

The Additives business unit

The LANXESS Additives business unit (ADD) comprises a broad portfolio of lubricant products, phosphorus and brominated flame retardants, plasticizers and bromine performance products.

The lubricant product portfolio offers synthetic base fluids, lubricant additives, additive packages and formulated lubricants, used in a wide range of applications and industries including: automotive, industrial, metal working, marine and aviation. The lubricants are also used for engines, gears, transmissions and further industrial applications in fields such as power generation, refrigeration, mining and construction, primary metals and food processing.

Another key focus of the business are flame retardant additives, plasticizers as well as various phosphorus and bromine derivatives. In particular, due to their high effectiveness, bromine-based flame retardants are often used in the construction industry, as well as in the electronics industry. Our phosphorus-based flame retardants offer highly efficient fire protection and other advantages like easy processability or high elasticity. Under the trade names Levagard®, Disflamoll® and Reofos® LANXESS offers a wide range of products for PU and PVC systems that are used to manufacture extremely flame-retardant articles such as foils, tarpaulins, floor coverings, seat covers and children's toys as well as for fire stop applications.

To serve the customers' needs, the LANXESS Additives business unit is globally organized with manufacturing, sales and customer service capabilities in all regions of the world.

The Additives business unit consists of two business lines:

Polymer Additives Business

The high-quality additives and finishing chemicals from the Polymer Additives business line improve the processability of ingredients and the properties of end products.

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The portfolio comprises Adimoll®, Mesamoll®, Triacetin, Ultramoll®, Unimoll® and Uniplex (specialty plasticizers for polymer processing), Disflamoll® and Levagard®, Reofos (phosphorus-based flame retardants), Mersolat® (polymerization emulsifier), Stabaxol® (hydrolysis stabilizers), Addonyl® (additives and catalysts for cast nylon), Addocat® catalysts, Addolink® crosslinkers and Addovate® stabilizers (for the production of polyurethane rigid and flexible foams).

Polymer Additives' product portfolio also offers solutions for water treatment and products for the manufacturing of agricultural products. Included are Bayhibit® (phosphonates for water treatment) and Baypure® (biodegradable dispersing and complexing agents).

Phosphorus chlorides and phosphorus oxides are the raw materials for chemical synthesis in the production of flame retardants as well as pesticide and pharmaceutical ingredients.

LANXESS is one of the world's leading manufacturers of bromine, bromine intermediates and brominated flame retardants. With access to large concentrated bromine reserves and ongoing investment in our bromine production facilities and ISO tank fleet, the Polymer Additives business is a leading global supplier of bromine and bromine derivatives.

Bromine and bromine based intermediates serve as building blocks for producing highly complex molecules that meet specific performance, environmental and quality requirements. They are utilized in many applications including flame retardants, agrochemicals, pharmaceuticals, fine chemicals, butyl rubber, polymers and biocides.

Product Segments

Bromine and hydrobromic acid – precursors for flame retardants, agrochemicals, fine chemicals, dyes, pharmaceuticals, high

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performance rubbers, PTA, mercury control, plasma etching and biocides.

Alkyl bromides – Precursors and additives for surface active agents, biocides, specialty intermediates, viscosity modifiers, fine chemicals, agrochemicals, biocides, fumigants, pharmaceuticals and scavenger for lead in gasoline.

Main brands:

- Meth-O-Gas® – Fumigant products
- Terr-O-Gas® – Fumigant products

Inorganic bromides – Precursors and additives photography, food preservation, road treatment, freezing mixtures, high performance rubber, mercury control, fine chemicals, and process fluids for oil and gas production.

Main brands:

- GeoBrom® – Mercury control products

Brominated flame retardants – Flame retardants for electronics and electrical applications, building and construction applications as well as specialty fabric coatings.

Main brands:

- Emerald Innovation™ – Improved sustainability flame retardant solutions
- Firemaster® – Flame retardant solutions for electronics and construction

Lubricant Additives Business

The Lubricant Additives Business offers products for all kinds of lubrication solutions. From synthetic base fluids, to single additives to

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additive packages, the high performance products lubricate all kinds of engines, machinery and transportation equipment. Under the brand names Additin®, Lobase®, Hybase®, Naugalube® and Durad® the Lubricant Additives business offers a comprehensive product line of additives and additive packages for industrial lubricants and greases. The brands Hatcol® and Synton® stand for high performance synthetic base fluids, while Reolube® hydraulic fluids serve in specific applications, where not only good lubrication is mandatory, but also highest demands in terms of fire resistance are required.

The products help customers to comply with increasingly demanding government-mandated emissions and fuel-economy standards. Whether used to protect engines and drivetrains from wear and tear or to extend the life of machinery operating at high temperatures, these products are specifically developed to fulfill the highest demanding specifications and performance standards while bringing environmental benefits to customers and their downstream users.

ADD sites

Headquarters: Cologne (Germany)

Production sites, technical competence centers and labs:

Antwerp (Belgium); Rio Claro (Brazil); West Hill, Elmira (Canada); Qingdao, Nanjing, Nantong (China); Krefeld-Uerdingen, Leverkusen, Mannheim (Germany); Epierre (France); Latina (Italy); Altamira, Reynosa (Mexico); Kaoshiung (Taiwan); Trafford Park (UK); Charleston, East Hanover, El Dorado, Fords, Greensboro, Middlebury, Naugatuck (USA).

The ADD business unit is part of LANXESS's Specialty Additives segment, which recorded sales of EUR 1.60 billion in fiscal year 2017. It is headed by Anno Borkowsky and currently employs around 2,000 people worldwide.

For detailed information go to <http://add.lanxess.com>.

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LANXESS is a leading specialty chemicals company with sales of EUR 9.7 billion in 2017 and about 19,200 employees in 25 countries. The company is currently represented at 73 production sites worldwide. The core business of LANXESS is the development, manufacturing and marketing of chemical intermediates, additives, specialty chemicals and plastics. LANXESS is listed in the leading sustainability indices Dow Jones Sustainability Index (DJSI World and Europe) and FTSE4Good.

Cologne, December 2018

Forward-Looking Statements

This company release contains certain forward-looking statements, including assumptions, opinions, expectations and views of the company or cited from third party sources. Various known and unknown risks, uncertainties and other factors could cause the actual results, financial position, development or performance of LANXESS AG to differ materially from the estimations expressed or implied herein. LANXESS AG does not guarantee that the assumptions underlying such forward-looking statements are free from errors nor does it accept any responsibility for the future accuracy of the opinions expressed in this presentation or the actual occurrence of the forecast developments. No representation or warranty (expressed or implied) is made as to, and no reliance should be placed on, any information, estimates, targets and opinions, contained herein, and no liability whatsoever is accepted as to any errors, omissions or misstatements contained herein, and accordingly, no representative of LANXESS AG or any of its affiliated companies or any of such person's officers, directors or employees accept any liability whatsoever arising directly or indirectly from the use of this document.

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