



LANXESS
Energizing Chemistry

Weatherproof in stormy times

Annual press conference on fiscal year 2022

CEO Matthias Zachert

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Despite multiple crises: Growth thanks to stable positioning

Significant increase in sales and earnings

Successfully passing on higher energy and raw material costs

Consumer Protection: growth and innovation driver

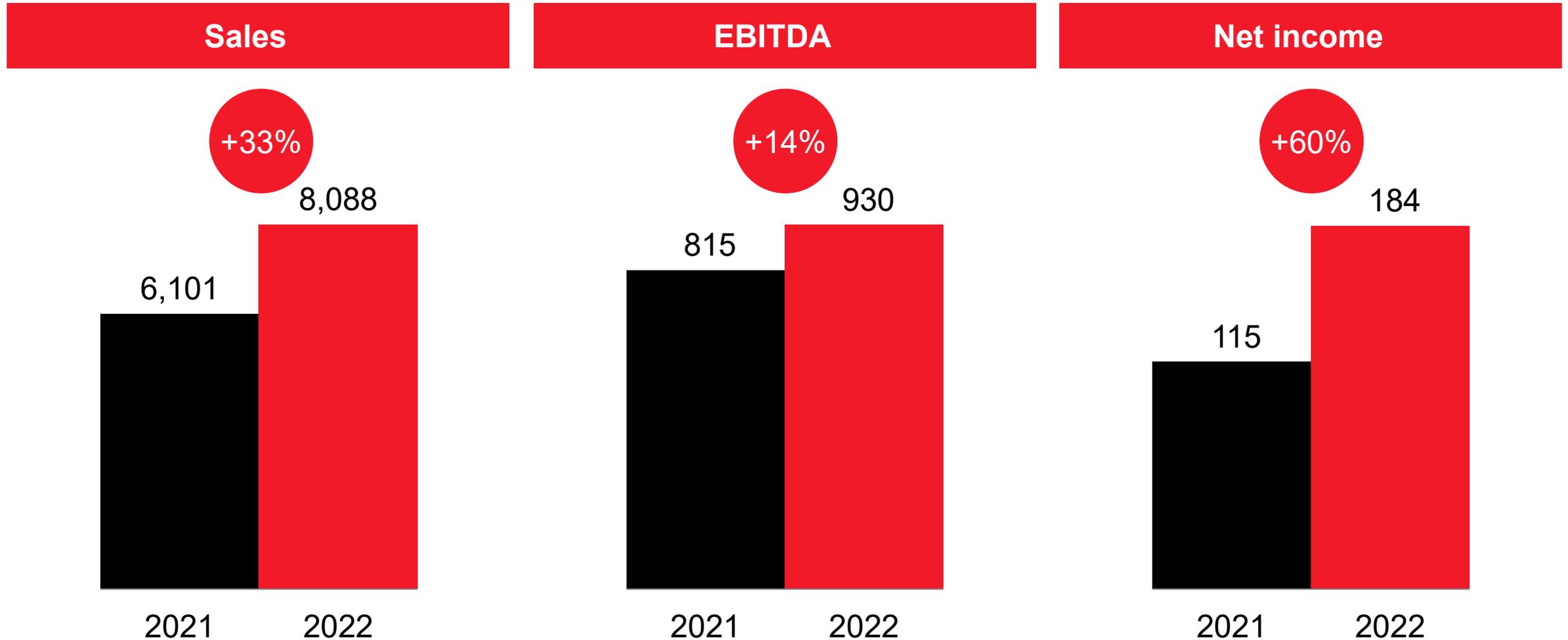
Sustainability profile further strengthened



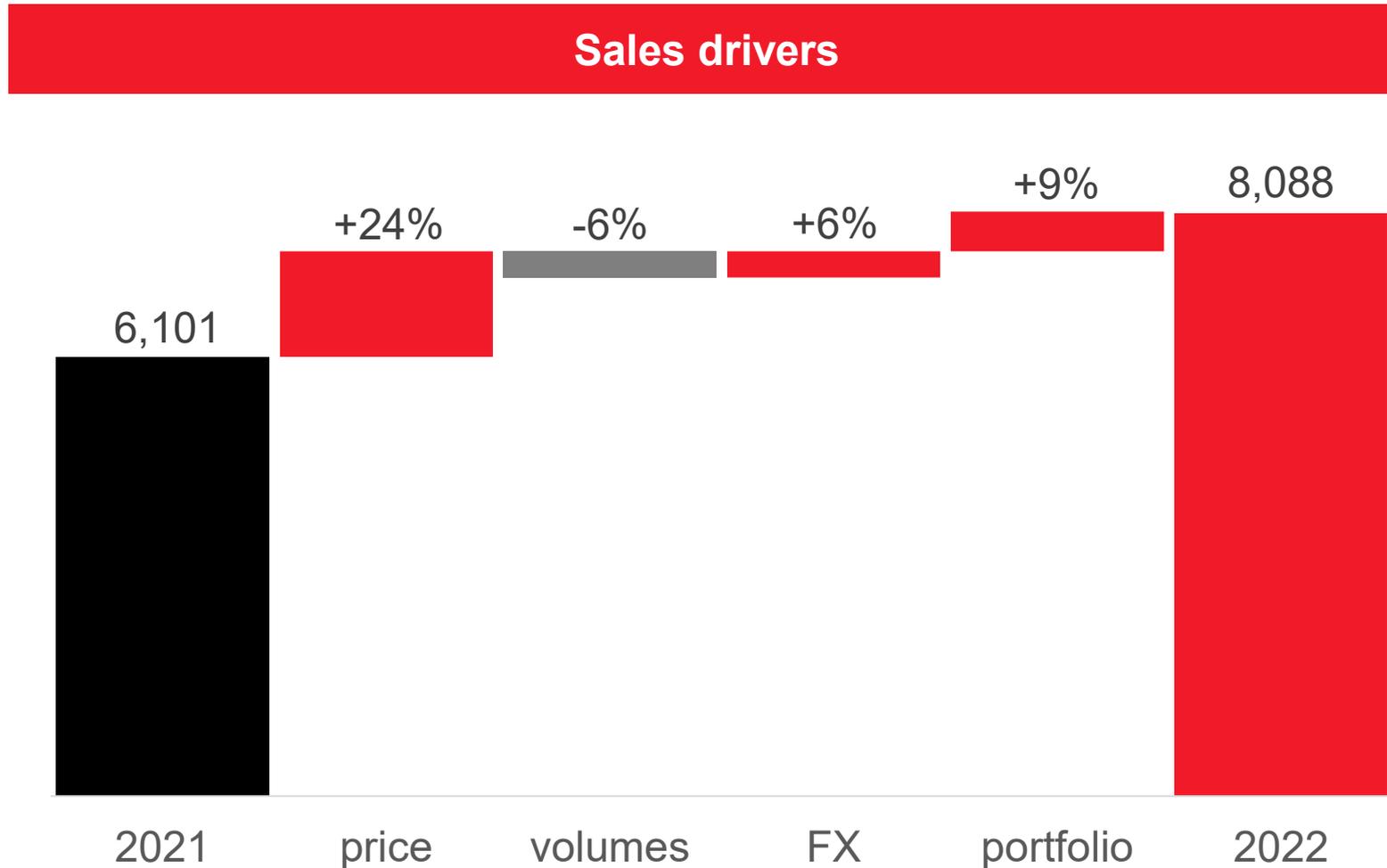
Business development 2022



Significant growth in sales and earnings

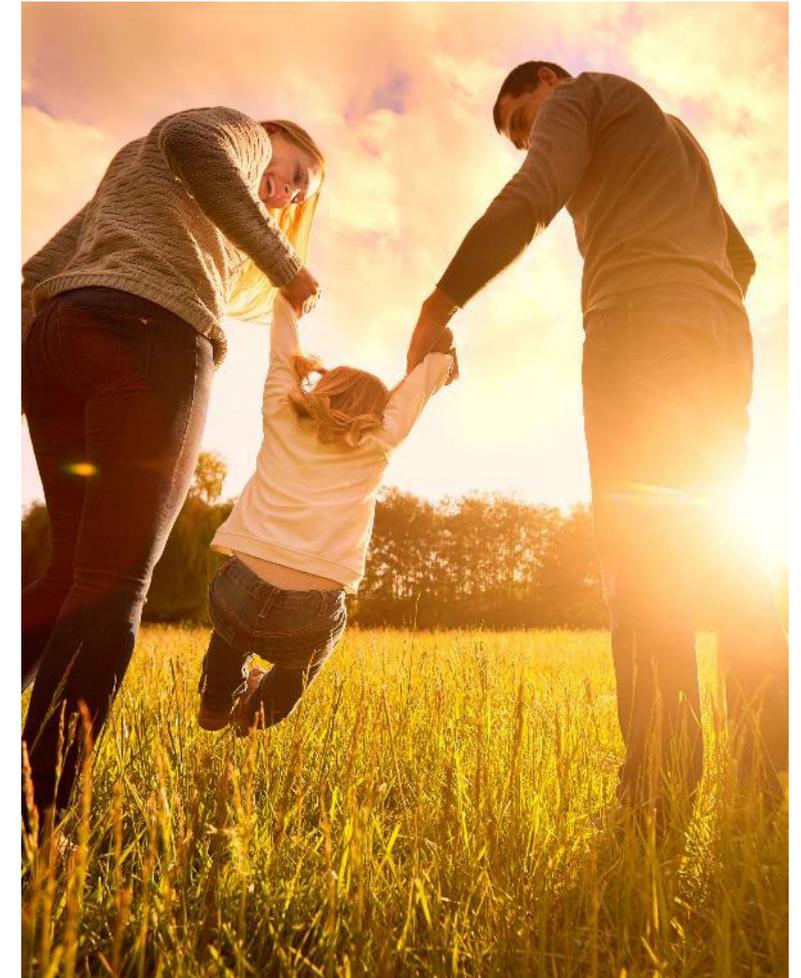
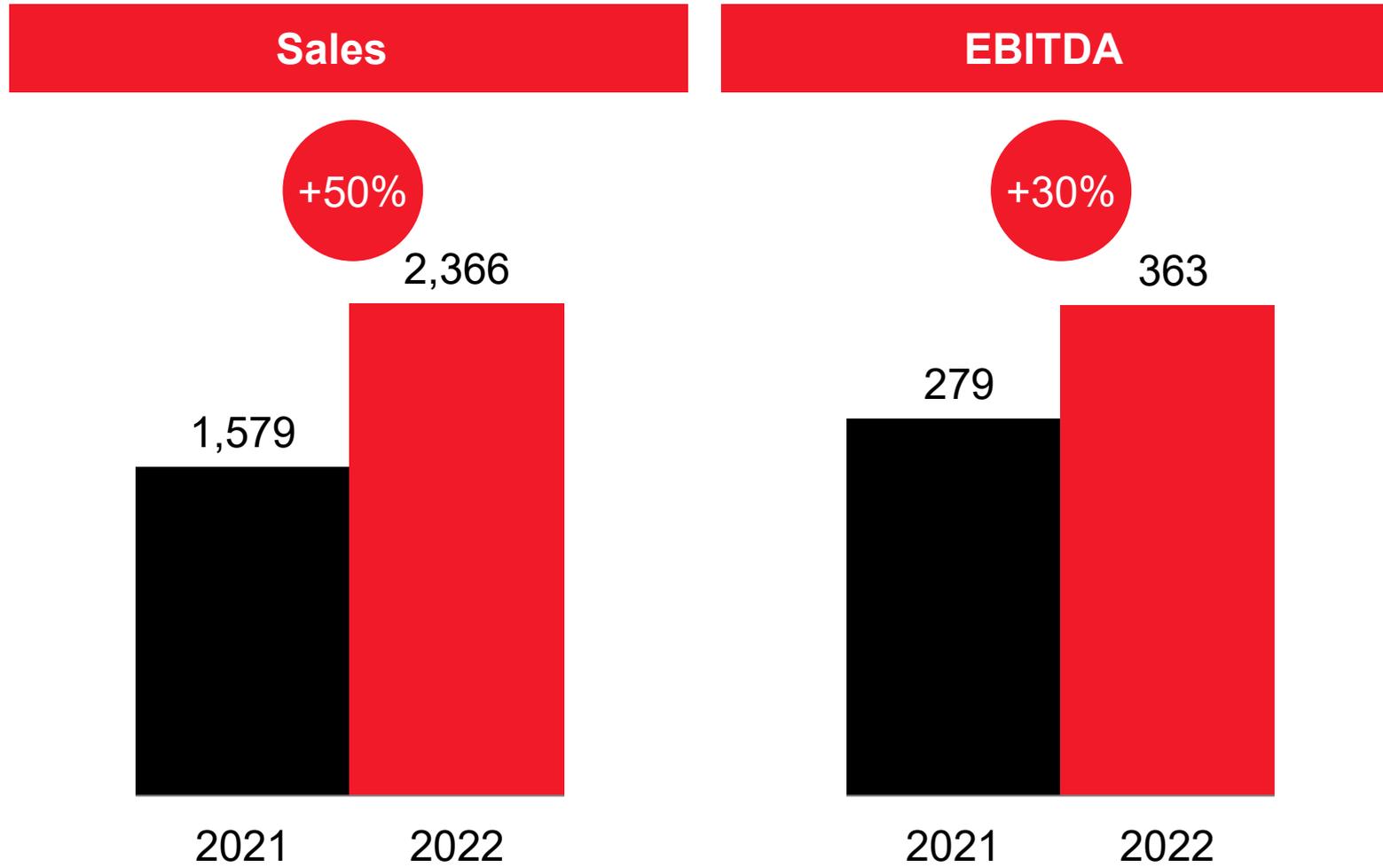


Passing on costs and acquired businesses are drivers of success

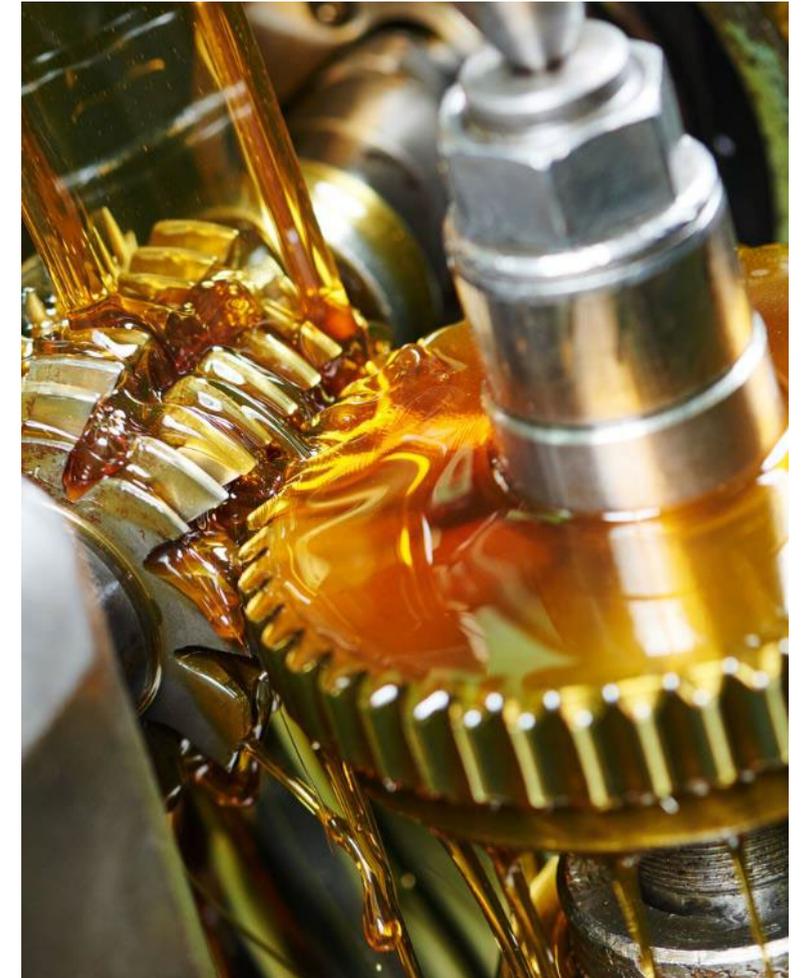
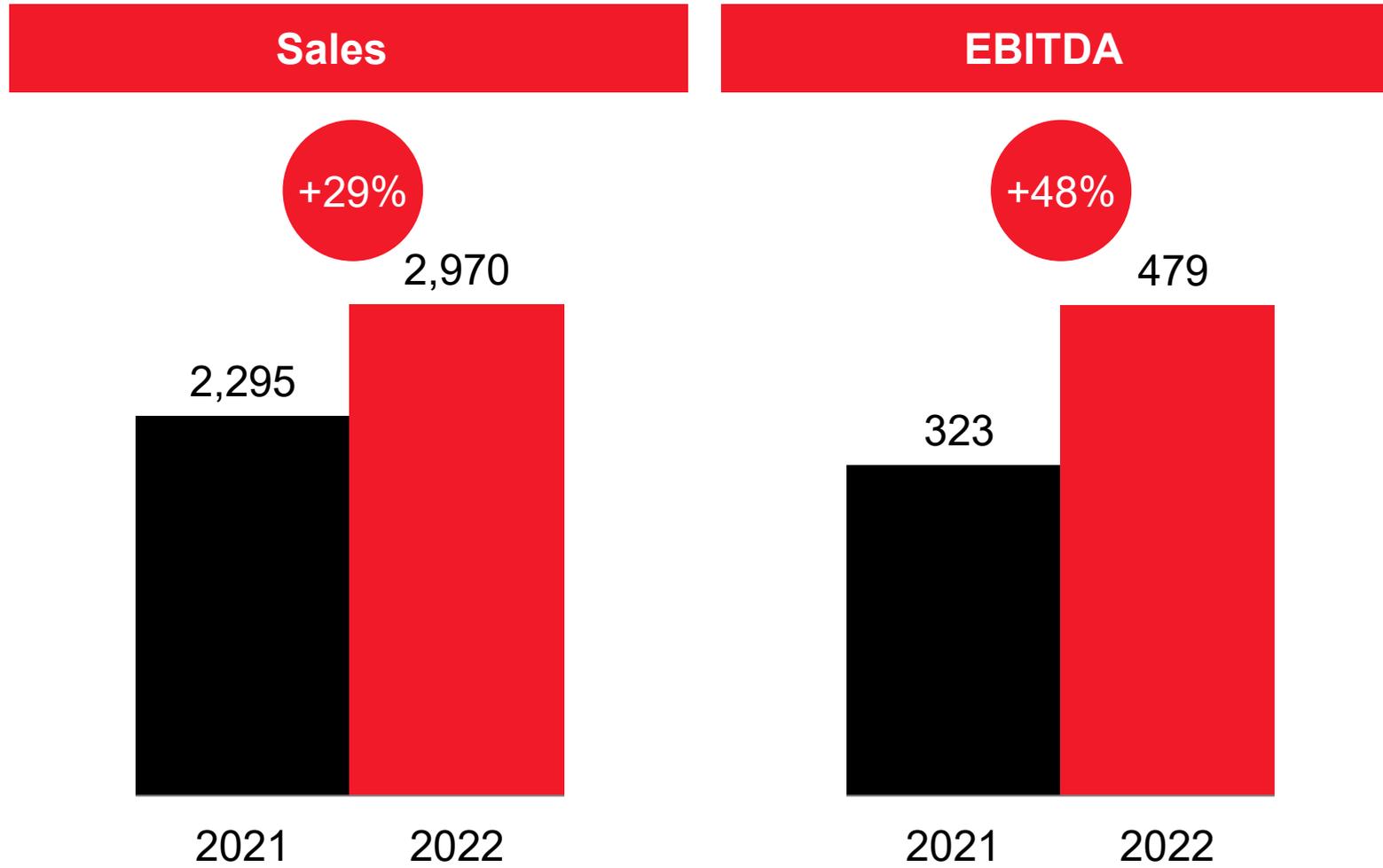


- Successful cost pass-through thanks to leading market positions
- Slowdown in economic activity since autumn causes decline in volumes
- Beneficial FX effects, mainly from U.S. dollar
- New businesses with significant contribution

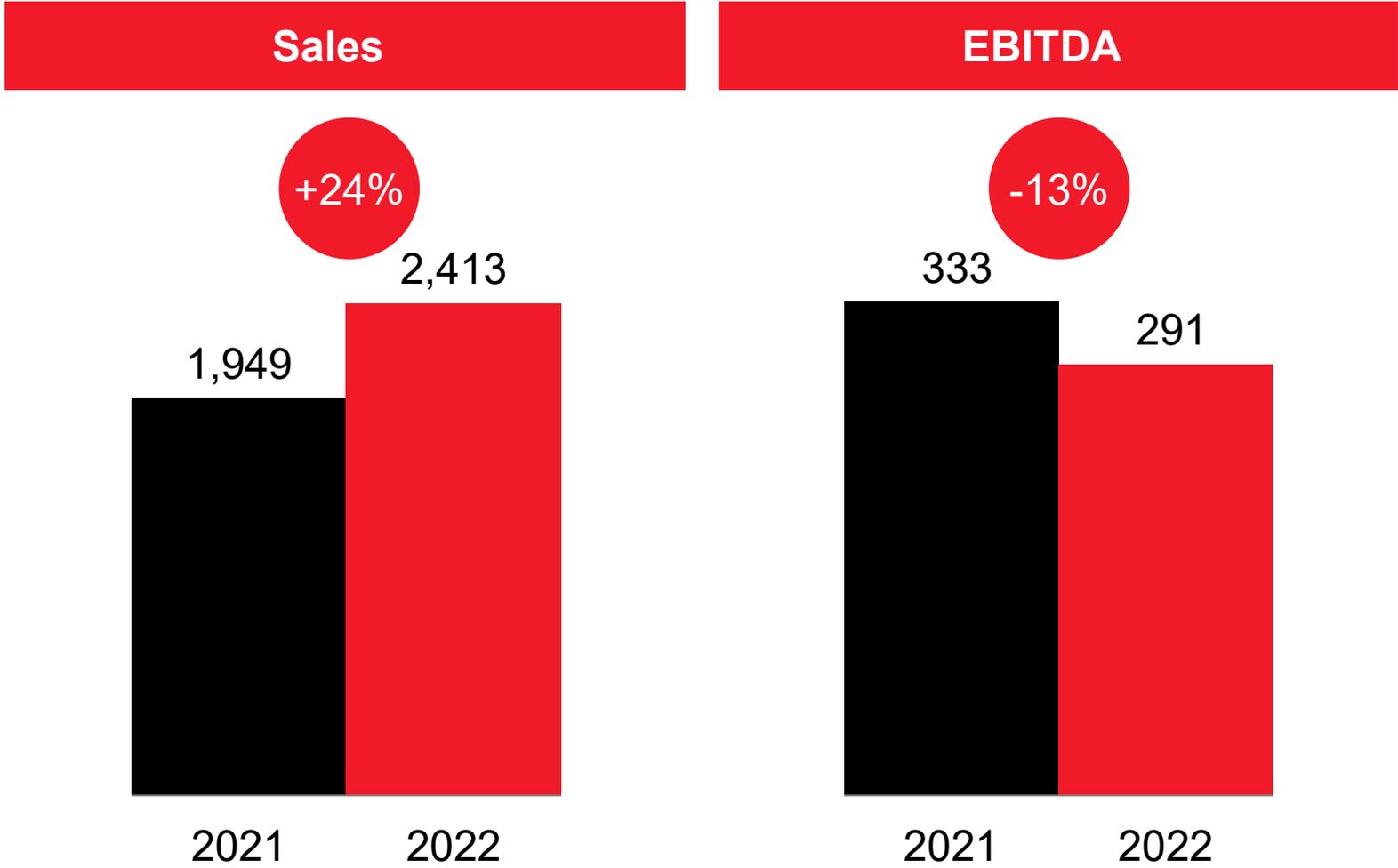
Consumer Protection: U.S. acquisitions and successful pricing boost earnings



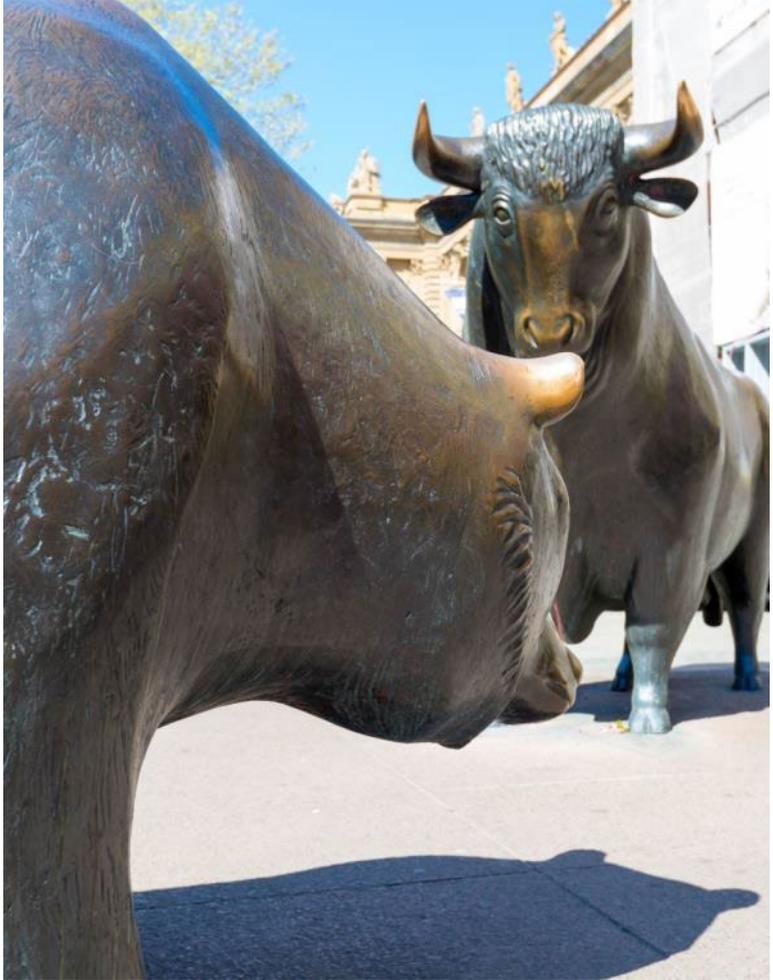
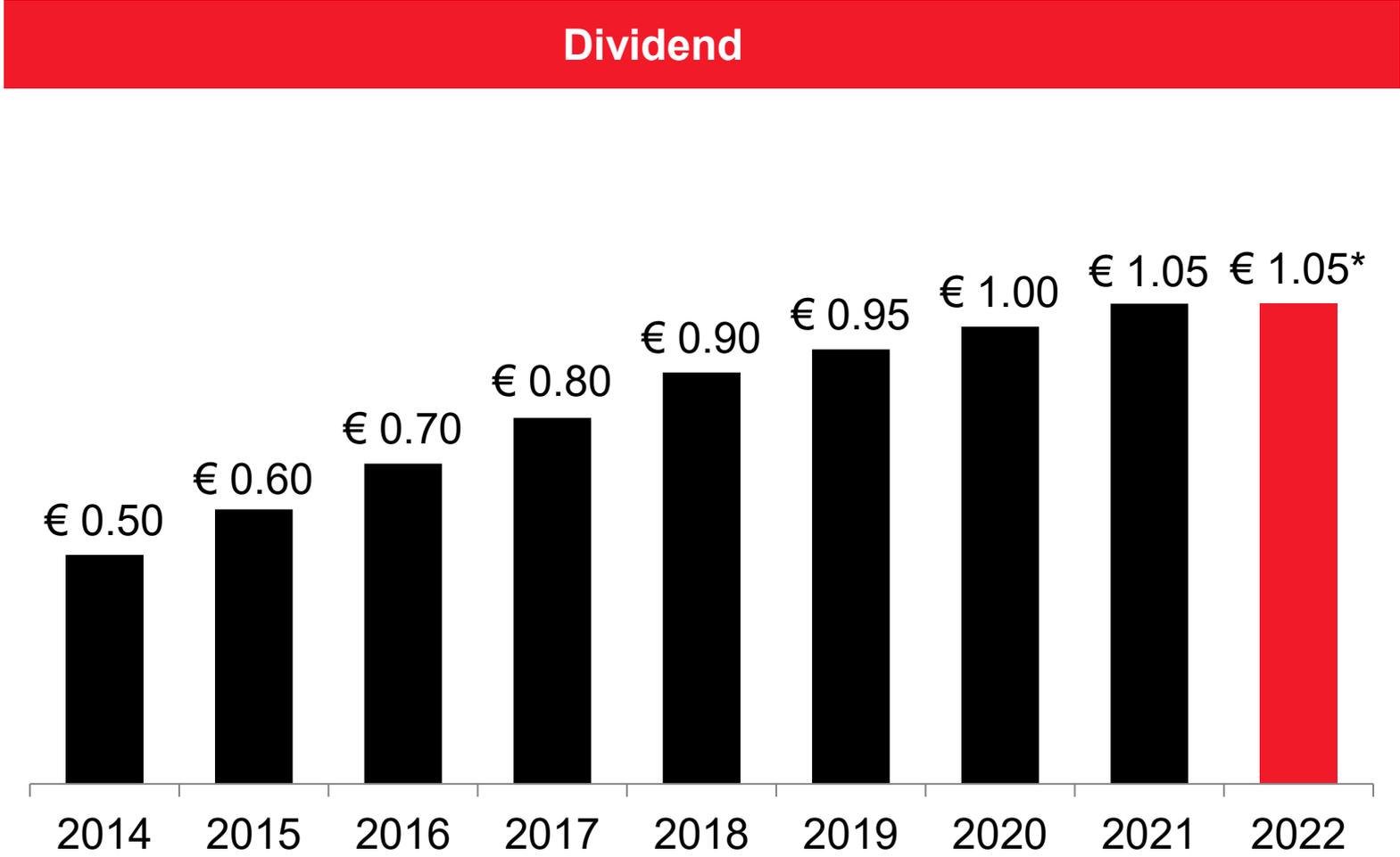
Specialty Additives: strict pricing and U.S. focus drive growth



Advanced Intermediates: weak demand and customer-destocking weight on earnings



Stable dividend despite challenging times



Specialty chemicals profile further sharpened

Spin-off of the plastics business

- Joint venture with Advent includes LANXESS High Performance Materials and DSM Engineering Materials
- Closing of the transaction scheduled for early April



Acquisition of IFF Microbial Control business

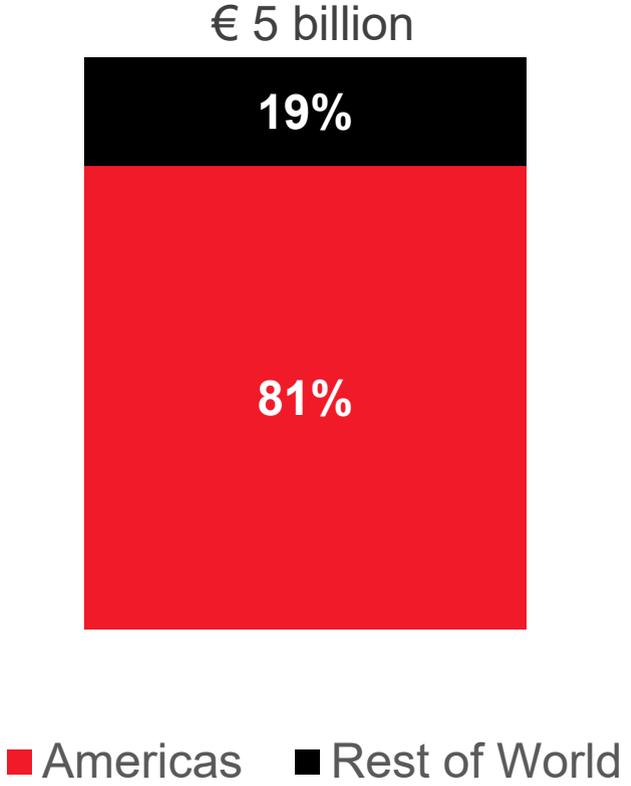
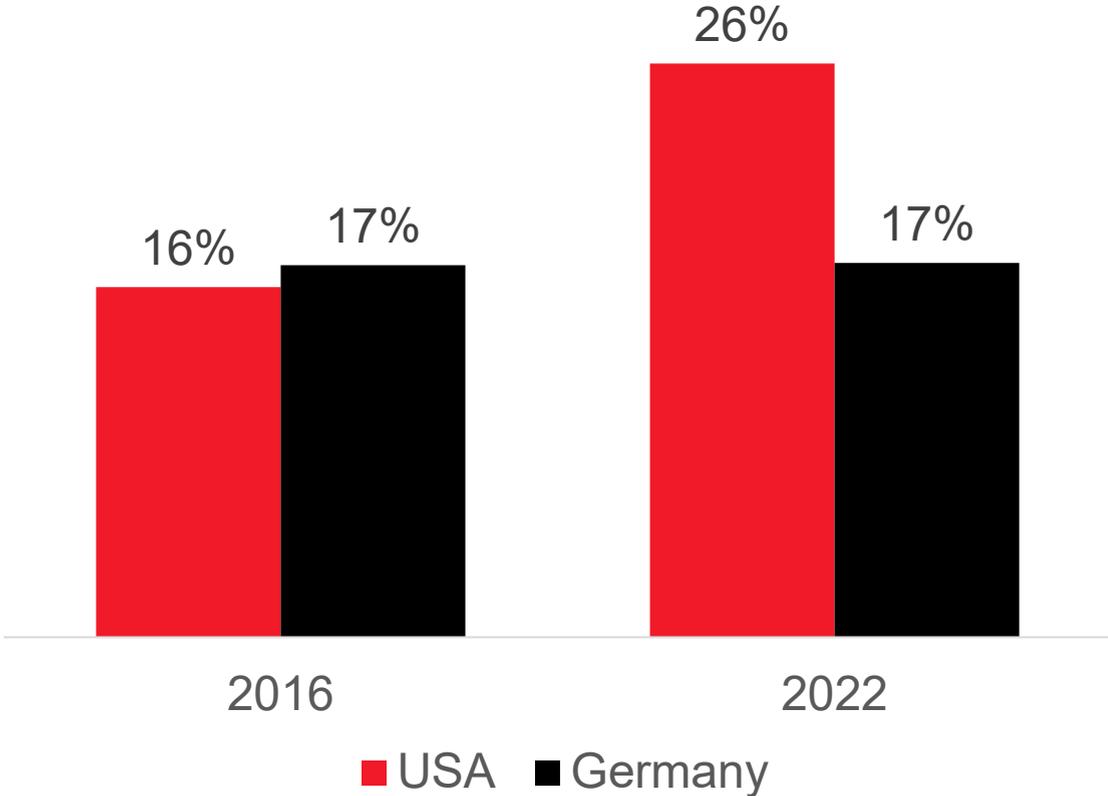
- LANXESS becomes global champion for microbial control and biocidal products
- Growth: expansion in disinfection, personal care and material protection



Growth market USA

Sales share

Growth investments and M&A since 2017



Germany continues to become less attractive as a business location

Germany falls behind...

country	rank 2022	rank 2020	change
USA	1	1	-
Canada	2	3	+1
Sweden	3	7	+4
Switzerland	4	2	-2
Denmark	5	5	-
...	
Germany	18	14	-4
...	
Italy	21	21	-

...so now we need...

...competitive energy prices

...moratorium on burdens and less bureaucracy

...faster approvals

...investments in infrastructure

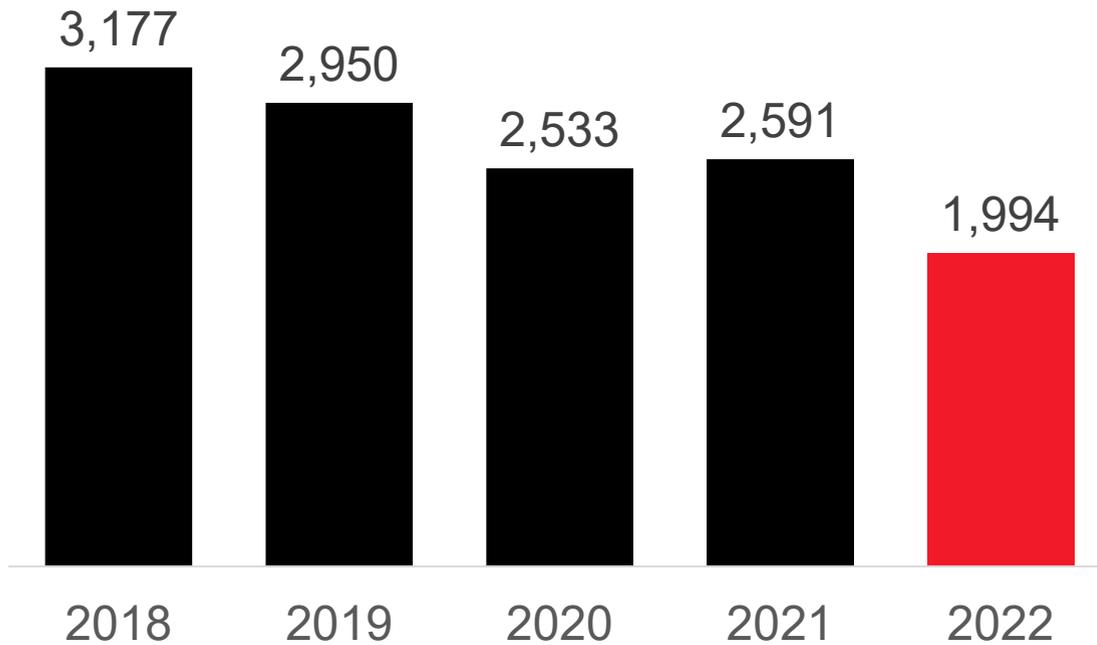
LANXESS: defend sites in Germany—expand growth market in the USA

Sustainability



Less emissions through Group restructuring

CO₂e emissions (Scope 1 + 2)

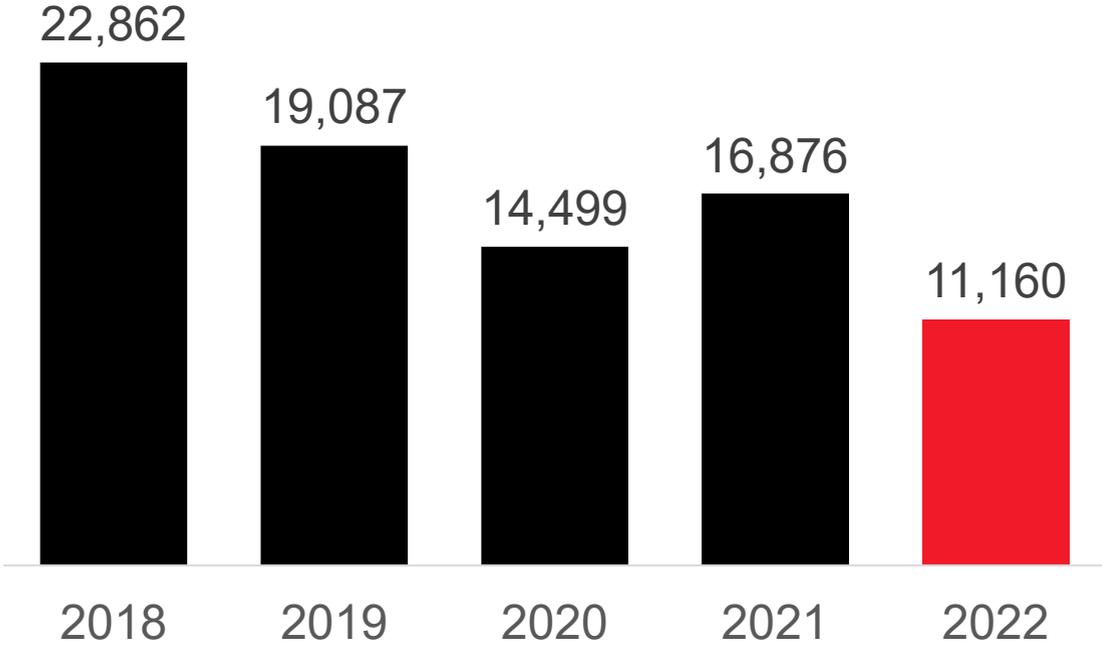


-11% emissions p.a.



Next step in climate protection: entire supply chain to become climate neutral by 2050

CO₂e emissions (Scope 3)



-16% emissions p.a.

Current projects

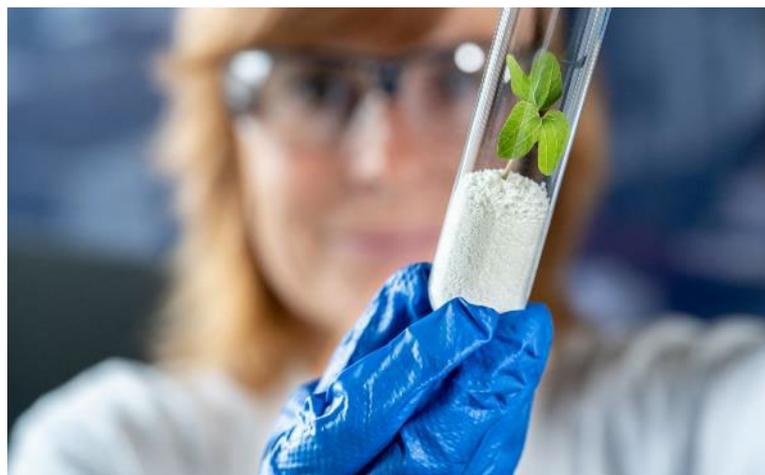
- Flavors & Fragrances: sustainable product alternatives for entire portfolio by the end of 2023
- Chlorine, caustic soda and hydrogen with reduced carbon footprint: 120,000 metric tons CO₂e less per year
- Product Carbon Footprint Engine calculates the carbon footprint of LANXESS products



Consumer Protection: sustainability trend drives business

Sustainable water treatment

- Lewatit Scopeblue ion exchange resins consist of over 90% sustainable raw materials
- Carbon footprint of the product reduced by two thirds



Innovation in the beverage industry

- Nagardo receives prestigious World Beverage Innovation Award
- First highly effective natural preservative for beverages



Sales record for mosquito repellent

- Active ingredient Saltidin with 20% more sales against prior year
- New mosquito species in Europe and desire for “gentle” alternative drive demand



Awarded for sustainability

Externally validated: Business on 1.5° path



Top 1% in ecoVadis rating

Top score for climate protection at CDP



MSCI
ESG RATINGS



MSCI ESG rating confirmed

Outlook



Guidance: earnings for 2023 around prior-year level

Macro environment

- Recessionary environment in the H1 2023, recovery expected in H2
- Customer-destocking to continue in Q1
- Supply chains stabilizing
- Positive impetus from China earliest with Q2

LANXESS

- EBITDA for Q1 2023: EUR 180-220 million
- EBITDA for full year 2023: around prior-year level



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