



LANXESS ESG Data Factsheet

Published on November 23, 2020



ESG Data Factsheet

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1 Introduction & Reports

Introduction

This ESG data factsheet aims to provide a consolidated overview of LANXESS's non-financial performance. Metrics included in this datasheet cover our activities during the period January 1 to December 31 for the years indicated.

This ESG data factsheet presents the performance data tables previously included in LANXESS Annual Report and corporate website.

Note to users

Performance data included in this factsheet is discussed further in the Annual Report 2019 and on the LANXESS corporate website. The factsheet should be read in conjunction with the Annual Report and the website and is not a substitute for it.

The most recent data available is provided.

Reports & Overarching Documents

[Annual Report 2019](#)

[Corporate Responsibility Report 2019](#)

[Corporate Policy](#)

2 Climate & Energy Data

Climate Protection		Further information: <u>LANXESS to become climate-neutral</u>					
	Unit	2015	2016	2017	2018	2019	Target
Total GHG emissions (Scope 1 & 2)	kt CO ₂ e	4,641	4,814	5,081	3,210	3,058	2025: 2,400kt 2030: 1,600kt 2040: Climate neutral
Direct GHG emissions (Scope 1)	kt CO ₂ e	1,643	1,737	1,784	1,540	1,504	-
Direct CO ₂ emissions from non-renewables	kt CO ₂ e	-	-	-	-	992.9	-
Direct N ₂ O emissions	kt CO ₂ e	-	-	-	-	509.6	-
Direct CH ₄ emissions	kt CO ₂ e	-	-	-	-	1.4	-
Direct HFCs emissions	kt CO ₂ e	-	-	-	-	0.3	-
Direct PFC emissions	kt CO ₂ e	-	-	-	-	0	-
Direct SF ₆ emissions	kt CO ₂ e	-	-	-	-	0	-
Indirect GHG emissions (Scope 2)	kt CO ₂ e	2,998	3,077	3,297	1,670	1,554	-
GHG emissions intensity in relation to sales							
Direct GHG emissions (Scope 1)	t CO ₂ e / k €	0.21	0.23	0.27	0.23	0.22	-
Indirect GHG emissions (Scope 2)	t CO ₂ e / k €	0.38	0.40	0.51	0.24	0.23	-
GHG emissions intensity in relation to volume sold							
Direct GHG emissions (Scope 1)	t CO ₂ e / t	0.25	0.26	0.25	0.28	0.28	2025: <0.19
Indirect GHG emissions (Scope 2)	t CO ₂ e / t	0.46	0.45	0.46	0.30	0.29	2025: <0.24
Total GHG emissions (Scope 3)	kt CO ₂ e	-	-	-	-	19,087	-
Upstream GHG emissions (Scope 3)	kt CO ₂ e	-	-	-	-	13,329	-
Downstream GHG emissions (Scope 3)	kt CO ₂ e	-	-	-	-	5,758	-

Starting April 21, 2017, the new production sites from the acquisition of Chemtura Corporation were included.

Starting FY 2018, data from the joint venture ARLANXEO were excluded.

Energy management	Further information: <u>Systematic energy management</u>						
	Unit	2015	2016	2017	2018	2019	Target
Total energy consumption	PJ	48.3	48.4	52.0	27.7	27.2	-
Total direct energy sources							
Non-renewable	PJ	12.2	12.6	14.6	11.6	11.2	-
Renewable (biomass)	PJ	2.2	2.0	2.0	2.2	1.7	-
Total indirect energy sources							
Electricity consumption	PJ	9.4	9.6	10.5	6.2	6.5	-
Heat and steam consumption	PJ	23.5	23.3	24.0	7.0	7.2	-
Energy consumption for cooling	PJ	0.9	0.8	0.8	0.6	0.5	-
Other	PJ	0.05	0.05	0.2	0.2	0.2	-
Energy efficiency in relation to sales	GJ / k €	6.11	6.29	7.96	4.06	4.00	-
Energy efficiency in relation to volume sold	MWh / t	2.07	1.98	2.02	1.39	1.41	2025: <1.24
Continuous further development of our production processes in order to maintain competitiveness and achieve our climate and energy efficiency targets	Number of process-related projects	-	94	85	78	68	Ongoing until 2025

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3 Environmental Data

Environmental Management		Further information: Certifications					
	Unit	2015	2016	2017	2018	2019	Target
ISO 14001 certification (EMS)	% of sites	-	98	98	96	98	2025: 100%
ISO 9001 certification (QMS)	% of sites	-	98	98	96	98	2025: 100%
Environmental audits	Number	45	43	37	34	38	-

Non-GHG emissions		Further information: Clear strategy to lower emissions					
	Unit	2015	2016	2017	2018	2019	Target
Ozone-depleting substances	kt	0.00113	0.00182	0.00989	0.00785	0.00716	-
NO _x	kt	2.8	2.6	2.7	2.8	2.6	-
SO _x	kt	1.0	1.1	1.0	1.0	0.9	-
CO	kt	2.2	2	2.2	2.2	1.7	-
NH ₃	kt	0.1	0.1	0.08	0.025	0.045	-
NMVOC	kt	5.4	4.7	5.0	0.7	0.7	2025: -20% vs 2015

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Water	Further information: <u>Responsible use of water resources</u>						
	Unit	2015	2016	2017	2018	2019	Target
Water in-put							
Total water withdrawal	m m ³	288.7	275.1	278.5	222.4	223.2	-
Water withdrawal by region							
EMEA (excl. Germany)	m m ³	-	-	-	-	57.5	-
Germany	m m ³	-	-	-	-	156.2	-
North America	m m ³	-	-	-	-	6.9	-
Latin America	m m ³	-	-	-	-	0.6	-
Asia-Pacific	m m ³	-	-	-	-	2	-
Total water withdrawal in water-stress areas	m m ³	-	-	-	-	5.9	-
Total water withdrawal at water risk sites	m m ³	-	-	-	-	4.0	2023: -15% vs 2019
Water withdrawal by source							
Surface water	m m ³	107.3	92.5	83.4	49.5	52.5	-
Groundwater	m m ³	6.8	6.8	8.8	5.3	5.2	-
Third party water (primarily surface water)	m m ³	162.9	164.3	174.5	161.9	159.5	-
Water from external steam	m m ³	10.5	10.5	10.7	4.5	4.7	-
Water withdrawal from alternative sources							
Rain water	m m ³	-	-	-	-	0.2	-
Third party sewage water	m m ³	1.2	1.0	1.1	1.2	1.1	-
Water withdrawal in relation to sales	m ³ / k €	35.22	34.37	42.65	32.59	32.81	-
Water withdrawal in relation to volume sold	m ³ / t	42.84	39.02	38.86	40.09	41.67	-
Water out-put							
Total once-through cooling water	m m ³	225.2	212.8	208.6	178.5	180.1	-
Total external sold steam off-heat	m m ³	2.0	2.1	2.1	2.0	2.1	-
Total waste water discharge	m m ³	40.6	41.7	45.2	27.1	26.8	-
Total water consumption	m m ³	21.6	19.4	23.5	15.7	15.2	-
Water consumption in relation to sales	m ³ / k €	2.73	2.52	3.60	2.30	2.23	2% yoy reduction
Water consumption in relation to volume sold	m ³ / t	3.33	2.86	3.28	2.83	2.84	-
Water Quality (Emissions into wastewater after treatment)							
Total organic carbon (TOC)	kt	1.5	1.7	1.8	1.2	1.2	-
TOC in relation to sales	kg / k €	0.19	0.22	0.28	0.18	0.18	2% yoy reduction
TOC in relation to volume sold	kg / t	0.23	0.25	0.25	0.22	0.22	-
Total nitrogen	kt	0.5	0.5	0.6	0.5	0.4	-
Heavy metals	kt	0.0059	0.0049	0.0054	0.0027	0.0022	-
Phosphorus	kt	-	-	-	-	0.2	-

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Waste	Further information: <u>Sustainable waste management</u>						
	Unit	2015	2016	2017	2018	2019	Target
Waste generated / Disposals*	kt	292.4	299.0	1,301.2	1,795.1	1,718.2	-
Recoverable content (material waste)	kt	267.4	277.5	297.7	296.7	304.7	-
External material recovery**	kt	59.7	53.1	60.7	65.0	60.3	-
External recycling rate	%	22	19	20	22	20	-
Incineration with energy recovery	kt	84.0	81.2	78.3	65.0	67.5	-
Incineration without energy recovery	kt	30.3	31.1	28.3	25.0	29.3	-
Landfilling	kt	93.4	112.1	130.4	141.7	147.5	-
Material waste in relation to sales	kg / k €	33.8	36.0	45.6	43.5	44.8	-
Material waste in relation to volume sold	kg / t	41.2	40.9	41.5	53.5	56.9	-
Other forms of disposal	kt	25.0	21.5	1,003.5	1,498.4	1,413.5	-
Type of waste							
Hazardous	kt	188.4	196.7	578.6	718.7	687.8	-
Non-hazardous	kt	104.0	102.3	722.6	1,076.4	1,030.4	-

* This term corresponds to the term "Total weight of waste" used in the previous Annual Reports

** This term corresponds to the term "Material recovery" used in the previous Annual Reports

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4 Corporate Governance

Governance key facts

Board structure	Two-tier system
Chairman of the Board of Management	Matthias Zachert
Size of the Board of Management	5 senior executives
Chairman of the Supervisory Board	Dr. Matthias L. Wolfgruber
Size of the Supervisory Board	6 independent stockholder representatives, 6 employee representatives
Say on pay voting	Next: 2021
The company has not received significant (>30%) votes against company recommendations/nominees in the two most recent AGMs.	

Board of Management 2020	Further information: Overview of Board of Management							
Name	Matthias Zachert	Dr. Anno Borkowsky	Dr. Hubert Fink	Michael Pontzen	Dr. Stephanie Cossmann (since Jan 2020)	Average or Sum	Target	
Position	CEO/Chairman	Board member	Board member	CFO/board member	Board member	5 members	-	
Gender	male	male	male	male	female	20% female	1 woman by 2022	
In office since	Apr 2014	Jun 2019	Oct 2015	Apr 2015	Jan 2020	-	-	

Compensation for FY 2019 (in k €)		Matthias Zachert	Dr. Anno Borkowsky	Dr. Hubert Fink	Michael Pontzen	Dr. Rainier van Roessel (until Dec 2019)	Current Target	Intended change for 2021
Total cash compensation		4,062	710	1,546	1,543	1,894	-	-
Total fixed compensation		1,392	321	603	600	702	32% of total pay	33% (30% for CEO)
Fixed compensation	Annual base pay	1,313	292	550	550	650	-	-
	Comp. in kind	79	29	53	50	52	-	-
Total variable compensation		2,685	389	949	949	1,199	-	-
Variable compensation	Short term: APP	1,553	268	506	506	650	35% of total pay	One additional target: Safety
	Long term: LTPB	1,132	121	443	443	549	14% of total pay	Additional LTI target to LTSP: Sustainability
Payment for previous years		-15	0	-6	-6	-7	-	-
Value of LTSP rights		810	175	330	330	390	19% of total pay	-
Value Pension (IFRS)		7,894	2,548	5,229	2,898	8,330	-	-
Value Pension (HGB)		6,207	2,029	4,121	2,135	7,460	-	-
Shares held		41,180	9,240	16,500	10,124	27,523	100% of base pay (150% for CEO)	-

General Compensation Framework 2020	Unit	Value	Intended change for 2021
Change of control payment	Annual base pay	3 times	Limit to 2 times or remaining contractual term as of 2021
Overall limit of discretionary bonus	Annual base pay	2 times	Limit discretionary bonus within short-term var. comp., while maintaining cap on overall remuneration
Overall cap for remuneration and components	-	Yes	-
Clawback for variable remuneration	-	Yes	-

Supervisory Board 2020: Stockholder Representatives	Further information: Overview of Supervisory Board						
Name	Dr. Matthias L. Wolfgruber	Hans van Bylen (since Aug 2020)	Lawrence A. Rosen	Pamela Knapp	Dr. Heike Hanagarth	Theo H. Walthie	Average or Sum
Position	Chairman	-	-	-	-	-	-
Age (in years)	66	59	62	61	61	72	63.7
Gender	male	male	male	female	female	male	33% female
In office since	May 2015	Aug 2020	May 2015	May 2018	May 2016	May 2010	-
Tenure (in years)	5	0	5	2	4	10	4.3
Committees membership (total number)	2	1	2	4	1	1	1.8
External mandates (total number)	4	1	1	3	3	0	2.2
Executive committee	Chair	x	-	-	-	x	3 out of 6 persons
Audit committee	-	x	x	Chair	-	-	3 out of 6 persons
Co-determination committee	Chair	-	-	-	x	-	2 out of 4 persons
Nomination committee	Chair	-	x	-	-	x	3 out of 3 persons

Compensation for FY 2019 (in k €)	Dr. Matthias L. Wolfgruber	Friedrich Janssen (until Aug 2020)	Lawrence A. Rosen	Pamela Knapp	Dr. Heike Hanagarth	Theo H. Walthie
Total realized pay	262	228	140	139	94	139
Fixed compensation	245	85	85	85	85	85
Pay for committees	0	120	40	40	0	40
Attendance allowance	17	23	15	14	9	14

Supervisory Board 2020: Employee Representatives	Further information: Overview of Supervisory Board						
Name	Werner Czaplík	Ralf Sikorski	Dr. Hans-Dieter Gerriets	Armando Dente (since Aug 2020)	Manuela Strauch	Birgit Bierther	Average or Sum
Position	Chairman of the Works Council	-	-	-	-	-	-
Age (in years)	63	59	61	46	48	58	55.8
Gender	male	male	male	male	female	female	33% female
In office since	May 2015	May 2015	May 2015	Aug 2020	May 2015	Jan 2019	-
Tenure (in years)	5	5	5	0	4	1	3.3
Committees membership (total number)	1	2	1	1	1	1	1.2
Executive committee	-	x	-	-	x	x	3 out of 6 persons
Audit committee	x	-	x	x	-	-	3 out of 6 persons
Co-determination committee	x	x	-	-	-	-	2 out of 4 persons

Compensation for FY 2019 (in k €)	Werner Czaplík	Ralf Sikorski	Dr. Hans-Dieter Gerriets	Thomas Meiers (until Aug 2020)	Manuela Strauch	Birgit Bierther
Total realized pay	140	176	140	139	142	128
Fixed compensation	85	125	85	85	85	79
Pay for committees	40	40	40	40	40	32
Attendance allowance	15	11	15	14	17	17

Ownership & Control	Unit	Value
Votes per share	Number	1 vote
Shares outstanding	Number	86,346,303
WKN	-	547040
ISIN	-	DE0005470405
Fair price provisions	-	Yes
Mandatory bid provisions	-	Yes
Votes required to approve a merger	%	75
Shares required to call a special meeting	%	5
Shares required to act by written consent	%	100
Board re-election frequency	Years	4
Ratification of the actions of the Board	Frequency	Annually
Directors directly elected by shareholders	%	50
Vote Standard	-	Majority
Immediate binding resignation	-	Yes

Figures as of November 5, 2020 if not indicated differently.

5 Human Capital and Social Data

Human Rights	Further information: Human Rights						
Health and Safety	Further information: Health and Safety						
	Unit	2015	2016	2017	2018	2019	Target
Employees							
LTIFR	/1,000,000 hours	2.2	2	1.7	1.5	1.6	2025: 1.0
Fatalities	Number	0	0	0	0	0	-
Workforce diversity							
	Unit	2015	2016	2017	2018	2019	Target
Women in the workforce							
Women in the Board of Management	Number	0	0	0	0	0	Mid 2022: 1
Women in the first level below the Board of Management	%	9.8	9.8	11.6	13.8	20.9	Mid 2022: 15%
Women in the second level below the Board of Management	%	20.5	25.1	23.9	19.2	25.1	Mid 2022: 25%
Women in middle and upper management	%	15.6	16.3	18.3	19.2	19.8	2020: 20%
Women in the overall workforce	%	17.8	18.4	18.6	19.5	19.6	-
Workforce structure							
Total FTE		16,008	16,495	18,786	15,222	15,258	-
Employees with permanent contract	%	93.3	93.4	94.5	93.5	93	-
Employees with temporary contract	%	6.7	6.6	5.5	6.5	7	-

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Labour practice indicators							
	Unit	2015	2016	2017	2018	2019	Target
Employee turnover							
Total employee turnover rate	%	10.8	6.1	5.9	7	6.5	-
Voluntary employee turnover rate	%	2.9	2.5	2.3	3.1	3.0	Continuously <3.5%
Freedom of association							
Employees covered by an independent trade union or collective bargaining agreements (worldwide)	%	66.9	66.9	64.9	65	65	-
Employees covered by an independent trade union or collective bargaining agreements (in Germany)	%	90	91.7	91.8	92	92	-

Employee welfare/work-life balance							
	Unit	2015	2016	2017	2018	2019	Target
Xwork principles	% of countries	-	-	-	-	74	2022: 95
Flexible working hours and models	%	-	-	-	92	69	-
Working from home arrangements	%	-	-	-	87	78	-
Options for Childcare, Maternity/Paternity Leave and Care Models Worldwide							
Childcare	%	-	-	-	64	70	-
Paid maternity leave	%	-	-	-	68	76	-
Paid paternity leave	%	-	-	-	73	76	-
Support for care-dependent relatives/care models	%	-	-	-	51	59	-
Stress management information		-	-	-	97	99	-
Stress management training	% with regard to countries and total number of employees	-	-	-	73	90	-
Fitness facilities or contributions to external fitness programs		-	-	-	74	84	-
Health/ nutrition provision		-	-	-	85	89	-

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Training							
	Unit	2015	2016	2017	2018	2019	Target
Female participants in LANXESS corporate talent program	%	-	-	-	-	31	Continuously >30%
Non-German participants in LANXESS corporate talent program	%	-	-	-	-	49	Continuously >40%
Apprentices hired after completing their training	%	80	81	80	84	88	Continuously >80%

Community engagement							
	Unit	2015	2016	2017	2018	2019	Target
Community program, beneficiaries	Number (estimated)	335,000	200,000	233,000	100,000	300,000	-
Thematic focus on community involvement							
Education	%	51	80	76	62	69	-
Culture	%	10	8	9	7	6	-
Climate protection	%	4	1	4	2	4	-
Water	%	4	5	4	2	2	-
Other	%	31	6	7	27	19	-
Social activities by type of investment							
Charitable gift	%	-	2	24	38	19	-
Commercial initiatives	%	-	8	5	10	6	-
Community investments	%	-	88	71	52	75	-

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6 Safe Harbor Statement

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