2025

Compensation Report

LANXESS
Energizing Chemistry

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COMPENSATION REPORT 2025

This compensation report complies with the statutory requirements under Section 162 of the German Stock Corporation Act (AktG) as well as the reporting principles of the German Corporate Governance Code (GCGC) in the version of April 28, 2022. The compensation report describes and explains in detail the compensation system for the Board of Management and Supervisory Board of LANXESS AG and the compensation of the individual current and former members of the Board of Management and Supervisory Board for fiscal year 2025. For LANXESS, transparent and comprehensible reporting is a key element of good corporate governance. In addition to the requirements of Section 162 Paragraph 3 Sentences 1 and 2 AktG, the content of the report is also audited by the auditor. In accordance with Section 120a AktG, the compensation report on the compensation granted and owed to each individual member of the Board of Management and Supervisory Board of LANXESS AG in fiscal year 2024 was approved at the Annual Stockholders' Meeting on May 22, 2025, by a majority of 94.06%. Because of the high level of approval for the application of the compensation system in fiscal year 2024 and the positive feedback from investors during regular engagement, the structure of the compensation report for fiscal year 2024 approved in 2025 has essentially been retained for this 2025 compensation report.

COMPENSATION OF THE BOARD OF MANAGEMENT

Composition of the Board of Management

At the meeting of the Supervisory Board of LANXESS AG on May 7, 2025, Frederique van Baarle was reappointed as a member of the Board of Management of LANXESS AG and as Labor Director for an additional five years with effect from April 1, 2026. In addition, the terms of office of Oliver Stratmann and Dr. Hubert Fink were extended by a further five years and one year, respectively. By way of a resolution adopted on November 5, 2025, Oliver Stratmann was reappointed as a member of the Board of Management and as Chief Financial Officer with effect from September 1, 2026. Furthermore, on December 16, 2025, the Supervisory Board reappointed Dr. Hubert Fink as a member of the Board of Management for one year with effect from October 1, 2026.

Further Development, Principles and Objectives of the Board of Management Compensation System

In conjunction with the regular submission in accordance with Section 120a, Paragraph 1 of the German Stock Corporation Act (AktG), the Supervisory Board in fiscal year 2024 reviewed the compensation system for the members of the Board of Management applied in this form since 2021 with regard to regulatory requirements, market practice and investors' expectations, and further developed it based on its analysis. In this connection, selected elements of the existing Board of Management compensation system were restructured and adjusted by the Supervisory Board. The further developed compensation system also continues to promote and strengthen the focus on the strategic objectives of LANXESS: earnings, cash flow, stock price performance, environmental sustainability, and occupational health and safety. The further developed compensation system was approved by the Annual Stockholders' Meeting of LANXESS AG on May 22, 2025, with a majority of 87.48% of the votes cast, and took effect on January 1, 2026. The principal structural adjustments of the new compensation system are explained in more detail in the section "Further Development of the Compensation System."

This compensation report is based for the final time on the compensation system for the Board of Management in effect until December 31, 2025, which the Supervisory Board developed in fiscal year 2020 and adopted with effect from January 1, 2021, on the basis of the Second Shareholder Rights Directive Implementation Act (ARUG II) and the version of the GCGC of December 16, 2019, that was applicable at that time. Within this compensation system, both the short-term variable compensation and the long-term variable compensation are based on two measurable performance criteria that are aligned with the sustainable corporate strategy. In addition, the proportions of short-term and long-term variable compensation are designed such that the long-term compensation components outweigh the short-term ones. This compensation system was approved by the Annual Stockholders' Meeting of LANXESS AG on May 19, 2021, with a majority of 94.22% of the votes cast. The compensation system was applied for all current Board of Management members in accordance with the Board of Management contracts concluded. A deviation from the current compensation system only existed for one Board of Management member with regard to contributions to the pension plan. This deviation is explained in the "Process for Determining and Reviewing the Board of Management Compensation" section.

The compensation system is geared toward compensating the Board of Management members appropriately in line with their tasks and responsibilities and taking account of the performance of each individual Board of Management member and the company's success. The aim of the compensation system is to support successful and sustainable corporate governance. LANXESS's compensation structure is therefore designed to provide the motivation to successfully work toward sustainable corporate development and the achievement of strategic corporate goals as well as for long-term value creation for our stockholders. Both of the long-term variable components are based on corporate performance over several years, and thus create long-term incentives. Because one of the long-term compensation components measures the performance of the LANXESS share compared with a reference index, the management's objectives are aligned with the direct interests of the stockholders. In designing the Board of Management compensation, it is also important to the Supervisory Board to ensure that this is generally in line with the compensation system for senior executives, so as to ensure a uniform incentive effect within the LANXESS management.

Process for Determining and Reviewing the Board of Management Compensation

In accordance with Section 87a AktG, the Supervisory Board resolves on a clear and comprehensible compensation system for the members of the Board of Management. The Supervisory Board resolutions on the compensation system are prepared by the Presidial Committee of the Supervisory Board. The Presidial Committee also prepares the Supervisory Board's regular review of the system and the amount of compensation for the Board of Management members as well as other personnel decisions to be made by the Supervisory Board. If necessary, it advises the Supervisory Board to make changes to the system. The Chairman of the Presidial Committee is Dr. Rainier van Roessel. The other members of the Presidial Committee are Birgit Biermann, Iris Schmitz, Manuela Strauch, Hans van Bylen and Dr. Hans-Joachim Müller.

In accordance with Section 120a Paragraph 1 Sentence 1 AktG, the Supervisory Board presents the compensation system that it has resolved to the Annual Stockholders' Meeting for approval each time a significant change is made, or at least every four years. If the Annual Stockholders' Meeting does not approve the Board of Management compensation system put to the vote, then a revised system is presented for approval at the following Annual Stockholders' Meeting at the latest. The Board of Management compensation system applicable as of January 1, 2026, was presented to the Annual Stockholders' Meeting on May 22, 2025, for annual approval.

The appropriateness of the compensation is regularly reviewed by the Supervisory Board. In doing so, it uses an independent external personnel consultancy. Such a review most recently took place in July 2024. To account for the criteria country and size, all stock corporations listed in the DAX and the MDAX were applied as the first reference market. To additionally account for the criterion industry in the review of market conventionality, a group of 16 chemical companies[1] was applied as a second reference market. These companies were selected by the Supervisory Board on the basis of their comparability with regard to business model, sales, market capitalization and the number of employees. Criteria for determining the appropriateness of the compensation for an individual Board of Management member are, in particular, his duties, his personal performance, the economic situation, and the success and sustainable growth of the LANXESS Group. In addition, consideration is also given to compensation at comparable companies and the company's overall compensation structure with regard to the ratio between the compensation of the Board of Management and that of LANXESS's senior executives and the rest of the workforce, both overall and in terms of time. The review of the Board of Management compensation structure showed that it is fundamentally designed appropriately. As the review of Oliver Stratmann's annual base salary showed a positioning below the range customary for the reference market, the Supervisory Board resolved to increase his annual base salary with effect from September 1, 2025.

In accordance with Section 87a Paragraph 2 Sentence 2 AktG, the Supervisory Board may temporarily deviate from the compensation system if this is necessary in the interests of the company's long-term wellbeing and if it specifies the compensation system, the deviation process and the components of the compensation system from which it deviates. The process for such a deviation requires an explicit Supervisory Board resolution that describes specifically and in an appropriate form the duration of the deviation and the deviation as such, as well as the reason for it. The Supervisory Board exercised the option to deviate from the compensation system in the case of one provision in the employment contract of the CFO Oliver Stratmann. The pension to be paid for him by LANXESS was set at 25% of an annual base salary. This halved company pension contribution was also incorporated for all (re-)appointments as of 2026 into the further developed compensation system presented to the Annual Stockholders' Meeting on May 22, 2025, for approval.

Overview of Compensation Components

The compensation system for the Board of Management that applied for the final time in fiscal year 2025 contains the components described in the following overview. The compensation system also still includes a clawback clause and a share ownership obligation that requires the Board of Management members to invest a defined proportion of their compensation in shares and to hold these shares for the duration of their Board of Management mandate ("Share Ownership Guideline"). In addition, the compensation system still comprises a temporary right to extraordinary termination in the event of a change of control with a limited severance regulation. The overview also shows the relative proportions of the individual compensation components within the total target compensation of the Board of Management members.

1) The reference group consisted of the following companies: AkzoNobel, Arkema, Beiersdorf, Clariant, Covestro, DSM Firmenich, Evonik, Henkel, IMCD, K+S, Lonza, Merck, Solvay, Syensqo, Symrise, and Wacker Chemie.

Overview of the Board of Management Compensation System and the Compensation Structure Applicable Until December 31, 2025

Compensation components				Weighted	Shares of total target compensation		Share of the annual base salary (target)				Maximum payout based on the target	Other components of the compensation system	
					Chairman of the Board of Management	Ordinary Board of Management member	Chairman of the Board of Management		Ordinary Board of Management member				
variable	long-term	Long Term Incentive (LTI)	Financial performance criterion (stock price performance) Long-Term Stock Performance Plan (LTSP)	60%	40%	37%	82,5%		69%		200%	CoC[2]	Claw-Back
			Non-financial performance criterion (sustainability) Sustainability Performance Plan (SPP)	40%			55%		46%		200%		
	short-term	Annual Performance Payment (APP)	Financial performance criterion (e.g. EBITDA pre exceptionals)	80%	30%	30%	100%		90%		200%		
			Non-financial performance criterion (e.g. LTIFR)	20%									
fixed	Fixed compensation		Annual base salary		30%	33%					100%		SOG[3]
			Non-cash benefits				15%	56,25%	15%	50%[1]			
			Retirement pensions										

1) Reduction to 25% on the appointment of Oliver Stratmann to the Board of Management.
2) Change of Control.
3) Share Ownership Guideline.

In addition to the fixed compensation, the components of compensation for Board of Management members comprise short-term and long-term variable compensation components. The two variable compensation components for the Board of Management – the Annual Performance Payment (APP) and the Long-Term Incentive (LTI) – are linked to LANXESS's annual performance and performance over a number of years and thus reward the sustainable, value-oriented development of the company. The short-term variable compensation component APP includes a financial and a non-financial performance criterion. The long-term variable compensation component LTI consists of the stock-based Long-Term Stock Performance Plan (LTSP) and the Sustainability Performance Plan (SPP). Dividend equivalents are not granted. The proportions of short-term and long-term variable compensation are designed such that the long-term compensation components outweigh the short-term ones.

While individual targets are specified for management board members at many companies, LANXESS intentionally applies uniform financial and non-financial targets in connection with the compensation of the Board of Management. This is due to the company's strategic alignment: the members of the Board of Management of LANXESS do not work in isolation in their respective scopes of responsibility, but rather cooperate as a unified team in the implementation of our long-term corporate strategies. Uniform financial and non-financial targets ensure that all members of the Board of Management work toward the overarching well-being of the company rather than focusing on individual targets that might not be optimally coordinated. This joint responsibility promotes close cooperation and prevents conflicts of interest that can arise as a result of individual performance incentives.

Compensation of the Board of Management in Fiscal Year 2025

Fixed compensation components

The non-performance-related fixed compensation components include the annual base salary, the company pension plan and fringe benefits, the latter consisting mainly of the budget for the use of a company car and employer subsidies for health, nursing care and pension insurance. The annual base salary of the members of the Board of Management is market-oriented, in line with the above-mentioned reference group, and also takes responsibilities and functions into account. In view of the fact that Oliver Stratmann's annual base salary was below the range customary for the reference market, the Supervisory Board resolved at its meeting on August 13, 2025, to increase Mr. Stratmann's annual base salary from €450 thousand to €500 thousand[2] with effect from September 1, 2025. The annual base salary is paid each month in twelve equal parts as a salary. The annual base salary in fiscal year 2025 amounted to €1,400 thousand for the Chairman of the Board of Management, Matthias Zachert, €500 thousand for Frederique van Baarle, €650 thousand for Dr. Hubert Fink and €467 thousand for Oliver Stratmann. For the Board of Management members, fringe benefits are capped at 15% of their contractually agreed individual annual base salary.

Short-term variable compensation

The Board of Management's APP considers two measurable performance criteria:

- a financial performance criterion constituting 80% of the individual APP and
- a non-financial performance criterion constituting 20% of the individual APP.

The target and threshold values and the payment curves for the Board of Management's APP are set uniformly for all members of the Board of Management by the Supervisory Board annually before the start of each new fiscal year and also apply to the level below the Board of Management. Subsequent adjustments are not permitted. There is no payment of a minimum amount; if target attainment falls short of a threshold value, no APP payment is made. The maximum APP payout percentage is 200% of the individual annual base salary.

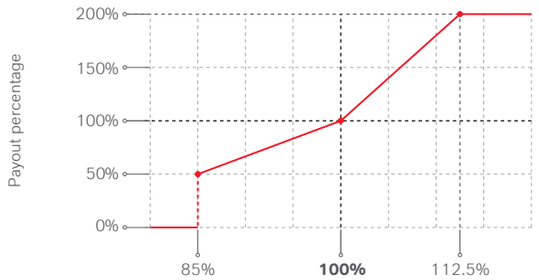
For the Board of Management and managers at the level below the Board of Management, the APP payout percentage refers to the individual underlying APP percentage. For ordinary Board of Management members, 100% target attainment corresponds to 90% of the annual base salary. For the Chairman of the Board of Management, 100% target attainment corresponds to 100% of the annual base salary.

The **financial performance criterion** for the short-term variable compensation, the APP, is currently the LANXESS Group's key performance indicator, EBITDA (operating earnings before depreciation, amortization, write-downs and reversals) pre exceptionals. EBITDA pre exceptionals is a key financial indicator for LANXESS and is used to judge every operational decision or achievement. 100% target attainment occurs in the event of a certain EBITDA pre exceptionals defined by the Supervisory Board before the start of the fiscal year. The payment curve plots a straight line between this target and the upper or lower limit. In a globally weak economic environment in the chemicals industry and a still strained economic situation, the Supervisory Board had established a target that lay above EBITDA pre exceptionals attained in the previous year but below the average level of recent years. The attainment of this financial target of €626 million, which corresponds to planned EBITDA pre exceptionals for fiscal year 2025, leads to a payout percentage of 100% for the financial performance criterion and reflects the market situation at the time of target establishment. If the LANXESS Group's EBITDA pre exceptionals is at least 12.5% higher than the financial target, the payout percentage equals the upper limit of 200% of the APP of the Board of Management for the financial performance criterion. If EBITDA pre exceptionals is more than 15% lower than the financial target, the payout percentage falls from 50% to 0%. As for the planned EBITDA pre exceptionals, the payment curve with an upper and lower limit is newly established each year by the Supervisory Board, taking account of the macroeconomic situation. This also applies to the variable short-term compensation of non-managerial and managerial staff.

2) Neither the base salary nor the maximum compensation exceeds the compensation customary for the reference market.

For fiscal year 2025, the following target attainment and payment curve apply to the financial performance criterion of the APP:

APP: Target Attainment and Payment Curve for the Financial Performance Criterion EBITDApre



EBITDApre	Target attainment	Payout percentage
≥€704 million	112.5%	200%
(Target) €626 million	**100%**	**100%**
€532 million	85%	50%
<€532 million	<85%	**0%**

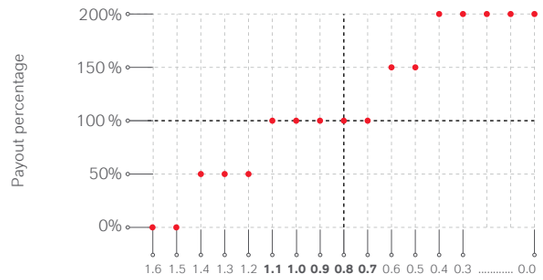
Actual target attainment for fiscal year 2025

EBITDApre	Target attainment	Payout percentage
510 Mio. €	0%	0%

The **non-financial performance** criterion is currently the lost time injury frequency rate (LTIFR: accidents per million hours worked) for accidents with days lost due to work-related injuries. This reflects the high importance of employee and site safety for LANXESS. The payment curve for the LTIFR, which is reported to one decimal place, takes a tiered approach in order to maintain the existing positive incident reporting culture. In fiscal year 2025, an LTIFR of between 0.7 and 1.1 equates to 100% target attainment and results in a payout percentage of 100% for the non-financial performance criterion. If the LTIFR is 0.5 or 0.6, this equates to a payout percentage of 150%; if the LTIFR is 0.4 or lower, this equates to a payout percentage of 200% of the Board of Management's APP for the non-financial performance criterion. If the LTIFR is between 1.2 and 1.4, this equates to a payout percentage of 50%. If the LTIFR is 1.5 or higher, the payout percentage falls to 0%. The long-term goal is to avoid any accidents. The target set for 2025, both compared with other companies in the chemical industry and in view of the past sustainability trend at LANXESS, remains a challenge.

For fiscal year 2025, the target attainment and payment curve presented and explained below apply to the non-financial performance criterion of the APP:

APP: Target Attainment and Payment Curve for the Non-financial Performance Criterion LTIFR



LTIFR	Payout percentage
≤0.4	200%
0.5 or 0.6	150%
0.7–1.1 (Target: 0.8)	**100%**
1.2–1.4	50%
≥1.5	0%

Actual target attainment for fiscal year 2025

LTIFR	Payout percentage
0.4	200%

Within the APP, there is the option to grant an ad-hoc discretionary bonus. This serves to recognize special achievements or to create an additional incentive and can be granted only as part of the Board of Management's APP. It is capped at 20% of the annual base salary. The discretionary bonus can be used only in exceptional cases and requires a transparent justification from the Supervisory Board. As in the previous years, no discretionary bonus was paid in fiscal year 2025.

The maximum target attainment for the Board of Management's APP (including the discretionary bonus) is capped at 200%. The option to grant an ad-hoc discretionary bonus was removed effective January 1, 2026, in connection with the review of the compensation system.

Long-term variable compensation

The Board of Management is called upon to show long-term commitment to the company and to promote and achieve sustainability. LANXESS sees its strong focus on sustainability as an important aspect of its own competitiveness, not least because sustainability in its various facets is increasingly demanded by customers and consumers, as well as by our employees, investors and banks. Sustainability is an important element of our strategy that is also reflected in the compensation system.

The LTI also consists of two components, which are paid out in cash and each consider one measurable performance criterion:

- the Long-Term Stock Performance Plan (LTSP), which is based on the stock price performance, and
- the Sustainability Performance Plan (SPP), which is measured based on a sustainability criterion.

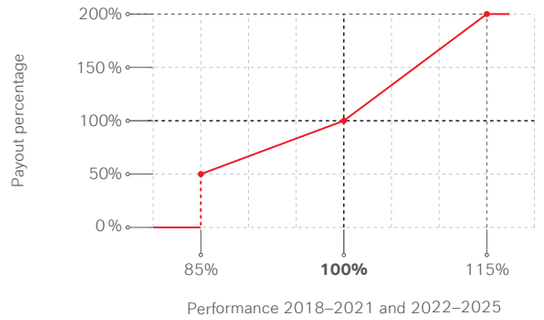
With 100% target attainment each, the proportion of the LTSP comes to 60% and that of the SPP to 40% of the individual LTI.

The stock-based LTSP is based on the performance of LANXESS stock against a reference index, currently the FTSEurofirst 300 Eurozone Chemicals Index, which was used for the first time as a basis for the LTSP 2022–2025 established in 2022. The FTSEurofirst 300 Eurozone Chemicals Index currently provides the best reflection of the LANXESS Group's economic environment. The LTSP 2018–2021 used the MSCI World Chemicals Index as a reference index. The LTSP 2018–2021 in place until 2021 and the LTSP 2022–2025 in place since 2022 are both divided into four tranches, whereby performance is determined annually and the payout percentage is calculated at the end of the respective four-year term of the tranche according to the average performance on the basis of the annual individual values. At the end of the term of the tranche, corresponding compensation is granted using this payout percentage. This is paid out in the subsequent fiscal year.

In the case of 100% performance, the LTSP programs provide for a possible payment per tranche of 69% of the annual base salary for the ordinary members of the Board of Management. For the Chairman of the Board of Management, 100% target attainment corresponds to 82.5% of the annual base salary. The payment curve plots a straight line between the target and the upper or lower limit. Given an average outperformance of at least 115% by the stock relative to the reference index, the payout percentage would come to 200%. For the Chairman of the Board of Management, the maximum payment thus amounts to 165% of the annual base salary. For ordinary members of the Board of Management, it amounts to 138%. The Supervisory Board reserves the right to reduce the payment if the stock performance relative to the reference index is less than 100%, and the payment must be canceled if it is less than 85%. Like in the APP, the steeper gradient of the payment curve – if the 100% target – is exceeded provides an additional financial incentive to exceed the target.

For the LTSP 2022–2025 program, the performance and payment curve presented and explained below applies to the financial performance criterion of the LTI:

LTI: Performance and Payment Curve for the Financial Performance Criterion of the LTSP



Performance	Payout percentage	Value of right
115%	200%	€2.00
(Target) 100%	**100%**	**€1.00**
85%	50%	€0.50
<85%	0%	€0.00

Actual target attainment for the 2022 tranche

Performance	Payout percentage	Value of right
77.2%	0%	€0

The development of the number of outstanding rights in stock-based compensation for fiscal year 2025 is shown in the following table:

Development of the Number of Outstanding Rights in Stock-Based Compensation

		LTSP 2022–2025				
		2022 tranche	2023 tranche	2024 tranche	2025 tranche	
	Vesting periods	Jan. 1, 2022–Dec. 31, 2025	Jan. 1, 2023–Dec. 31, 2026	Jan. 1, 2024–Dec. 31, 2027	Jan. 1, 2025–Dec. 31, 2028	
	Exercise period/date	Feb. 1, 2026	Feb. 1, 2027	Feb. 1, 2028	Feb. 1, 2029	**Total**
Matthias Zachert	Outstanding rights as of January 1, 2025	945,000	945,000	1,103,222		**2,993,222**
	Allocated				1,155,003	**1,155,003**
	Forfeited	945,000				**945,000**
	Outstanding rights as of December 31, 2025	0	945,000	1,103,222	1,155,003	**3,203,226**
Frederique van Baarle	Outstanding rights as of January 1, 2025		233,938	310,500		**544,438**
	Allocated				345,000	**345,000**
	Outstanding rights as of December 31, 2025		233,938	310,500	345,000	**889,438**
Dr. Hubert Fink	Outstanding rights as of January 1, 2025	390,000	404,745	448,500		**1,243,245**
	Allocated				448,500	**448,500**
	Forfeited	390,000				**390,000**
	Outstanding rights as of December 31, 2025	0	404,745	448,500	448,500	**1,301,745**
Oliver Stratmann	Outstanding rights as of January 1, 2025		103,784	310,500		**414,284**
	Allocated				310,500	**310,500**
	Outstanding rights as of December 31, 2025		103,784	310,500	310,500	**724,784**
Former Board of Management members						
Dr. Anno Borkowsky (until December 31, 2023)	Outstanding rights as of January 1, 2025	359,022	379,500			**738,522**
	Forfeited	359,022				**359,022**
	Outstanding rights as of December 31, 2025	0	379,500			**379,500**
Michael Pontzen (until August 31, 2023)	Outstanding rights as of January 1, 2025	390,000	434,075			**824,075**
	Forfeited	390,000				**390,000**
	Outstanding rights as of December 31, 2025	0	434,075			**434,075**

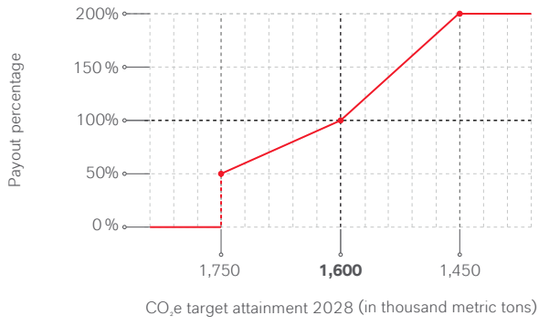
Only rights that have been allocated to the members of the Board of Management in connection with their service on the Board of Management are shown here. Accordingly, the rights from the 2023 tranche are reported on a pro rata basis for Frederique van Baarle and Oliver Stratmann based on the date on which they commenced Board of Management service during fiscal year 2023.

The **SPP** considers the long-term development of non-financial sustainability criteria. The assessment period for these criteria is also four years. On the basis of the trajectory for attaining LANXESS's published interim goal for 2030, the Supervisory Board has established the target for the reduction of CO_2e emissions from internal processes and from purchased energy (Scope 1 and 2 emissions) as a performance criterion in the SPP. The amount of CO_2e emissions was also defined as a measure of target attainment for 2026, 2027 and 2028. In subsequent years, a different performance criterion can be selected to reflect the company's current focus. This mechanism is intended to allow different facets of sustainability to be emphasized.

For the members of the Board of Management, 100% target attainment of the sustainability criterion corresponds to a payout of 46% of the annual base salary. For the Chairman of the Board of Management, 100% target attainment corresponds to 55% of the annual base salary. A target of 1,600 thousand metric tons was established in fiscal year 2025 for attainment in 2028. In the case of CO_2e emissions of 1,450 thousand metric tons or lower in 2028, the payout percentage is 200%. The maximum payment for an ordinary member of the Board of Management thus comes to 92% of the annual base salary. For the Chairman of the Board of Management, a maximum payment corresponds to 110% of the annual base salary. If CO_2e emissions exceed 1,750 thousand metric tons in 2028, there is no payout.

For the 2025–2028 assessment period, the target attainment and payment curve presented and explained below apply to the financial performance criterion of the LTI:

LTI: Target Attainment and Payment Curve for the Non-financial Performance Criterion of the SPP 2028



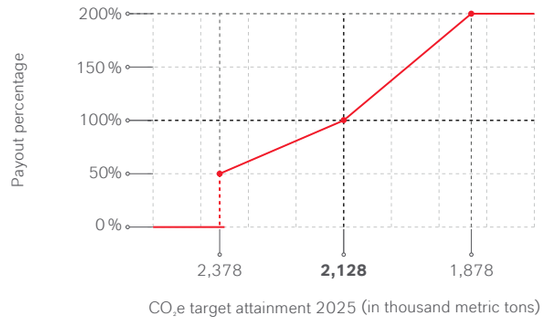
CO_2e emissions in 2028 in thousand metric tons	**Payout percentage**
≤1,450	200%
(Target: 1,600)	**100%**
1,750	50%
>1,750	0%

Actual target attainment 2024–2028

CO_2e emissions in 2028 in thousand metric tons	**Payout percentage**
Determination of target attainment at the end of 2028	

The amount of CO_2e emissions was also defined as a measure of target attainment for 2022–2025 assessment period. The corresponding target attainment and payment curve are depicted below:

LTI: Target Attainment and Payment Curve for the Non-financial Performance Criterion of the SPP 2025



CO_2e emissions in 2025 in thousand metric tons	**Payout percentage**
≤1,878	200%
(Target: 2,128)	**100%**
2,378	50%
>2,378	0%

Actual target attainment 2022–2025

CO_2e emissions in 2025 in thousand metric tons	**Payout percentage**
1,731	200%

Due to M&A transactions, the figure for 100% target attainment was reduced by 472 thousand metric tons of CO_2e emissions to 2,128 thousand metric tons. Accordingly, CO_2e emissions of below 1,878 thousand metric tons result in a payout percentage of 200%. With regard to the target of reducing its Scope 1 and Scope 2 emissions to net zero by 2040, LANXESS plans to utilize clearly defined defossilization levers. That includes measures we have already implemented and will maintain in the future – particularly the continuous improvement of energy efficiency through suitable programs and investment in modern, lower-emissions technologies as well as the increased use of carbon-neutral electricity based on new supply concepts and long-term procurement agreements.

The payment curves for the LTSP and SPP plot a straight line between the target value of 100% and the lower or upper limit (0% and 200%). Like in the LTSP, the steeper gradient of the payment curve – if the 100% target – is exceeded provides an additional financial incentive to exceed the target. On achievement of the minimum value, the payout percentage amounts to 50%.

Performance criteria, target values and payment curves for the long-term variable compensation components are defined by the Supervisory Board annually before the start of the fiscal year. Subsequent adjustments are permitted only in the case of the CO_2e targets to take M&A transactions into account.

Target compensation of Board of Management members in office in fiscal year 2025

The table below shows the individual target compensation promised to the Board of Management members for fiscal year 2025 and the previous year in the case of 100% target attainment. It also includes fringe benefits and contributions to the company pension plan. The pledged fringe benefits are stated at their maximum value.

Target Compensation

		Fixed compensation components			Variable compensation components			
					Short-term	Long-term		
€ thousand		Annual base salary	Fringe benefits	Pension contributions	APP[1]	SPP[2]	Long-termTSP[3]	**Total compensation**
Matthias Zachert[4]	**2025**	**1,400**	**210**	**788**	**1,400**	**770**	**1,155**	**5,723**
	2024	1,400	210	788	1,487	761	1,103	5,749
Frederique van Baarle[4]	**2025**	**500**	**75**	**250**	**450**	**230**	**345**	**1,850**
	2024	475	71	238	450	229	311	1,774
Dr. Hubert Fink	**2025**	**650**	**98**	**325**	**585**	**299**	**448**	**2,405**
	2024	650	98	325	585	299	448	2,405
Oliver Stratmann[4]	**2025**	**467**	**70**	**116**	**450**	**230**	**311**	**1,644**
	2024	450	67	113	405	207	311	1,553

1) The APP for fiscal year 2025 was granted for 2025, and the APP for fiscal year 2024 was granted for 2024.
2) The SPP 2025(2028) was granted for 2025, and the SPP 2024(2027) was granted for 2024.
3) The LTSP 2022(2025) (2025 tranche), vesting period 2025(2028), was granted for 2025, and the LTSP 2022(2025) (2024 tranche), vesting period 2024(2027), was granted for 2024.
4) Taking into account the salary adjustment for Oliver Stratmann that occurred on September 1, 2025. The new service contract for Matthias Zachert had already taken effect as of April 1, 2024, and the salary adjustment for Frederique van Baarle had already occurred on July 1, 2024.

Compliance with maximum compensation

In accordance with Section 87a Paragraph 1 Sentence 2 No. 1 AktG, the Supervisory Board has set an absolute amount in euros as the maximum compensation to limit the total amount of compensation that can be granted in a fiscal year. The maximum compensation has been set individually for the Chairman of the Board of Management and the ordinary members of the Board of Management and includes all fixed and variable compensation components that arise taking account of the performance achieved in full for the fiscal year. The following table shows the relevant caps on the individual compensation components for fiscal year 2025 and the previous year, the resulting overall cap on compensation, and the maximum compensation for each Board of Management member as resolved by the Supervisory Board in accordance with Section 87a Paragraph 1 Sentence 2 No. 1 AktG.

The annual base salary and the contributions to the pension plan are fixed amounts. The caps for the fringe benefits, APP, SPP and LTSP were complied with for all Board of Management members in fiscal year 2025. The amount of actual total compensation taking the payout percentages for 2025 into account is shown in the table “Compensation Granted and Owed to Board of Management Members in Office in the Fiscal Year” in the section below. For each of the Board of Management members, this is below the overall cap on compensation and thus lower than the maximum compensation. Compliance with the maximum compensation is thus ensured for fiscal year 2025.

Maximum Compensation

		Fixed compensation components			Variable compensation components				
					Short-term	Long-term			
€ thousand		Annual base salary	Fringe benefits	Pension contributions	APP[1]	SPP[2]	Long-termTSP[3]	**Overall cap on compensation**	**Maximum compensation[4]**
Matthias Zachert[5]	**2025**	**1,400**	**210**	**788**	**2,800**	**1,383**	**1,889**	**8,470**	**9,400**
	2024	1,400	210	788	2,974	1,313	1,822	8,507	9,400
Frederique van Baarle[5]	**2025**	**500**	**75**	**250**	**900**	**317**	**–**	**2,042**	**4,100**
	2024	475	71	238	900	202	–	1,886	4,100
Dr. Hubert Fink	**2025**	**650**	**98**	**325**	**1,170**	**592**	**780**	**3,615**	**4,100**
	2024	650	98	325	1,170	589	720	3,552	4,100
Oliver Stratmann[5]	**2025**	**467**	**70**	**116**	**900**	**269**	**–**	**1,822**	**4,100**
	2024	450	67	113	810	138	–	1,578	4,100

1) 200% target attainment for APP 2025 for fiscal year 2025 and for APP 2024 for the previous year.
2) Includes the amounts granted in the case of 200% target attainment for the 2022–2025 assessment period and for the 2021–2024 assessment period with respect to the previous year, pro rata for Frederique van Baarle and Oliver Stratmann based on the date on which they commenced Board of Management service in fiscal year 2023.
3) Includes the amounts granted in the case of 200% target attainment from the LTSP 2022 tranche for fiscal year 2025 and the LTSP 2021 tranche for the previous year.
4) In accordance with approval by the Annual Stockholders' Meeting on May 19, 2021.
5) Taking into account the salary adjustment for Oliver Stratmann that occurred on September 1, 2025. The new service contract for Matthias Zachert had already taken effect as of April 1, 2024, and the salary adjustment for Frederique van Baarle had already occurred on July 1, 2024.

Compensation Granted and Owed to Board of Management Members in Fiscal Year 2025 and the Previous Year According to § 162 AktG

The following table shows the fixed and variable compensation components granted and owed including the respective relative share for each individual member of the Board of Management in office in fiscal year 2025 in accordance with Section 162 Paragraph 1 Sentence 1 AktG. The table thus includes the annual base salary paid in fiscal year 2025 and the previous year, the fringe benefits accrued in the fiscal year, and the variable compensation components APP and SPP granted in the fiscal year taking account of the performance achieved in full for fiscal year 2025 and 2024 and the resulting APP target attainment for 2025 and 2024. For the LTSP, the compensation is granted at the end of the term of the respective tranche, as the underlying performance is not achieved in full until that time. For fiscal years 2024 and 2025, no payments were granted for the tranches allocated in fiscal years 2021 and 2022 due to the inadequate performance of LANXESS stock.

Compensation Granted and Owed to Board of Management Members in Office in the Fiscal Year

		Fixed compensation components				Variable compensation components						Total compensation pursuant to Section 162 AktG	Pension contributions	Total compensation
						Short-term		Long-term						
		Annual base salary		Fringe benefits		APP[1]		SPP[2]		LTSP[3]				
		€ thousand	%	€ thousand	%	€ thousand	%	€ thousand	%	€ thousand	%	€ thousand	€ thousand	€ thousand
Matthias Zachert	**2025**	**1,400**	**41**	**52**	**2**	**560**	**16**	**1,383**	**41**	**0**	**0**	**3,395**	**788**	**4,183**
	2024	1,400	37	52	1	1,053	28	1,312	34	0	0	3,817	788	4,605
Frederique van Baarle[4]	**2025**	**500**	**48**	**50**	**5**	**180**	**17**	**317**	**30**	**0**	**0**	**1,047**	**250**	**1,297**
	2024	475	46	47	4	318	31	202	19	0	0	1,042	238	1,280
Dr. Hubert Fink	**2025**	**650**	**43**	**35**	**2**	**234**	**16**	**592**	**39**	**0**	**0**	**1,511**	**325**	**1,836**
	2024	650	38	33	2	414	25	589	35	0	0	1,686	325	2,011
Oliver Stratmann	**2025**	**467**	**49**	**34**	**4**	**180**	**19**	**269**	**28**	**0**	**0**	**950**	**116**	**1,066**
	2024	450	49	33	4	287	32	138	15	0	0	908	113	1,021

1) Amounts granted for the APP 2025 for fiscal year 2025 and for the APP 2024 for the previous year.
2) Includes the amounts granted for the 2022–2025 assessment period and for the 2021–2024 assessment period with respect to the previous year.
3) Includes the amounts granted from the LTSP 2022 tranche for fiscal year 2025 and the LTSP 2021 tranche for the previous year.
4) In fiscal year 2025, 75% of her annual base salary and variable compensation components and the budget for the use of a company car were paid by LANXESS Corporation, U.S., in U.S. dollars. The fixed compensation and the budget for the use of a company car were set in U.S. dollars at the monthly average exchange rate for December 2024, and calculated and adjusted on the basis of the actual monthly average exchange rate. Accordingly, an amount of 407.8 thousand U.S. dollars was granted, which corresponds to €389.4 thousand. The variable compensation components are translated into U.S. dollars based on the monthly average exchange rate for the month prior to the payment.

In fiscal year 2025, EBITDA pre exceptionals of €510 million was generated and an LTIFR of 0.4 was achieved. This results in target attainment of less than 85% and thus a payout percentage of 0% for EBITDA pre exceptionals. A LTIFR target attainment of 0.4 results in a payout percentage of 200%. Taking account of the proportions of the financial and the non-financial target for the Board of Management's APP, there is thus a weighted payout percentage of 40% for the members of the Board of Management. CO_2e emissions amounted to 1,731 thousand metric tons in 2025. According to the non-financial target established by the Supervisory Board for the SPP 2022–2025, this leads to target attainment of 200% and thus a payout percentage of 200%. The APP and the SPP will be paid out after the end of the reporting year in fiscal year 2026. For the 2022 tranche of the LTSP 2022–2025, the stock's average performance compared to the reference index was 77.2%. This corresponds to a value of €0.00 per right. The LTSP 2022 tranche will therefore not be paid out, nor did a payout occur for the LTSP in the previous year. Further details on the derivation of the stated percentages can be found in the sections on short- and long-term variable compensation.

The following table shows the compensation granted and owed to former members of the Board of Management in accordance with Section 162 Paragraph 1 Sentence 1 AktG.

Compensation Granted and Owed to Former Board of Management Members in the Fiscal Year

	Fixed compensation components		Total compensation
	Pension payments		
	€ thousand	%	€ thousand
Dr. Anno Borkowsky (until December 31, 2023)	140	100	140
Dr. Rainier van Roessel (until December 31, 2019)	155	100	155

Further Regulations on Compensation

Share Ownership Guideline (SOG)

The Share Ownership Guideline, in place since 2018 and revised in 2020, stipulates the amount of the investment in LANXESS AG shares. Over a period of four years, the members of the Board of Management are obliged to invest a defined proportion of their compensation in shares in LANXESS AG and verifiably hold the shares until the end of their service contract (SOG target). The SOG target, as is standard for DAX and MDAX companies, is 150% of the annual base salary for the Chairman of the Board of Management and 100% of the annual base salary for the other members of the Board of Management. The relevant figure for the investment in the respective build-up year is the purchase price of the LANXESS AG share not including the bank's commission. The members of the Board of Management were authorized to contribute existing shares in LANXESS AG verifiably. All members of the Board of Management exercised this option. Compliance with the share ownership obligation must be proven annually during the four-year build-up phase and every three years thereafter. The Board of Management members are entitled to any dividends from the LANXESS shares acquired. A dividend payment has no effect on the compensation of the Board of Management members. The following table shows the current status with regard to the Share Ownership Guideline:

Share Ownership Guideline

	SOG target	Investment volume[1] in €	Build-up year ended	Status	Next review
Matthias Zachert	150%	3,915,842	4	Fulfilled	2028
Frederique van Baarle	100%	392,458	2	In build-up phase	2026
Dr. Hubert Fink	100%	1,675,084	4	Fulfilled	2028
Oliver Stratmann	100%	450,199	2	In build-up phase	2026

1) As of December 31, 2025.

Clawback regulation

There is a clawback regulation for variable compensation. This regulation allows the Supervisory Board to withhold the variable compensation in full or in part, or to reclaim it if it has already been paid out, in the event of grave dereliction of duty by a Board of Management member in relation to the company. Irrespective of this, it is possible to reduce payments or take recourse in line with the legal provisions in the event of harmful breaches of duty by Board of Management members. In fiscal year 2025, the Supervisory Board had no reason to withhold or reclaim variable compensation components.

In addition, the Supervisory Board reserves the right to also reduce the APP in the future in the event of serious occupational safety and/or environmental problems.

Contract terms and termination of service on the Board of Management

The Supervisory Board follows German stock corporation law and the recommendations of the GCGC when appointing members of the Board of Management and deciding on the term of Board of Management contracts. When appointing an individual to the Board of Management for the first time, the appointment period and the term of the service contract are usually three years. For reappointments, the maximum term of the service contracts is five years. The respective service contracts are concluded on a temporary basis and end without a separate notice period at the end of the term. In the event of a change of control, the Board of Management members have a temporary extraordinary termination right as described in the following section. The right of both parties to extraordinary termination for good cause remains unaffected. The service contracts with all Board of Management members stipulate a general cap on any severance (severance cap). In the event of early termination of service on the Board of Management by the company, the severance payments must not exceed the value of two annual salaries, two APPs at 100% target attainment and two SPPs at 100% target attainment, and must never provide more compensation than the remaining term of the contract.

With regard to the LTI entitlements of the members of the Board of Management, the vesting period does not expire ahead of term as defined in GCGC G. 10. Rather, should a "Good Leaver" case arise, the LTI entitlements for the respective LTI tranche are paid out according to the originally established targets and maturities following the expiration of the original vesting period of four years.

No severance payment is provided for if the Board of Management member resigns him- or herself or if the service contract is terminated by the company for good cause.

Post-contractual restrictions on competition

Post-contractual restrictions on competition are not concluded for current members of the Board of Management. However, an agreement on competition restrictions may be concluded for the period after the end of the service contract. In this case, the severance payment is to be counted toward the compensation for observing this restriction in accordance with the GCGC.

Change of control

To maintain the independence of the members of the Board of Management, payments in the event of termination of a Board of Management member's service contract due to a change of control are capped at two annual base salaries plus the Board of Management's APP and the SPP at 100% target attainment, accounting pro rata for the remaining term at the date of contract termination. The entitlement to a severance payment, which corresponds to severance in the event of early termination of service on the Board of Management, only arises if the scope of activity of the Board of Management member significantly changes to his or her disadvantage due to a change of control and the Board of Management member resigns within six months' notice after the conditions have been met.

Compensation from secondary employment

If members of the Board of Management hold supervisory board mandates or similar offices at affiliated companies in which LANXESS has a direct or indirect interest, or at associations and similar organizations to which the company belongs or is affiliated due to its business activities, in Germany or abroad, then this employment must be compensated with the agreed annual base salary. Compensation paid for such offices must be reported to LANXESS and is deducted from the agreed compensation. Supervisory board mandates and mandates on comparable supervisory bodies of commercial enterprises outside the LANXESS Group may be accepted only with the prior approval of the Supervisory Board. In these cases, the Supervisory Board also decides whether and to what extent the corresponding compensation is to be offset.

Other

As a member of the Board of Management and Labor Director, Frederique van Baarle is responsible for the Polymer Additives, Rhein Chemie and Lubricant Additives Business business units, as well as for the Human Resources Group function and the Americas region. In accordance with the contractual agreements, the U.S. subsidiary LANXESS Corporation paid 75% of her annual base salary and variable compensation components and provided the budget for the use of a company car. The remaining 25% of her annual base salary and variable compensation components and her other fringe benefits continued to be paid by LANXESS AG. Frederique van Baarle is compensated in line with the compensation system in effect for LANXESS. In the past fiscal year, no other member of the Board of Management received benefits or assurances of benefits from third parties with respect to their duties as members of the Board of Management.

LANXESS AG includes the members of the Board of Management and certain employees of the LANXESS Group under a directors' and officers' liability insurance (D&O) policy.

No loans were granted to members of the Board of Management in fiscal year 2025.

Pension Plan

The pension plan for the members of the Board of Management is a defined contribution plan. The interest rate on the contributions is linked to the interest rate achieved by Rheinische Pensionskasse VVaG at a guaranteed interest rate of 1.75%. The pension plan grants benefits to the members of the Board of Management after the end of their employment under the company pension plan. These benefits are paid when the beneficiary reaches the age of 60 in the case of the Chairman of the Board of Management or 62 in the case of the ordinary members of the Board of Management or if the beneficiary is permanently unable to work. They are paid to surviving dependents in the event of the beneficiary's death.

The pension plan stipulates a contribution of 50% of the annual base salary to be made by the company each year, or 56.25% in the case of the Chairman of the Board of Management. As described above, the pension to be paid since September 1, 2023 for all (re)appointments amounts to 25% of the annual base salary. Moreover, the members of the Board of Management must themselves pay an amount from deferred compensation amounting to 12.5% of the Board of Management's APP. The members of the Board of Management may increase their personal contribution to up to 25% of the Board of Management's APP. The calculation of the personal contribution is based on the Board of Management's APP to be paid, but is limited to a maximum of 100% target attainment. A cap applies to the sum of the contributions. From the date of entitlement, up to 30% of the accumulated capital – including the interest thereon – may be converted to a pension benefit. There are claims arising from provisions in place before 2006 that are granted as vested rights for individual members of the Board of Management. If the service contract ends before the beneficiary reaches the age of 60 or 62, the company pays certain additional benefits up to a defined ceiling.

LANXESS has established provisions for the future claims of Board of Management members. The service costs recognized under the International Financial Reporting Standards (IFRS) accounting rules for this purpose, the net expense recognized

under the German Commercial Code (HGB) accounting rules for this purpose and the present value of the obligations under IFRS and HGB accounting rules for members of the Board of Management in office as of December 31, 2025, can be found in the following table:

Pension Claims

	IFRS		HGB	
€ thousand	Service costs	Present value of the obligations	Net expense for pension entitlements	Present value of the obligations
Matthias Zachert	932	12,567	1,160	15,524
Frederique van Baarle	283	1,022	316	1,392
Dr. Hubert Fink	104	7,085	381	8,426
Oliver Stratmann	137	1,114	135	1,721

The service costs include both current and past service costs. The present value of the obligations also includes claims that already existed before commencing Board of Management service.

Further Development of the Compensation System

In fiscal year 2024, the Supervisory Board commissioned an independent consulting firm to review the compensation system for the members of the Board of Management that had been in effect since 2020. This review took regulatory requirements, market standards and investors' expectations into account, and individual elements of the system were restructured and further developed based on the obtained findings. The further developed compensation system continues to promote and strengthen the focus on the strategic objectives of LANXESS, particularly on earnings, cash flow, stock price performance, environmental sustainability, and occupational health and safety. The principal structural elements and adjustments of the further developed compensation system include the following points:

- The short-term variable compensation component of the Board of Management, the Annual Performance Payment (APP), takes into account two financial performance criteria as of January 1, 2026. Currently the APP takes into account one financial performance criterion (EBITDA pre exceptionals of the LANXESS Group) and one non-financial performance criterion (accidents per million hours worked). The financial performance criteria for fiscal year 2026 consist of the operating result (EBIT) pre exceptionals of the Group with a share of 70% of the individual APP on the one hand and, on the other, free cash flow of the LANXESS Group – the difference between the cash inflows from operating activities and the cash used for capital expenditures for property, plant and equipment and intangible assets – with a share of 30% of the individual APP. By contrast with the current financial performance criterion EBITDA pre exceptionals, EBIT pre exceptionals takes into account depreciation of property, plant and equipment and amortization of intangible assets, as well as reversals of impairment charges on property, plant, equipment and intangible assets; this provides a clearer picture of the actual operating performance of LANXESS. EBIT pre exceptionals makes the actually incurred costs associated with operating a production-oriented company transparent on a period-by-period basis. The ad-hoc discretionary bonus to recognize special achievements or to create an additional incentive is no longer a component of the APP as of 2026.

- The previously separate plans in the long-term variable compensation component – the Long Term Stock Performance Plan (LTSP) with the performance criterion LANXESS stock price performance compared with a reference index, and the Sustainability Performance Plan (SPP) with the performance criterion reduction of CO_2e emissions – have been combined within a four-year LTI plan as of 2026. Additionally, accidents per million hours worked (LTIFR) have been included in the LTI plan as a long-term performance criterion for occupational health and safety. The weighting of the individual components is as follows: 70% financial performance criterion (based on the stock price performance), 15% non-financial sustainability criterion (environment) and 15% non-financial sustainability criterion (occupational health and safety). Furthermore, the LTI plan has been supplemented with a multiplier in the form of the total shareholder return (TSR) that relates to the three performance criteria. The maximum LTI payout after taking the multiplier into account is limited to 250% of the annual base salary. The maximum scope of the performance criteria excluding the TSR multiplier remains limited to 200% of the annual base salary.

- In place of the contribution pension arrangement applicable until December 31, 2025, a pension cash allowance with an adjusted reduced pension level has been introduced for the Board of Management. The annually granted pension cash allowance amounts to 40% of the annual base salary for the current Chairman of the Board of Management and 35% for all other current ordinary members of the Board of Management. The pension level for CFO Oliver Stratmann was already set at 25% of his annual base salary upon his appointment to the Board of Management. For all (re)appointments, a pension cash allowance in the amount of 25% of the annual base salary will be granted. This policy is implemented for Frederique van Baarle with effect from April 1, 2026, and Dr. Hubert Fink with effect from October 1, 2026. The personal contribution of the members of the Board of Management from deferred compensation amounting to 12.5%, or 25%, respectively, of the Board of Management's APP, will no longer apply.

The following overview illustrates the design of the Board of Management compensation system applicable from January 1, 2026:

Overview of the Board of Management compensation system applicable from January 1, 2026

Compensation components				Weighted		Shares of total target compensation: Chairman of the Board of Management	Shares of total target compensation: Ordinary Board of Management member	Share of the annual base salary (target): Chairman of the Board of Management	Share of the annual base salary (target): Ordinary Board of Management member	Maximum payment in % of the annual base salary	Other components of the compensation system	
variable	long-term	Long Term Incentive (LTI)	Financial performance criterion of the Group (stock price performance)	70%	x TSR [1]	35%	33%	137,5%	115%	250%	CoC [3]	Claw-Back
			Non-financial performance criterion of the Group (sustainability – environment)	15%								
			Non-financial performance criterion of the Group (sustainability – occupational health and safety)	15%								
	short-term	Annual Performance Payment (APP)	Financial performance criterion of the Group (EBIT pre exceptionals)	70%		25%	25%	100%	90%	200%		
			Financial performance criterion of the Group (free cash flow)	30%								
fixed		Fixed compensation	Annual base salary			40%	42%	15%	40% [2]	100%		SOG [4]
			Non-cash benefits					15%	35% [2]			
			Pension cash allowance									

1) Total Shareholder Return.
2) Sinve September 1, 2023 25% for all (re-)appointments.
3) Change af Cantrol.
4) Share Ownership Guideine.

COMPENSATION OF THE SUPERVISORY BOARD

Elections for the employee representatives on the Supervisory Board of LANXESS AG took place in 2025. Following these elections, Sadik Emiroglu, Dr. Hans-Dieter Gerriets and Ralf Sikorski departed from the Supervisory Board at the end of the Annual Stockholders' Meeting on May 22, 2025. Replacing them on the Supervisory Board as of that date were Birgit Biermann, Cem Güner and Dr. Carsten Hesse.

The compensation of the Supervisory Board is governed by Section 12 of the company's articles of association. Based on German stock corporation law, a resolution on the compensation of the Supervisory Board members must be adopted by the Annual Stockholders' Meeting at least every four years for listed companies. The Annual Stockholders' Meeting of LANXESS AG on May 22, 2025, confirmed the existing system for the compensation of the members of the Supervisory Board with a majority of 99.91% of the votes cast in accordance with Section 113, Paragraph 3, Sentence 1 and Sentence 2 AktG.

The members of the Supervisory Board of LANXESS AG receive fixed compensation of €80 thousand per year. The Chairman of the Supervisory Board receives three times, and the Vice Chairman one and a half times, this amount. Serving as the chair, deputy chair or a member of Supervisory Board committees is compensated separately in accordance with the GCGC. Supervisory Board members who belong to a committee other than the Nominations Committee receive half of the fixed compensation amount in addition. Supervisory Board members who belong to the Nominations Committee receive one eighth of the fixed compensation amount in addition. The chair of the Audit Committee receives a further half. Supervisory Board members who chair a committee other than the Audit Committee receive a further quarter. No additional compensation is granted for membership in the Committee to be formed pursuant to Section 27 Paragraph 3 of the German Codetermination Act or for chairing the Nominations Committee. However, no member may receive in total more than three times the fixed compensation amount.

Supervisory Board members are reimbursed for their expenses in addition and also receive an attendance allowance of €1.5 thousand for each Supervisory Board meeting and each committee meeting they attend, with the exception of meetings of the Committee formed pursuant to Section 27, Paragraph 3 of the German Codetermination Act. With respect to their membership on the supervisory boards of LANXESS Group companies, the members of the Supervisory Board are remunerated only for their service on the Supervisory Board in the amount of €5 thousand each.

LANXESS AG includes the members of the Supervisory Board of the LANXESS Group under a directors' and officers' liability insurance (D&O) policy.

None of the members of the Supervisory Board received benefits for services provided personally during the reporting period. No loans or advances were granted to members of the Supervisory Board during the reporting year.

The following table shows the fixed and variable compensation components granted and owed to the current and former members of the Supervisory Board in fiscal year 2025 and the previous year, including the respective relative share, in accordance with Section 162 Paragraph 1 Sentence 1 AktG:

Compensation Granted and Owed to Supervisory Board Members in Fiscal Year 2025 and the Previous Year

		Fixed compensation LANXESS AG		Compensation as committee member LANXESS AG		Attendance allowance		Fixed compensation LANXESS Deutschland GmbH		Total compensation
		€	%	€	%	€	%	€	%	€
Dr. Rainier van Roessel, Chairman (Chairman from May 24, 2024)	**2025**	**240,000**	**90**	**–**	**–**	**22,500**	**8**	**5,000**	**2**	**267,500**
	2024	177,268	69	58,197	22	18,000	7	5,000	2	258,465
Dr. Matthias L. Wolfgruber, former Chairman (resigned May 24, 2024)	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2024	95,082	72	27,732	21	7,500	6	1,981	1	132,295
Birgit Biermann, Vice Chairwoman (joined on May 22, 2025)	**2025**	**73,644**	**65**	**24,548**	**22**	**12,000**	**10**	**3,068**	**3**	**113,260**
	2024	–	–	–	–	–	–	–	–	–
Ralf Sikorski, former Vice Chairman (resigned May 22, 2025)	**2025**	**46,684**	**66**	**15,562**	**22**	**6,000**	**9**	**1,945**	**3**	**70,191**
	2024	120,000	65	40,000	22	18,000	10	5,000	3	183,000
Hans van Bylen	**2025**	**80,000**	**43**	**80,000**	**43**	**22,500**	**12**	**5,000**	**2**	**187,500**
	2024	80,000	42	80,000	42	24,000	13	5,000	3	189,000
Birgit Bierther (resigned May 31, 2024)	**2025**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**	**–**
	2024	33,224	56	16,612	28	7,500	13	2,077	3	59,413
Armando Dente	**2025**	**80,000**	**57**	**40,000**	**28**	**16,500**	**12**	**5,000**	**3**	**141,500**
	2024	80,000	57	40,000	28	16,500	12	5,000	3	141,500
Sadik Emiroglu (joined on June 1, 2024, resigned May 22, 2025)	**2025**	**31,123**	**57**	**15,562**	**28**	**6,000**	**11**	**1,945**	**4**	**54,630**
	2024	46,776	63	15,956	21	9,000	12	2,924	4	74,656
Dr. Hans-Dieter Gerriets (resigned May 22, 2025)	**2025**	**31,123**	**57**	**15,562**	**28**	**6,000**	**11**	**1,945**	**4**	**54,630**
	2024	80,000	57	40,000	28	16,500	12	5,000	3	141,500
Cem Güner (joined on May 22, 2025)	**2025**	**49,096**	**82**	**–**	**–**	**7,500**	**13**	**3,068**	**5**	**59,664**
	2024	–	–	–	–	–	–	–	–	–
Dr. Heike Hanagarth	**2025**	**80,000**	**80**	**3,890**	**4**	**10,500**	**11**	**5,000**	**5**	**99,390**
	2024	80,000	76	10,000	9	10,500	10	5,000	5	105,500
Dr. Carsten Hesse (joined on May 22, 2025)	**2025**	**49,096**	**82**	**–**	**–**	**7,500**	**13**	**3,068**	**5**	**59,664**
	2024	–	–	–	–	–	–	–	–	–
Pamela Knapp	**2025**	**80,000**	**44**	**80,000**	**44**	**16,500**	**9**	**5,000**	**3**	**181,500**
	2024	80,000	44	80,000	44	16,500	9	5,000	3	181,500
Hans Joachim Müller (joined on May 24, 2024)	**2025**	**80,000**	**52**	**46,137**	**30**	**22,500**	**15**	**5,000**	**3**	**153,637**
	2024	48,525	55	24,262	28	12,000	14	3,033	3	87,820
Lawrence A. Rosen	**2025**	**80,000**	**53**	**50,000**	**33**	**16,500**	**11**	**5,000**	**3**	**151,500**
	2024	80,000	53	50,000	33	16,500	11	5,000	3	151,500
Iris Schmitz	**2025**	**80,000**	**47**	**64,548**	**38**	**21,000**	**12**	**5,000**	**3**	**170,548**
	2024	80,000	57	40,000	28	16,500	12	5,000	3	141,500
Manuela Strauch	**2025**	**80,000**	**47**	**64,548**	**38**	**21,000**	**12**	**5,000**	**3**	**170,548**
	2024	80,000	56	40,000	28	18,000	13	5,000	3	143,000
Total	**2025**	**1,160,766**	**60**	**500,357**	**26**	**214,500**	**11**	**60,039**	**3**	**1,935,662**
	2024	1,160,875	58	562,759	28	207,000	11	60,015	3	1,990,649

COMPARISON OF THE EARNINGS DEVELOPMENT AND THE CHANGE IN COMPENSATION OF THE EMPLOYEES, BOARD OF MANAGEMENT MEMBERS AND SUPERVISORY BOARD MEMBERS

The following table shows the annual change in the compensation of current and former Board of Management and Supervisory Board members, the compensation of employees on a full-time equivalent basis and selected key earnings figures of the LANXESS Group and LANXESS AG over the past five years in accordance with Section 162 Paragraph 1 Sentence 2 No. 2 AktG.

For the Board of Management and Supervisory Board members, the compensation granted and owed in the respective fiscal year in accordance with Section 162 Paragraph 1 Sentence 1 AktG is presented.

For the presentation of the average compensation of employees on a full-time equivalent basis, the group of employees of the German Group companies is used. The group of employees in Germany comprises all active permanent pay-scale and non-pay-scale employees, including the top management level below the Board of Management and employees on paid leave. The average compensation of employees comprises the annual base salary (not including recurring payments) and any variable compensation components attributable to the fiscal year. The calculation of compensation for employees thus corresponds in principle to the compensation for the Board of Management and the Supervisory Board and is therefore consistent with the compensation granted and owed in line with Section 162 Paragraph 1 Sentence 1 AktG.

The earnings development is presented based on LANXESS AG's net income and the LANXESS Group's key performance indicator, EBITDA pre exceptionals.

Comparison of the Earnings Development and the Change in Compensation of the Employees, Board of Management Members and Supervisory Board Members

	2021	2022	Change in 2022 vs. 2021	2023	Change in 2023 vs. 2022	2024	Change in 2024 vs. 2023	2025	Change in 2025 vs. 2024
Earnings development (€ million)									
EBITDA pre exceptionals	1,010	930	14%[1]	512	(45%)	614	20%	510	(17%)
Net income/loss of LANXESS AG	(92)	1,014	1,202%[2]	15	(99%)	(91)	(707%)	115	226%
Employee compensation (€ thousand)									
Average compensation in Germany (not including Board of Management)	86	79	(8%)	75	(5%)	84	12%	82	(2%)
Compensation of members of the Board of Management in office in the fiscal year (€ thousand)									
Matthias Zachert (Chairman, from April 1, 2014)	5,863	4,296	(27%)	1,895	(56%)	3,817	101%	3,395	(11%)
Frederique van Baarle (from April 1, 2023)	–	–	–	421	–	1,042	148%	1,047	0%
Dr. Hubert Fink (from October 1, 2015)	2,354	1,834	(22%)	845	(54%)	1,686	100%	1,511	(10%)
Oliver Stratmann (from September 1, 2023)	–	–	–	174	–	908	422%	950	5%
Compensation of former members of the Board of Management (€ thousand)									
Dr. Anno Borkowsky[3] (until December 31, 2023)	1,769	1,449	(18%)	692	(52%)	1,321	91%	140	(89%)
Dr. Rainier van Roessel (until December 31, 2019)	400	422	6%	155	(63%)	155	0%	155	0%

1) The change is against the previous year's figure adjusted for the reporting of the High Performance Materials business unit as a discontinued operation.
2) The increase is largely due to the profit transfer at LANXESS Deutschland GmbH in 2022, which was significantly higher than in the previous year as a result of the contribution of the High Performance Materials business unit to LXS Performance Materials GmbH.
3) The high percentage changes in some cases are due to a one-time capital payment.

Comparison of the Earnings Development and the Change in Compensation of the Employees, Board of Management Members and Supervisory Board Members (Continued)

	2021	2022	Change in 2022 vs. 2021	2023	Change in 2023 vs. 2022	2024	Change in 2024 vs. 2023	2025	Change in 2025 vs. 2024
Compensation of members of the Supervisory Board in office in the fiscal year (€ thousand)									
Dr. Rainier van Roessel, Chairman (from May 25, 2022, Chairman from May 24, 2024)	–	82	–	140	71%	258	84%	268	4%
Birgit Biermann, Vice Chairwoman (from May 22, 2025)								113	–
Ralf Sikorski, former Vice Chairman (from May 13, 2015 until May 22, 2025)	180	182	1%	180	(1%)	183	2%	70	(62%)
Hans van Bylen (from August 27, 2020)	186	186	0%	186	0%	189	2%	188	(1%)
Armando Dente (from August 27, 2020)	140	140	0%	139	(1%)	142	2%	142	0%
Sadik Emiroglu (from June 1, 2024 until May 22, 2025)	–	–	–	–	–	75	–	55	(27%)
Dr. Hans-Dieter Gerriets (from July 1, 2014 until May 22, 2025)	140	140	0%	139	(1%)	142	2%	55	(61%)
Cem Güner (from May 22, 2025)	–	–	–	–	–	–	–	60	–
Dr. Heike Hanagarth (from July 1, 2016)	94	99	5%	107	8%	106	(1%)	99	(7%)
Dr. Carsten Hesse (from May 22, 2025)	–	–	–	–	–	–	–	60	–
Pamela Knapp (from May 15, 2018)	180	180	0%	179	(1%)	182	2%	182	0%
Hans Joachim Müller (from May 24, 2024)	–	–	–	–	–	88	–	154	75%
Lawrence A. Rosen (from May 13, 2015)	155	150	(3%)	153	2%	152	(1%)	152	0%
Iris Schmitz (from October 1, 2021)	31	140	352%	139	(1%)	142	2%	171	20%
Manuela Strauch (from July 1, 2015)	140	142	1%	140	(1%)	143	2%	171	20%

Cologne, March 18, 2026

LANXESS Aktiengesellschaft

For the Board of Management

Matthias Zachert
Chairman of the Board of Management

Oliver Stratmann
Chief Financial Officer

For the Supervisory Board

Dr. Rainier van Roessel
Chairman of the Supervisory Board

Independent Auditor's Report

"To LANXESS Aktiengesellschaft, Cologne

Report on the audit of the remuneration report

We have audited the attached remuneration report of LANXESS Aktiengesellschaft, Cologne, for the financial year from 1 January to 31 December 2025, including the related disclosures, prepared to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporation Act].

Responsibilities of Management and the Supervisory Board

The management and the Supervisory Board of LANXESS Aktiengesellschaft are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud or error.

Auditor's Responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the remuneration report. The procedures selected depend on the auditor's professional judgement. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform 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. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from 1 January to 31 December 2025, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Other matter – formal examination of the remuneration report

The substantive audit of the remuneration report described in this independent auditor's report includes the formal examination of the remuneration report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the remuneration report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report.

Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services to LANXESS Aktiengesellschaft, are set out in the General Engagement Terms for Wirtschaftsprüferinnen, Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2024.By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Cologne, 18 March 2026

KPMG AG Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Dr. Hain
Wirtschaftsprüfer
[German Public Auditor]

Coir
Wirtschaftsprüfer
[German Public Auditor]"

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