: €112,780 thousand). The difference pursuant to Section 253, Paragraph 6, Sentence 1 HGB for the fiscal year amounted to minus €1,060 thousand (previous year: €1,484 thousand).

The settlement amounts of the obligations from the pension and similar commitments accessory to the pension liability insurance amounted to €1,975 thousand (previous year: €1,601 thousand) and were netted against the fair value of the pledged pension liability insurance, which constitutes fund assets as defined in Section 246, Paragraph 2, Sentence 2 HGB, of €1,975 thousand (previous year: €1,601 thousand). The interest expenses of €57 thousand in the reporting period and income from the pension liability insurance of €57 thousand were likewise offset.

**23 | Tax Provisions**

The tax provisions relate to income taxes of €33,027 thousand (previous year: €29,402 thousand) for previous years.

## 24 | Other Provisions

The other provisions are established for variable compensation components (APP, LTSP, LTPB and SPP) for employees, vacation and overtime credits, long-service anniversaries and other uncertain liabilities. Other uncertain liabilities comprised, among other things, the costs for the audit of the annual and consolidated financial statements for fiscal year 2024 and the fixed compensation of the Supervisory Board.

The short-term component of variable compensation is the Annual Performance Payment (APP). It includes a financial and a non-financial performance criterion, which are defined by the Board of Management and the Supervisory Board before the beginning of the respective fiscal year. Currently, the financial performance criterion is EBITDA (operating earnings before depreciation, amortization, write-downs and reversals) pre exceptionals and the non-financial performance criterion is the lost time injury frequency rate (LTIFR: accidents per million hours worked) for accidents with days lost.

The long-term, variable components of the compensation system are the Long-Term Stock Performance Plan (LTSP), the Long-Term Performance Bonus (LTPB) and the Sustainability Performance Plan (SPP).

LTSP 2018–2021 was introduced in Germany in fiscal year 2018. The tranche has a total term of four years and exclusively comprises the vesting period. The issue date for the rights granted and still outstanding is January 1

of each year. For each year during the term of the LTSP plan, the basic price of the company's stock is calculated from the average closing prices for the stock in Xetra trading on the Frankfurt Stock Exchange. To calculate the average, for each tranche year the closing prices of the last ten trading days in the calendar month of December of the previous year and the closing prices for the first ten trading days of the calendar month of January of the current tranche year are calculated. The value of a right is dependent on the average performance of LANXESS stock relative to the MSCI World Chemicals Index during the vesting period. The performance relative to the index is calculated individually for each of the four years of the vesting period.

The LTSP 2022–2025 program introduced in fiscal year 2022 is essentially identical to the LTSP 2018–2021. Unlike the previous compensation program, awards under LTSP 2022–2025 are based on the performance of LANXESS stock relative to the FTSEurofirst 300 Eurozone Chemicals.

Due to its long-term nature, the LTPB, which ended on December 31, 2023, considers sustainable corporate development. At the end of the three-year term of the tranches, the exact amount of the LTPB results one-third each from the respective APP target attainment in the three fiscal years. The last tranche of the LTPB (2021–2023 tranche) was committed in fiscal year 2021. The LTPB was replaced by the new SPP. The SPP considers the long-term development of non-financial sustainability criteria. The assessment period for these criteria is four

years. On the basis of LANXESS's published interim goal for 2025, the Supervisory Board set a target for CO<sub>2</sub>e emissions reduction for the measurement periods 2021–2024, 2022–2025, 2023–2026 and 2024–2027, which is included in the SPP as a performance criterion.

## 25 | Bonds

Bonds as of the end of the reporting year totaled €2,800,000 thousand (previous year: €2,800,000 thousand) and comprised the following:

€ thousand	Interest rate %	Maturity	Volume
Eurobond 2018/2025	1.125	May 2025	500,000
Eurobond 2016/2026	1.000	October 2026	500,000
Private placement 2012/2027	3.950	April 2027	100,000
Eurobond 2021/2027	0.000	September 2027	500,000
Eurobond 2022/2028	1.750	March 2028	600,000
Eurobond 2021/2029	0.625	December 2029	600,000
			<b>2,800,000</b>

## 26 | Liabilities to Banks

In the reporting year, the liabilities to banks of €21,235 thousand (previous year: €16,146 thousand) mainly comprise accrued interest on bonds and fees.

## 27 | Trade Payables

All trade payables are to third parties.

## 28 | Payables to Affiliated Companies

Payables to affiliated companies amounting to €2,349,011 thousand (previous year: €2,254,347 thousand) mainly comprised loans, including accrued interest, and liabilities relating to financial transactions. The liability resulting from the absorption of losses from LANXESS Deutschland GmbH of €267,175 thousand is also reported here.

## 29 | Other Liabilities

€ thousand	Dec. 31, 2023	Dec. 31, 2024
Tax liabilities	478	506
Social security liabilities	5	4
Miscellaneous liabilities	156	385
	<b>639</b>	<b>895</b>

## 30 | Further Information on Liabilities

The residual maturities of liabilities are as follows:

€ thousand	Dec. 31, 2023			Dec. 31, 2024		
	Up to 1 year	More than 1 year	of which more than 5 years	Up to 1 year	More than 1 year	of which more than 5 years
Bonds	0	2,800,000	600,000	500,000	2,300,000	0
Liabilities to banks	16,146	0	0	21,235	0	0
Trade payables	600	0	0	3,229	0	0
Payables to affiliated companies	2,254,347	0	0	2,349,011	0	0
Other liabilities	639	0	0	895	0	0
	<b>2,271,732</b>	<b>2,800,000</b>	<b>600,000</b>	<b>2,874,370</b>	<b>2,300,000</b>	<b>0</b>

## 31 | Contingent Liabilities from Guarantees

Under the master agreement concluded between Bayer AG and LANXESS AG together with the Spin-Off and Takeover Agreement, Bayer AG and LANXESS AG agreed, among other things, on commitments regarding mutual indemnification for liabilities in line with the respective asset allocation and on special arrangements allocating responsibility to deal with claims in the areas of product liability, environmental contamination and

antitrust violations. The master agreement also contains arrangements for the allocation of tax effects relating to the spin-off and to the preceding measures to create the subgroup that was subsequently spun off. Possible claims from the agreement with the exception of environmental contamination have expired under the statute of limitations. Should specific risks resulting from claims based on the agreement be identified, provisions will be established for this purpose. There are no further contingent liabilities.

LANXESS AG has given the following guarantees on behalf of subsidiaries:

€ thousand	Dec. 31, 2023	Dec. 31, 2024
to banks	113,830	72,006
to suppliers	21,756	20,767
to other third parties	67,754	49,122
	<b>203,340</b>	<b>141,895</b>

In addition, LANXESS AG has provided guarantees on behalf of subsidiaries for payment obligations relating to future deliveries under long-term procurement agreements.

The contingent liabilities shown above include obligations relating to pension benefits of €40,893 thousand (previous year: €28,767 thousand).

The Dutch Group companies Anderol B.V. and LANXESS Sales Netherlands B.V., both based in Venlo, and MC (Netherlands) 1 B.V., Leiden, and N&H International Holding 3 B.V., Oegstgeest, made use of the exemption from the publication and audit of annual financial statements in accordance with Article 2:403, Paragraph 1 (f) of the Dutch Civil Code. LANXESS AG, as the ultimate parent company, granted a legally prescribed guarantee for all outstanding liabilities as of December 31, 2024, with respect to Article 2:403, Paragraph 1 (f) of the Dutch Civil Code. The liabilities of the companies recognized as of December 31, 2024, amounted to €8,229 thousand.

Based on the information available to us, the companies concerned should be able to fulfill the underlying obligations in all cases. The guarantees are not expected to be utilized.

## OTHER MANDATORY DISCLOSURES

### 32 | Notification of Interests Held in the Company (Section 160, Paragraph 1, No. 8 AktG)

Notifications of interests held in LANXESS AG are set out in the disclosures pursuant to Section 160, Paragraph 1, No. 8 AktG.

### 33 | Derivative Financial Instruments

In the course of their business, LANXESS AG and companies in the LANXESS Group are exposed to risks of changes in exchange rates and market prices. Derivative financial instruments are used in some cases to hedge against these risks. These comprise so-called over the counter (OTC) instruments that are not traded on an exchange. They mainly include forward exchange contracts, interest rate swaps and forward commodity contracts.

The use of such instruments is governed by uniform guidelines and is subject to stringent internal controls. It is confined to hedging of the Group's operating business and the related investments and financing transactions.

The purpose of using derivative financial instruments is to reduce fluctuations in earnings and cash flows caused by changes in exchange rates, interest rates and market prices.

There is a risk that the value of financial derivatives may change as a result of fluctuations in underlying parameters such as exchange rates or commodity prices. Where derivatives are used for hedging purposes, the possibility of a loss of value due to a drop in prices is offset by corresponding increases in the values of the hedged contracts.

In the case of derivatives with a positive fair value, a credit or default risk arises if the counterparties cannot meet their obligations. To minimize this risk, credit limits are assigned to individual banks, and framework agreements are used that allow offsetting of the fair value of open derivative positions in the event of insolvency of a counterparty.

The notional amount of financial derivative contracts concluded with external counterparties was €1,415,301 thousand as of December 31, 2024 (previous year: €1,594,293 thousand). Back-to-back derivative contracts with a notional amount of €445,254 thousand (previous year: €642,717 thousand) were concluded with Group companies. The total notional amount of derivatives was €1,860,555 thousand (previous year: €2,237,010 thousand). This figure also contains those derivatives included in valuation units.

The derivatives comprised the following:

	Notional amount		Fair value		Carrying amount	
	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024	Dec. 31, 2023	Dec. 31, 2024
€ thousand						
<b>Forward exchange contracts</b>						
Positive fair values	873,565	1,089,384	16,299	19,129	0	0
Negative fair values	1,316,375	694,565	23,447	15,619	560	7,116
	2,189,940	1,783,949	(7,148)	3,510	(560)	(7,116)
<b>Forward commodity contracts</b>						
Positive fair values	23,535	38,303	6,777	6,882	0	0
Negative fair values	23,535	38,303	6,777	6,882	0	0
	47,070	76,606	0	0	0	0
	<b>2,237,010</b>	<b>1,860,555</b>	<b>(7,148)</b>	<b>3,510</b>	<b>(560)</b>	<b>(7,116)</b>

**Financial Derivatives Used to Hedge Currency Risks**

LANXESS AG used forward exchange contracts to hedge currency risks.

Hedging was undertaken using forward exchange contracts for highly probable forecast transactions by Group companies in foreign currencies and was passed through to these Group companies on a back-to-back basis.

Forward exchange contracts with a notional amount of €205,125 thousand (previous year: €296,458 thousand) and a fair value of minus €8,071 thousand (previous year: €8,298 thousand) were concluded with external counterparties to hedge highly probable

forecast transactions by Group companies in foreign currencies. They were matched by transactions with Group companies with a notional amount of €205,125 thousand (previous year: €296,458 thousand) and had a fair value of €8,071 thousand (previous year: minus €8,298 thousand). Changes in the value of the corresponding external and internal transactions move in opposite directions and will offset one another by 2026. These transactions were grouped in valuation portfolios and not recognized in the statement of financial position.

To hedge currency risks relating to receivables and payables of LANXESS AG and Group companies (risk in the statement of financial position), LANXESS AG concluded forward exchange contracts with external counterparties with a

notional amount of €1,171,873 thousand (previous year: €1,274,300 thousand) and a fair value of €2,333 thousand (previous year: minus €4,144 thousand). Some of these transactions were passed through to Group companies. Contracts with these internal counterparties had a notional amount of €201,826 thousand (previous year: €322,724 thousand) and a fair value of minus €1,177 thousand (previous year: minus €3,004 thousand). Where forward exchange contracts concluded to hedge foreign currency receivables and payables of Group companies were passed through to the companies concerned by way of internal contracts, they were grouped in valuation portfolios together with the opposing transactions. At the closing date, valuation portfolios comprising external and internal transactions had absolutely equal fair values. They mature in 2025 and 2026. These transactions were not reflected in the statement of financial position.

Forward exchange contracts that were used to hedge foreign currency risk in the statements of financial position of Group companies and were not matched by internal transactions had a fair value of €7,116 thousand (previous year: €560 thousand).

Further valuation units (micro hedges) comprised foreign currency loans from Group companies to LANXESS AG or vice versa for which forward exchange contracts had been concluded on a back-to-back basis. The carrying amount of loans granted by LANXESS AG was €144,083 thousand at year end (previous year:

€189,816 thousand), while the carrying amount of loans to LANXESS AG was €799,261 thousand (previous year: €766,297 thousand). The net currency risk was minus €9,402 thousand (previous year: €6,964 thousand). The external forward exchange contracts had a net fair value of minus €5,703 thousand (previous year: €474 thousand) and are all due in 2025. They were not recognized in the statement of financial position.

**Financial Derivatives Used to Hedge Commodity Price Risks**

Forward commodity contracts concluded with external counterparties, all of which mature by 2028, were passed through to Group companies on a back-to-back basis. The results of such transactions that had terminated by year end canceled each other out. Micro hedges were established for open transactions, giving a net zero result.

**Valuation Methods**

The fair values of financial derivatives are determined using customary valuation methods and are based on the market data (market values) available at the measurement date. The following principles are applied:

- › The fair values of forward exchange contracts are derived from their trading or listed prices using the “forward method.”
- › The fair values of forward commodity contracts are also derived from their trading or listed prices using the “forward method.”

The effectiveness of hedge relationships is measured using the dollar-offset method.

**34 | Total Compensation of the Board of Management and Supervisory Board (Pursuant to Section 285, No. 9a HGB)**

For fiscal year 2024, total compensation of €8,398 thousand (previous year: €6,778 thousand) was paid to the members of the Board of Management of LANXESS AG, comprising €4,602 thousand (previous year: €4,442 thousand) in short-term compensation (annual base salary, Annual Performance Payment (APP), benefits in kind and other) and €3,797 thousand (previous year: €2,336 thousand) in multi-year compensation.

The multi-year compensation includes payments of €2,090 thousand under the Sustainability Performance Plan (SPP; previous year: €160 thousand under the LTPB) and payments under the stock-based Long-Term Stock Performance Plan (LTSP). The number of compensation rights granted under the LTSP was 1,939,847 (previous year: 2,501,042). The fair value of these rights at the grant date was €1,707 thousand (previous year: €2,176 thousand). In fiscal year 2024, stock-based compensation resulted in expense of €379 thousand (previous year: income of €437 thousand).

In addition, net expenses of €2,189 thousand (previous year: €5,582 thousand) were incurred to provide retirement pensions for the members of the Board of Management. The present value of the benefit obligation as of the end of 2024 for those members of the Board of Management serving on that date was €26,002 thousand (previous year: €23,813 thousand).

The compensation of the Supervisory Board was as follows:

	Fixed compensation	Compensation for committee membership	Attendance allowance	Total
€ thousand				
2024	1,161	563	207	1,931
2023	1,160	500	185	1,845

In addition, the employee representatives on the Supervisory Board who are employees of the LANXESS Group received salaries under their employment contracts. The amounts of these salaries represented appropriate compensation for the employees' functions and tasks within the Group.

**35 | Total Remuneration of Former Members of the Board of Management and of Members of the Board of Management Who Stepped Down During the Fiscal Year (Pursuant to Section 285, No. 9a and No. 9b HGB)**

Payments totaling €2,882 thousand (previous year: €1,560 thousand) and relating to pension benefits were made to former members of the Board of Management in fiscal year 2024, €1,500 thousand (previous year: €318 thousand) of which related to one-time capital payments €1,171 thousand (previous year:

€1,676 thousand) was recognized as current pension expense.

Provisions of €43,958 thousand were recognized as of December 31, 2024 (previous year: €45,669 thousand), for the current pensions and the pension entitlements of former members of the Board of Management.

### 36 | Loans and Advances Granted to Members of the Board of Management and the Supervisory Board (Pursuant to Section 285, No. 9c HGB)

There were no loans or advances to members of the Board of Management or the Supervisory Board as of December 31, 2024, nor had any other financial commitments been entered into for these individuals.

### 37 | Amounts Barred from Distribution (Pursuant to Section 253, Paragraph 6, Sentence 2 HGB)

Amounts subject to the bar on distribution as of the closing date:

€ thousand	Dec. 31, 2023	Dec. 31, 2024
Provisions for pensions (seven-year average interest rate)	114,191	112,727
less provisions for pensions (ten-year average interest rate)	(112,707)	(113,787)
<b>Difference</b>	<b>1,484</b>	<b>(1,060)</b>
<b>Total amount barred from distribution</b>	<b>1,484</b>	<b>0</b>

Recognition of the provisions for pensions and other post-employment benefits based on a ten- and seven-year average rate results in a negative difference of €1,060 thousand that is not subject to a ban on distribution.

### 38 | Events After the End of the Reporting Period

No events of special significance took place after December 31, 2024, that are expected to materially affect the financial position or results of operations of LANXESS AG.

### 39 | Appropriation of Earnings

Regarding the appropriation of distributable profit of €343,320 thousand, the Board of Management proposes that the Annual Stockholders' Meeting resolve on the payment of a dividend of €0.10 per no-par share entitled to the dividend. This equates to a total distribution of €8,635 thousand. The amount remaining after deduction of the planned dividend, €334,685 thousand, is to be carried forward to new account.

### 40 | Corporate Officers

#### Supervisory Board

Members of the Supervisory Board hold offices as members of the supervisory board or a comparable supervising body of the corporations listed.

The following stockholder representatives were members of the Supervisory Board in fiscal year 2024:

#### Dr. Rainier van Roesel (Chairman, since May 24, 2024)

- Self-employed consultant
- Former member of the Board of Management and Labor Director of LANXESS AG

#### Further offices

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup> (Chairman, since May 24, 2024)
- K+S Aktiengesellschaft, Kassel<sup>1)</sup>
- K+S Minerals and Agriculture GmbH, Kassel<sup>1)</sup>

#### Dr. Matthias L. Wolfgruber (Chairman, resigned May 24, 2024)

- Self-employed consultant
- Former Chairman of the Management Board of ALTANA AG

#### Further offices

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup> (Chairman, resigned May 24, 2024)
- ALTANA AG, Wesel<sup>1)</sup> (Chairman of the Supervisory Board)
- Cabot Corporation, Boston, Massachusetts, U.S.

#### Hans van Bylen

- Self-employed consultant
- Former Chairman of the Management Board of Henkel AG & Co. KGaA
- Former President of Verband der Chemischen Industrie e. V. (VCI)

#### Further offices

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup>
- Ontex Group NV, Erembodegem (Aalst), Belgium (Chairman of the Supervisory Board)
- Akzo Nobel N.V., Amsterdam, Netherlands
- Etex NV, Luchthaven Brussel Nationaal, Belgium

**Dr. Heike Hanagarth**

- Self-employed management consultant
- Former member of the Board of Management of Deutsche Bahn AG, Berlin

**Further offices**

- LANXESS Deutschland GmbH, Cologne
- Grillo-Werke AG, Duisburg<sup>1)</sup>
- Martur Fompak International/Automotive Seating Systems AS, Istanbul, Turkey
- Rivean Capital Advisory GmbH, Frankfurt am Main (Member of the Advisory Boa)

**Pamela Knapp**

- Member of the Boards of Management and Supervisory Boards of various European commercial enterprises
- Former CFO of GfK SE

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup>
- Douglas AG, Dusseldorf<sup>1)</sup> (since March 21, 2024)
- Compagnie de Saint-Gobain S.A., Courbevoie, France (Member of the Board of Directors – Conseil d'Administration – and Chairwoman of the Audit Committee)
- Signify NV, Eindhoven, Netherlands (Member of the Supervisory Board and Chairwoman of the Audit Committee)

**Dr. Hans-Joachim Müller (joined on May 24, 2024)**

- Former Chairman of the Management Board of Azelis Group N.V.
- Former member of the Executive Committee of Clariant AG
- Former member of the Managing Board of Süd-Chemie AG

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup> (joined on May 24, 2024)
- Chairman of the Supervisory Board of TIB Chemicals AG, Mannheim<sup>1)</sup>

**Lawrence A. Rosen**

- Member of the Supervisory Boards of various commercial enterprises
- Former member of the Board of Management of Deutsche Post AG

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup>
- Deutsche Post AG, Bonn<sup>1)</sup>
- Qiagen N.V., Venlo, Netherlands (Chairman of the Supervisory Board)

<sup>1)</sup> Statutory supervisory boards.

The following representatives of the company's employees were members of the Supervisory Board in fiscal year 2024:

**Ralf Sikorski (Vice Chairman)**

- Vice Chairman of the German Mining, Chemical and Energy Industrial Union, Hanover

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup> (Vice Chairman)
- RAG AG, Herne<sup>1)</sup>
- RWE AG, Essen<sup>1)</sup> (Vice Chairman)
- RWE Power AG, Cologne and Essen<sup>1)</sup> (Vice Chairman)

**Birgit Bierther (resigned May 31, 2024)**

- Member of the LANXESS Works Council at the Cologne site

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup> (resigned May 31, 2024)

**Armando Dente**

- District manager at IGBCE, Cologne-Bonn district

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup>
- INEOS Deutschland Holding GmbH, Cologne<sup>1)</sup>
- INEOS Manufacturing Deutschland GmbH, Cologne<sup>1)</sup>

**Sadik Emiroglu (joined on June 1, 2024)**

- Chairman of the LANXESS Works Council at the Cologne site (since June 1, 2024)

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup> (joined on June 1, 2024)

**Dr. Hans-Dieter Gerriets**

- Chairman of the Group Managerial Employees' Committee of LANXESS AG
- Chairman of the LANXESS Managerial Employees' Committee
- Manager of a production facility in the Advanced Industrial Intermediates business unit of LANXESS Deutschland GmbH

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup>

**Iris Schmitz**

- Chairwoman of the LANXESS Central Works Council
- Vice Chairwoman of the LANXESS Group Works Council
- Chairwoman of the LANXESS Works Council at the Leverkusen site

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup>
- Saltigo GmbH, Leverkusen<sup>1)</sup>

**Manuela Strauch**

- Chairwoman of the LANXESS Group Works Council
- Vice Chairwoman of the LANXESS Central Works Council
- Chairwoman of the LANXESS Works Council at the Uerdingen site

**Further offices**

- LANXESS Deutschland GmbH, Cologne<sup>1)</sup>

<sup>1)</sup> Statutory supervisory boards.

## Board of Management

The following persons were members of the Board of Management in fiscal year 2024:

Member of the Board of Management	External offices	Offices within the LANXESS Group
<b>Matthias Zachert</b> Chairman of the Board of Management	<ul style="list-style-type: none"> <li>Member of the Supervisory Board of Siemens AG, Berlin and Munich</li> </ul>	<ul style="list-style-type: none"> <li>Chairman of the Executive Board of LANXESS Deutschland GmbH</li> </ul>
<b>Frederique van Baarle</b> Member of the Board of Management and Labor Director		<ul style="list-style-type: none"> <li>Member of the Executive Board of LANXESS Deutschland G</li> <li>Chairwoman of the Board of Directors of LANXESS Corp.</li> </ul>
<b>Dr. Hubert Fink</b> Member of the Board of Management		<ul style="list-style-type: none"> <li>Member of the Executive Board of LANXESS Deutschland GmbH</li> <li>Chairman of the Supervisory Board of Saltigo GmbH</li> <li>Chairman of the Board of Directors of LANXESS India Private Limited (since January 23, 2024)</li> </ul>
<b>Oliver Stratmann</b> Member of the Board of Management and Chief Financial Officer		<ul style="list-style-type: none"> <li>Member of the Executive Board of LANXESS Deutschland GmbH</li> </ul>

## Disclosures Pursuant to Section 160, Paragraph 1, No. 8 of the German Stock Corporation Act (AktG)

Notified by	Date of change	Threshold	Voting rights		Voting rights via instruments		Attributable voting rights
			%	absolute	%	absolute	
Causeway Capital Holdings LLC, Wilmington, DE, U.S.	Jun. 28, 2024	10.00	10.08	8,706,003	0.00	0	Causeway Capital Holdings LLC, Wilmington, DE, U.S. (10.08% pursuant to Sections 33, 34 WpHG)
The Goldman Sachs Group, Inc., Wilmington, DE, U.S.	Aug. 6, 2024	5.00	0.51	442,989	9.26	7,996,706	The Goldman Sachs Group, Inc., Wilmington, DE, U.S. (0.51% pursuant to Sections 33, 34 WpHG and 9.26% pursuant to Section 38 No. 1 WpHG)
David Einhorn	Jan. 29, 2025	5.00	5.02	4,334,000	2.42	2,086,000	David Einhorn (5.02% pursuant to Sections 33, 34 WpHG and 2.42% pursuant to Section 38 No. 1 WpHG)
Scott Ferguson	Dec. 14, 2023	5.00	0.60	520,000	4.68	4,040,000	Scott Ferguson (0.6% pursuant to Sections 33, 34 WpHG and 4.68% pursuant to Section 38 No. 1 WpHG)
Causeway Capital Management Trust <sup>1)</sup>	Jul. 29, 2024	5.00	5.04	4,352,983	0.00	0	Causeway Capital Management Trust, Wilmington, DE, U.S. (5.04% pursuant to Sections 33, 34 WpHG)
Morgan Stanley	Jan. 21, 2025	5.00	1.90	1,637,457	3.09	2,668,807	Morgan Stanley, Wilmington, DE, U.S. (1.90% pursuant to Sections 33, 34 WpHG and 3.09% pursuant to Section 38 WpHG)
Barclays Plc, London, Great Britain	Oct. 11, 2024	3.00	0.10	90,433	4.83	4,173,323	Barclays Plc, London, Great Britain (0.10% pursuant to Sections 33, 34 WpHG and 4.83% pursuant to Section 38 No. 1 WpHG)
Bank of America Corporation, Wilmington, DE, U.S.	Mar. 28, 2024	3.00	0.72	621,985	4.14	3,572,326	Bank of America Corporation, Wilmington, DE, U.S. (0.72% pursuant to Sections 33, 34 WpHG and 4.14% pursuant to Section 38 No. 1 WpHG)
Israel Englander	Jun. 6, 2022	3.00	0.00	0	4.84	4,176,886	Israel Englander (4.84% pursuant to Section 38 No. 1 WpHG)
UBS Group AG, Zürich, Switzerland	Jul. 25, 2024	3.00	2.27	1,956,133	2.23	1,924,630	UBS Group AG, Zürich, Switzerland (2.27% pursuant to Sections 33, 34 WpHG and 2.23% pursuant to Section 38 No. 1 WpHG)
The Capital Group Companies, Inc., Los Angeles, CA, U.S.	Aug. 9, 2024	3.00	4.20	3,625,746	0.00	0	The Capital Group Companies, Inc., Los Angeles, U.S. (4.20% pursuant to Sections 33, 34 WpHG)
BlackRock, Inc., New York, NY, U.S.	Dec. 16, 2024	3.00	3.01	2,598,692	0.67	576,866	BlackRock, Inc., New York, NY, U.S. (3.01% pursuant to Sections 33, 34 WpHG and 0.67% pursuant to Section 38 No. 1 WpHG)
Allianz Global Investors GmbH	Apr. 16, 2018	3.00	2.96	2,713,368	0.08	74,804	Allianz Global Investors GmbH, Frankfurt am Main, Germany (2.96% pursuant to Sections 33, 34 WpHG and 0.09% pursuant to Section 38 No. 1 WpHG)
SMALLCAP World Fund, Inc., Lutherville Timonium, MD, U.S. <sup>2)</sup>	Nov. 15, 2024	3.00	2.99	2,585,050	0.01	8,000	SMALLCAP World Fund, Inc., Lutherville Timonium, MD, U.S. (2.99% pursuant to Sections 33, 34 WpHG and 0.01% pursuant to Section 38 No. 1 WpHG)

1) Part of Causeway Capital Holdings LLC

2) Subsidiary of The Capital Group Companies, Inc.

# List of Shareholdings

LANXESS AG, either directly or indirectly, holds at least 20% of the shares in the following companies (information pursuant to Section 285, No. 11 HGB). The figures stated for equity and net income/loss are derived from the annual financial statements prepared in accordance with local law.

Company name and domicile			
	Interest held (%)	Equity (€ million)	Result (€ million)
<b>Fully consolidated-companies</b>			
<b>Germany</b>			
CheMondis GmbH, Cologne	100	0 <sup>1)</sup>	0 <sup>1)</sup>
Elfte LXS GmbH, Cologne	100	0	0
IAB Ionenaustauscher GmbH Bitterfeld, Bitterfeld-Wolfen	100	31 <sup>1)</sup>	0 <sup>1)</sup>
IMD Natural Solutions GmbH, Dortmund	100	1 <sup>1)</sup>	0 <sup>1)</sup>
LANXESS Deutschland GmbH, Cologne	100	1,299 <sup>1)</sup>	0 <sup>1)</sup>
LANXESS Financial Services GmbH, Leverkusen	100	0 <sup>1)</sup>	0 <sup>1)</sup>
LANXESS Organometallics GmbH, Bergkamen	100	52 <sup>1)</sup>	0 <sup>1)</sup>
LANXESS Trademark GmbH & Co. KG, Leverkusen	100	200	39 <sup>2)</sup>
Saltigo GmbH, Leverkusen	100	28 <sup>1)</sup>	0 <sup>1)</sup>
THESEO Deutschland GmbH, Wietmarschen	100	2	(1)

Company name and domicile			
	Interest held (%)	Equity (€ million)	Result (€ million)
<b>Fully consolidated-companies</b>			
<b>EMEA (excluding Germany)</b>			
Anderol B.V., Venlo, Netherlands	100	28	5
Antec International Ltd., Sudbury, Suffolk, Great Britain	100	54	17
BIOLINK LIMITED, Hull, Great Britain	100	4	0
Chemtura France S.A.S., Fitz James, France	100	6	0
LANXESS Chemical B.V., KH Botlek, Rotterdam, Netherlands	100	106	(11)
LANXESS Chemical Ltd., Widnes, Great Britain	100	6	(22)
EUROPIGMENTS, S.L., Barcelona, Spain	52	4	1
Great Lakes Holding S.A.S., Fitz James, France	100	7	0
LANXESS (Pty) Ltd., Modderfontein, South Africa	100	(30)	(3)
LANXESS Belgium NV, Kallo, Belgium	100	230	(26)
LANXESS Central Eastern Europe s.r.o., Bratislava, Slovakia	100	35	3
LANXESS Chemicals S.L., Barcelona, Spain	100	1,571	50
LANXESS Epierre SAS, Epierre, France	100	3	0
LANXESS Holding UK Unlimited, Manchester, Great Britain	100	200	48

Company name and domicile			
	Interest held (%)	Equity (€ million)	Result (€ million)
<b>Fully consolidated-companies</b>			
LANXESS Investments Netherlands B.V., Venlo, Netherlands	100	577	16
LANXESS Kimya Ticaret Limited Şirketi, Istanbul, Türkiye	100	3	1
LANXESS Limited, Manchester, Great Britain	100	19	0
LANXESS Manufacturing Netherlands B.V., Venlo, Netherlands	100	101	1
LANXESS S.A.S., Courbevoie, France	100	39	4
LANXESS S.r.l., Mailand (Italien)	100	59	1
LANXESS Sales Netherlands B.V., Venlo, Netherlands	100	27	0
LANXESS Solutions Italy S.r.L., Latina, Italy	100	52	1
LANXESS Solutions UK Ltd., Manchester, Great Britain	100	170	0
LANXESS Switzerland GmbH, Frauenfeld, Switzerland	100	193	5
LANXESS Urethanes UK Ltd., Baxenden NR Accrington, Great Britain	100	28	3
MC (Netherlands) 1 B.V., Leiden, Netherlands	100	215	(2)
MC Turkey Teknoloji Ltd. Sirketi, Istanbul, Türkiye	100	(1)	0
Microbial Control (LANXESS Switzerland) GmbH, Frauenfeld, Switzerland	100	38	(3)

1) Result after profit transfer  
2) Profit transfer to limited partner

**Company name and domicile**

	Interest held (%)	Equity (€ million)	Result (€ million)
<b>Fully consolidated-companies</b>			
N&H International Holding 3 B.V., Oegstgeest, Netherlands	100	426	(5)
Specialty Products FZE, Dubai, UAE	100	1	0
Sybron Chemical Industries Nederland B.V., Ede, Netherlands	100	46	1
Sybron Chemicals International Holdings Ltd., Manchester, Great Britain	100	0	0
THESEO FRANCE SAS, Laval, France	100	7	1
<b>Americas</b>			
Chemtura Corporation Mexico, S. de R.L. de C.V., Mexico City (Mexico)	100	22	4
IPEL-Itibanyl Produtos Especiais Ltda., Jarinu, Brazil	100	26	8
LANXESS Canada Co./Cie, Halifax, Canada	100	122	8
LANXESS Corporation, Wilmington, U.S.	100	2,263	(48)
LANXESS Indústria de Produtos Químicos e Plásticos Ltda., São Paulo, Brazil	100	113	14
LANXESS S.A. de C.V., Mexico City (Mexico)	100	49	4

**Company name and domicile**

	Interest held (%)	Equity (€ million)	Result (€ million)
<b>Fully consolidated-companies</b>			
LANXESS S.A., Buenos Aires, Argentina	100	26	(11)
LANXESS Services US LLC, Wilmington, U.S.	100	1	0
MC (US) 3 LLC, Wilmington, U.S.	100	7	3
Nutrition & Biosciences Canada Company, Halifax, Canada	100	2	0
Nutrition & Biosciences Colombia S.A.S., Bogotá D.C., Colombia	100	1	0
Nutrition & Biosciences Mexico S. de R.L. de C.V., Mexico City (Mexico)	100	0	0
Nutrition & Biosciences USA 2, LLC, Wilmington, U.S.	100	45	0
Rohm and Haas Wood Treatment LLC, Wilmington, U.S.	100	44	6
SISTEMAS DE URETANOS DO BRASIL LTDA., São Paulo, Brazil	100	0	0
Sybron Chemical Holdings Inc., Wilmington, U.S.	100	18	0
Urethane Systems Canada Ltd., Halifax, Canada	100	0	0
Urethane Systems USA LLC, Wilmington, U.S.	100	0	0

**Company name and domicile**

	Interest held (%)	Equity (€ million)	Result (€ million)
<b>Fully consolidated-companies</b>			
<b>Asia-Pacific</b>			
Chemtura China Holding Co. Ltd., Shanghai, China	100	(11)	0
Danisco Nutrition & Biosciences Malaysia Sdn. Bhd., Kuala Lumpur, Malaysia	100	0	0
Danisco Nutrition & Biosciences Taiwan Limited, Kaohsiung, Taiwan	100	3	0
LANXESS (Liyang) Polyols Co., Ltd., Liyang, China	100	(25)	(7)
LANXESS (Ningbo) Pigments Co., Ltd., Ningbo City, China	100	8	(8)
LANXESS Additives Taiwan Ltd., Kaohsiung, Taiwan	100	5	1
LANXESS Advanced Materials (Nantong) Co., Ltd., Nantong, China	100	32	4
LANXESS Chemical (China) Co., Ltd., Shanghai, China	100	96	(10)
LANXESS Hong Kong Limited, Hong Kong, Hong Kong	100	420	16
LANXESS India Private Ltd., Thane, India	100	178 <sup>3)</sup>	10 <sup>3)</sup>
LANXESS K.K., Tokyo, Japan	100	41	4
LANXESS Korea Limited, Seoul, Republic of Korea	100	20	2
LANXESS Pte. Ltd., Singapore, Singapore	100	68	8

3) Financial statements as of March 31, 2024

**Company name and domicile**

	Interest held (%)	Equity (€ million)	Result (€ million)
<b>Fully consolidated-companies</b>			
LANXESS Pty. Ltd., Granville, Australia	100	12	1
LANXESS Solutions Australia Pty. Ltd., West Gosford, Australia	100	3	0
LANXESS Solutions India Private Ltd., Thane, India	100	0 <sup>3)</sup>	0 <sup>3)</sup>
LANXESS Solutions Japan Ltd., Tokyo, Japan	100	6	0
LANXESS Specialty Chemicals Co., Ltd., Shanghai, China	100	(43)	(7)
Microbial Control (Hong Kong) Ltd., Hong Kong, Hong Kong	100	1	0
Microbial Control (Thailand) Co., Ltd., Bangkok, Thailand	100	7	0
Microbial Control Technologies (Shanghai) Co., Ltd., Shanghai, China	100	74	0
PT Blue Cube Indonesia, Jakarta, Indonesia	100	1	0
Rhein Chemie (Qingdao), Ltd., Qingdao, China	90	35	3

**Company name and domicile**

	Interest held (%)	Equity (€ million)	Result (€ million)
<b>Joint operations</b>			
<b>Americas</b>			
Rubicon LLC, Salt Lake City, U.S.	50	13 <sup>4)</sup>	0 <sup>4)</sup>
<b>Associates</b>			
<b>Germany</b>			
Envalior GmbH, Cologne	40.94	1,235 <sup>5)</sup>	(1) <sup>5)</sup>
<b>Americas</b>			
Viance LLC, Wilmington, U.S.	49.99	17	23
<b>Immaterial non-consolidated subsidiaries</b>			
<b>Germany</b>			
LANXESS Trademark Management GmbH, Leverkusen	100	0	0
Neunte LXS GmbH, Cologne	100	0 <sup>1)</sup>	0 <sup>1)</sup>
<b>EMEA (excluding Germany)</b>			
Gulf Stabilizers Industries Sales FZCO, Dubai, UAE	52	0	0
W. Hawley & Son Ltd., Manchester, Great Britain	100	0	0
<b>Americas</b>			
Comercial Andinas Ltda., Santiago de Chile, Chile	100	0	0

**Company name and domicile**

	Interest held (%)	Equity (€ million)	Result (€ million)
<b>Joint operations</b>			
<b>Asia-Pacific</b>			
LANXESS Thai Co., Ltd., Bangkok, Thailand	100	3	0
LANXESS Vietnam Co., Ltd., Ho Chi Minh City (Vietnam)	100	0	0
PCTS Specialty Chemicals Malaysia (M) Sdn. Bhd., Kuala Lumpur, Malaysia	100	1	0

1) Result after profit transfer.  
 3) Financial statements as of March 31, 2024  
 4) Financial statements as of December 31, 2023  
 5) Financial statements as of December 31, 2022

Cologne, March 5, 2025  
 LANXESS Aktiengesellschaft

The Board of Management

Matthias Zachert                      Frederique van Baarle

Dr. Hubert Fink                         Oliver Stratmann

# Responsibility Statement

To the best of our knowledge, and in accordance with the applicable financial reporting principles, the annual financial statements give a true and fair view of the earnings, asset and financial position of the LANXESS AG, and the combined management report includes a fair review of the development and performance of the business and the position of the LANXESS Group and LANXESS AG, together with a description of the principal opportunities and risks associated with the expected development of the LANXESS Group and LANXESS AG.

Cologne, March 5, 2024  
LANXESS Aktiengesellschaft

The Board of Management

Matthias Zachert	Frederique van Baarle
Dr. Hubert Fink	Oliver Stratmann

# Independent Auditor's Report

"To LANXESS Aktiengesellschaft, Cologne

## REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

### *Opinions*

We have audited the annual financial statements of LANXESS Aktiengesellschaft, Cologne, which comprise the balance sheet as of December 31, 2024, and the income statement for the financial year from January 1 to December 31, 2024, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the combined management report of the Company and the Group of LANXESS Aktiengesellschaft for the financial year from January 1 to December 31, 2024.

In accordance with German legal requirements, we have not audited the content of those components of the combined management report specified in the "Other Information" section of our auditor's report.

In our opinion, on the basis of the knowledge obtained in the audit,

- › the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as of December 31, 2024, and of its financial performance for the financial year from January 1 to December 31, 2024, in compliance with German legally required accounting principles, and
- › the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. Our opinion on the combined management report does not cover the content of those components of the combined management report specified in the "Other Information" section of the auditor's report.

Pursuant to Section 322 (3) sentence 1 HGB [Handelsgesetzbuch: German Commercial Code], we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

### *Basis for the Opinions*

We conducted our audit of the annual financial statements and of the combined management report in accordance with Section 317 HGB and the EU Audit Regulation No 537/2014 (referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). We performed the audit of the annual financial statements in supplementary compliance with the International Standards on Auditing (ISAs). Our responsibilities under those requirements, principles and standards are further described in the "Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Article 10 (2)(f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Article 5 (1) of the EU Audit Regulation. We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

**Key Audit Matters in the Audit of the Annual Financial Statements**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the financial year from January 1 to December 31, 2024. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon, we do not provide a separate opinion on these matters.

**Recoverability of investments in affiliated companies**

Please refer to “Accounting policies and valuation principles” in the notes to the financial statements for further information on the accounting policies applied. The development of investments in affiliated companies is presented in [Note 13](#).

**The Financial Statement Risk**

At of December 31, 2024, LANXESS AG reports investments in affiliated companies in the amount of EUR 739 million under financial assets. Investments in affiliated companies amount to 9.3% of total assets and thus have a material effect on the Company's net assets. These relate to the investments in LANXESS Deutschland GmbH, which represents the largest operating company in the LANXESS Group in Europe and also serves as an intermediate holding company for the group entities.

Investments in affiliated companies are recognized at cost or, if they are expected to be permanently impaired, at their lower fair value.

The determination of the recoverability of the investments in affiliated companies is complex and depends on the Company's estimates and judgments. The recoverability of the investments held in LANXESS Deutschland GmbH is largely determined by its own contributions to revenue and earnings and the contributions to revenue and earnings of its subsidiaries as well as by future investments. LANXESS AG did not recognize any write-downs on investments in affiliated companies in financial year 2024.

There is a risk for the financial statements that investments in affiliated companies are not recoverable.

**Our Audit Approach**

First, we gained an understanding of the Company's process to determine the recoverability of investments in affiliated companies through explanations of investment controlling and by evaluating documentation. In doing so, we examined the Company's approach to determining the need to recognize impairment and, based on the information obtained during our audit, assessed whether there were any indications of impairment that had not been identified by the Company.

To determine the recoverability of the investments in LANXESS Deutschland GmbH, we used the LANXESS AG's group-wide revenue, earnings and investment projections prepared by the Company as a basis, as these are largely in line with the projections of LANXESS Deutschland GmbH and its subsidiaries. We assessed the appropriateness of the significant assumptions used in these projections. To this end, we discussed the expected development of revenue, earnings and investments as well as the assumed long-term growth rates with those responsible for planning. We also reconciled this information with internally available forecasts, e.g. for tax purposes, as well as the budget prepared by management and approved by the Supervisory Board. Furthermore, we evaluated the consistency of assumptions with external market assessments.

We also verified the accuracy of the Company's previous forecasts by comparing the budgets of previous financial years with actual results and analyzing deviations.

In order to assess whether there is a need for impairment, we reviewed the analysis performed by the Company using our own calculations with the involvement of our valuation experts, including alternative scenarios, and analyzed deviations.

**Our Observations**

The Company's assumptions, estimates and data are appropriate.

**Other Information**

Management and/or the Supervisory Board are/ is responsible for the other information. The other information comprises the following components of the combined management report, whose content was not audited:

- › the sustainability report of LANXESS Group, including the Group's non-financial statement, contained in the combined management report,
- › the combined corporate governance statement for the Company and the Group referred to in the combined management report, and
- › information extraneous to management reports and marked as unaudited.

Our opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

- › is materially inconsistent with the annual financial statements, with the combined management report information audited for content or our knowledge obtained in the audit, or
- › otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**Responsibilities of Management and the Supervisory Board for the Annual Financial Statements and the Combined Management Report**

Management is responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, management is responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, management is responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, management is responsible for the preparation of the combined management report that as a whole provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements, and appropriately presents the opportunities and risks of future development. In addition, management is responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

**Auditor's Responsibilities for the Audit of the Annual Financial Statements and of the Combined Management Report**

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Section 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer (IDW) and supplementary compliance with the ISAs will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- › Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- › Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control or of these arrangements and measures.

- › Evaluate the appropriateness of accounting policies used by management and the reasonableness of estimates made by management and related disclosures.
- › Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.
- › Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.

- › Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.
- › Perform audit procedures on the prospective information presented by management in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by management as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken or safeguards applied to eliminate independence threats.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

## OTHER LEGAL AND REGULATORY REQUIREMENTS

### **Report on the Assurance on the Electronic Rendering of the Annual Financial Statements and the Combined Management Report Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB**

We have performed assurance work in accordance with Section 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the combined management report (hereinafter the "ESEF documents") contained in the electronic file LXS\_AG\_JA+LB\_ESEF-2024-12-31.zip (SHA256-Hashvalue:4c87b907ce387e322b93fe9ea00a309dceb8650c45266efd8bfd77d4bd2ddcc) made available and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the combined management report into the ESEF

format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the combined management report contained in the electronic file made available identified above and prepared for publication purposes complies in all material respects with the requirements of Section 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinion on the accompanying annual financial statements and the accompanying combined management report for the financial year from January 1 to December 31, 2024, contained in the "Report on the Audit of the Annual Financial Statements and of the Combined Management Report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

We conducted our assurance work on the rendering of the annual financial statements and the combined management report, contained in the file made available and identified above in accordance with Section 317 (3a) HGB and the IDW Assurance Standard: Assurance Work on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Section 317 (3a) HGB (IDW AsS 410 (06.2022)) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described below. Our audit firm applies the IDW Standard on Quality

Management 1: Requirements for Quality Management in Audit Firms (IDW QMS 1) (09.2022).

The Company's management is responsible for the preparation of the ESEF documents including the electronic renderings of the annual financial statements and the combined management report in accordance with Section 328 (1) sentence 4 item 1 HGB.

In addition, the Company's management is responsible for such internal control as they have considered necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process of preparing the ESEF documents as part of the financial reporting process.

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- › Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Section 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is

sufficient and appropriate to provide a basis for our assurance opinion.

- › Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- › Evaluate the technical validity of the ESEF documents, i.e. whether the file made available, containing the ESEF documents meets the requirements of the Commission Delegated Regulation (EU) 2019/815, as amended as of the reporting date, on the technical specification for this electronic file.
- › Evaluate whether the ESEF documents provide an XHTML rendering with content equivalent to the audited annual financial statements and the audited combined management report.

**Further Information pursuant to Article 10 of the EU Audit Regulation**

We were elected as auditor at the Annual General Meeting on May 24, 2023. We were engaged by the Supervisory Board on October 11, 2024. We have been the auditor of LANXESS Aktiengesellschaft without interruption since financial year 2024.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Article 11 of the EU Audit Regulation (long-form audit report).

**Other Matter – Use of the Auditor's Report**

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as the examined ESEF documents. The annual financial statements and the combined management report converted into ESEF format – including the versions to be entered in the German Company Register [Unternehmensregister] – are merely electronic renderings of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the examined ESEF documents provided in electronic form.

**German Public Auditor Responsible for the Engagement**

The German Public Auditor responsible for the engagement is Dr. Thorsten Hain.

Cologne, March 10, 2025

KPMG AG  
Wirtschaftsprüfungsgesellschaft

Dr. Hain  
Wirtschaftsprüfer  
[German Public Auditor]

Coir  
Wirtschaftsprüfer  
[German Public Auditor]"



**HERAUSGEBER**

**LANXESS AG**

50569 Köln

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