






**LANXESS Sustainability Goals**

Topic	Goal	Indicator	Deadline	Status quo 2022	SDG
 <b>Circular and Sustainable Sourcing</b>					1, 8
Establishment of a systematic sustainability risk analysis to evaluate all suppliers	Status inquiry to identify relevant suppliers with high risk level	Share of suppliers evaluated	2023	The risk analysis is in operation and all suppliers from North America and Germany have been integrated into the system. It has been successfully linked with external sources for risk assessment. The connection of suppliers from elsewhere in Europe and the rest of the world is scheduled for early 2023. The global launch of the necessary system was planned for 2021 and has been delayed.	
Identification and reduction of sustainability risks in the supply chain	Differentiation of risk score by goods group/country (levels 1(6))	Sustainability risk score	2023	The risk tool is available and enables a risk overview via the supplier databases in North America and Germany. Following a bottom-up approach, GPL developed a manual calculation method with TIS guiding principles in order to analyze suppliers with a low sustainability score or none at all. Here, too, the global rollout has been delayed from 2021 to early 2023 for system-related reasons.	
Circular raw materials	Development of a process to track, monitor and continuously improve the proportion of renewable raw materials in our products	Development of a process	2022	A process and a calculation tool have been developed to track, monitor and report on the proportion of bio-based, circular, renewable and recycled raw materials.	
 <b>Safe and Sustainable Sites</b>					3, 4, 6, 8, 9, 12, 13
Uniform standards and processes worldwide	Integration of all sites into the global matrix certificate (ISO 9001 and ISO 14001)	Degree of coverage in relation to sites	Ongoing	As of December 31, 2022, our matrix certificate covered 41 certifiable companies with 74 sites in 22 countries. In relation to the number of employees, this equates to 86% coverage of our matrix certificate (not including the newly acquired sites in 2021 and 2022: over 90%). Due to the changes in our site portfolio in recent years, we still have some site certificates and a region certificate, which will also be transferred to our matrix certificate. As of the reporting date, a total of 97% (not including sites acquired in 2022: over 98%) of our sites had ISO 14001 certification.	
Global process safety	Continuous reduction in incidents relating to facility and process safety	Number of reportable incidents relating to facility and process safety	Ongoing	There are eight relevant incidents, of which five classified as reportable.	
	Continuous reduction in environmental incidents	Number of reportable environmental incidents	Ongoing	There were no relevant environmental incidents.	
	Continuous reduction in transportation incidents	Number of reportable transportation incidents	Ongoing	There were no relevant transportation incidents.	
Water consumption	Reduction of specific water consumption by 2% per year	Water consumption in cubic meters per thousand euros of sales	Ongoing	For continuing operations, the specific water consumption amounted to 1.36 cubic meters/thousand euros (-19% year-on-year). Including the HPM business unit, the specific water consumption amounted to 1.24 cubic meters/thousand euros (-28% year-on-year).	
Wastewater	Reduction of total organic carbon (TOC) by 2% per year	Kilograms per thousand euros of sales	Ongoing	For continuing operations, the specific TOC amounted to 0.12 kilograms/thousand euros (-29% year-on-year). Including the HPM business unit, the specific TOC amounted to 0.10 kilograms/thousand euros (-40% year-on-year).	
Water risk sites	Introduction of a water stewardship program	Percentage of sites that have introduced a water stewardship program	2023	The implementation of the developed standard began in 2021 and continued in 2022.	
	Reduction of absolute water withdrawal by 15% compared with base year 2019	Absolute water withdrawal in cubic meters	2023	For continuing operations, absolute water withdrawal at water risk sites has already been reduced by 17.3% compared with the base year 2019. Including the HPM business unit, absolute water withdrawal at risk sites has been reduced by 16.8% compared with the base year 2019.	
 <b>Climate Action and Energy Efficiency</b>					3, 7, 8, 12, 13
Emissions	Reduction of CO <sub>2</sub> e emissions by 65% versus 2004 (establishment of LANXESS; 6.5 million metric tons of CO <sub>2</sub> e)	Absolute CO <sub>2</sub> e emissions (Scope 1 and 2) (market-based method)	End of 2025	In continuing operations, absolute CO <sub>2</sub> e emissions amounted to 1,994 thousand metric tons. Including the HPM business unit, the figure was 2,466 thousand metric tons of CO <sub>2</sub> e. This constitutes a reduction of 39% for continuing operations and 62% including the HPM business unit versus 2004, when the company was founded.	
	Reduction of emissions of non-methane volatile organic compounds (NMVOC) by 25% compared to base year 2015	Absolute NMVOC emissions	End of 2025	For continuing operations, this constitutes a reduction of 89% compared with the base year. Including the HPM business unit, the reduction compared with the base year was 86%.	
	Reduction of CO <sub>2</sub> e emissions by 80% versus 2004 (establishment of LANXESS; 6.5 million metric tons of CO <sub>2</sub> e)	Absolute CO <sub>2</sub> e emissions (Scope 1 and 2) (market-based method)	End of 2030	-	
	Climate neutrality for the entire Group	Absolute CO <sub>2</sub> e emissions (Scope 1 and 2) (market-based method)	End of 2040	-	
 <b>Good Governance and Energized Employees</b>					3, 4, 5, 8
HR retention	High employee retention: Voluntary turnover rate below 3.5%	Turnover rate on the basis of resignations	Ongoing until the end of 2023	The turnover rate on the basis of resignations was 4.5% in continuing operations. Including the HPM business unit, it was 4.4% (previous year: 3.4%).	
HR development	At least 80% of apprentices hired after completing their training	Proportion of apprentices hired in Germany	Ongoing until the end of 2023	85% (previous year: 83%) of apprentices were hired.	
Employee welfare/work-life balance	95% of countries in which we operate have derived and implemented specific guidelines and/or corresponding models for flexible working conditions from our global "Xwork" principles	Proportion of countries that have derived and implemented specific guidelines and/or corresponding models for flexible working conditions from our global "Xwork" principles	End of 2022	At the end of 2022, the proportion was 96% (previous year: 89%).	
Diversity and inclusion	At least one female Board of Management member	Proportion of women on the Board of Management	Mid-2022	The proportion of women on June 30, 2022, was 0% (previous year: 20%). However, Frederique van Baarle is to become Labor Relations Director no later than April 1, 2023, so there will be a female Board of Management member again.	
	Increase the proportion of women in the first level below the Board of Management to 15%	Proportion of women in the first level below the Board of Management	Mid-2022	The proportion of women on June 30, 2022, was 22.0%.	
	Increase the proportion of women in the first level below the Board of Management to 25%	Proportion of women in the first level below the Board of Management	Mid-2027	In continuing operations, the proportion of women on December 31, 2022, was 18.4%. Including the HPM business unit, the figure was 22.5% (previous year: 18.2%).	
	Increase the proportion of women in the second level below the Board of Management to 25%	Proportion of women in the second level below the Board of Management	Mid-2022	The proportion of women on June 30, 2022, was 25.2%.	
	Increase the proportion of women in the second level below the Board of Management to 28%	Proportion of women in the second level below the Board of Management	Mid-2027	In continuing operations, the proportion of women on December 31, 2022, was 25.1%. Including the HPM business unit, the figure was 24.8% (previous year: 25.7%).	
	At least 30% female and 40% non-German participants in LANXESS corporate talent programs	Proportion of female and non-German participants in LANXESS corporate talent programs	Ongoing until the end of 2022	With a total of 134 (previous year: 102) participants in 2022, the proportions amounted to 28% (previous year: 25%) female and 55% (previous year: 60%) non-German participants. Excluding HPM, there were 127 participants, of which 29% female and 56% non-German participants.	
	Increase proportion of women in management to 30%	Proportion of women in management	End of 2030	In continuing operations, the proportion of women was 25.5%. Including the HPM business unit, the figure was 25.2% (previous year: 24.0%).	
Occupational safety	Continuous decrease in the LTIFR by > 50% (reference LTIFR of 2.0 in 2016)	LTIFR	End of 2025	The LTIFR was 0.5 in continuing operations. Including the HPM business unit, the LTIFR was 0.6.	
 <b>Sustainable Products</b>					3, 12, 13
Active portfolio management from a sustainability perspective	Development of a strategy plan for all end products with more than 0.1% critical substances	Development of a strategy plan	2023	The strategy plan covers 70% of the relevant products.	
	Inspection and, if necessary, optimization of the quality of all registration dossiers that were prepared in accordance with the REACH Regulation under the guidance of LANXESS	Proportion of inspected/updated dossiers	2026	The proportion of inspected/updated dossiers is 31.6%.	
Long-term, continuous development of products, applications, and processes	Developing innovative products based on the needs and expectations of our customers	Number of product-related projects	Ongoing until 2025	140 projects in the reporting year were aimed at developing new/improving existing products and applications.	
	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	Ongoing until 2025	83 projects in the reporting year concerned process technology issues with a view to reducing costs, improving efficiency or increasing capacity.	
Long-term customer relationship	Improvement in customer satisfaction and maintenance of customer loyalty: customer loyalty index > 75	Customer loyalty index score	2022	In the 2022 survey, the customer loyalty index score was 71. The survey is carried out every two years.	