

# 2024

TCFD-Index

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# Climate reporting

## CLIMATE REPORTING PURSUANT TO TCFD

Climate change is the biggest global challenge facing humanity. As a responsible special chemicals company, we are working actively to enable the transformation to a climate-neutral and circular economy. Back in 2019, we set ourselves the goal of becoming carbon neutral in terms of Scope 1 and Scope 2 emissions by 2040. In order to ensure that we achieve this target, we have set ourselves milestones for 2025 and 2030, including the goal of a 65% reduction in our Scope 1 and Scope 2 emissions from the original figure of 6.5 million metric tons of CO<sub>2</sub>e (2004) by 2025. In the second phase, we then intend to reduce emissions by 80% to 1.3 million metric tons of CO<sub>2</sub>e by 2030. This means our climate targets for scope 1 and scope 2 emissions are in line with the Paris Agreement and LANXESS is helping to limit global warming to a maximum of 1.5 degrees Celsius. This was last validated and verified by the renowned Science Based Targets Initiative (SBTi) in 2024.

Our responsibility for climate protection also encompasses our scope 3 emissions. In 2022, we set ourselves a target for reducing indirect emissions in the upstream and downstream value chain for the first time. This was also validated by SBTi and will mean that the supply chain is fully climate-neutral by 2050. This encompasses indirect emissions associated with purchased raw materials, logistics and end products. We already intend to cut scope 3 emissions by 59%, from 27.0 million metric tons of CO<sub>2</sub>e in the

reference year of 2015 to 11.0 million metric tons in 2030. We launched the “Net Zero Value Chain” initiative in 2022 in order to help us achieve the reduction targets for scope 3 emissions. We are stepping up the procurement of sustainable raw materials, optimizing CO<sub>2</sub> emissions in our logistics, and continuing to work to bring climate-neutral products and products with a reduced carbon footprint to market as a means of playing our part in making value chains climate-neutral and circular.

LANXESS has reported extensively about its sustainability performance for a number of years. Accordingly, we are also committed to providing transparent information on climate issues, which we are continually expanding. This also includes taking part in the CDP, where we have disclosed climate protection data since 2012 and where we were awarded an A rating for our climate strategy in 2022 for the seventh time. We also support the recommendations for reporting climate-related information put forward by the Task Force on Climate-related Financial Disclosure (TCFD). This was established by the Financial Stability Board (FSB) in 2015 in order to develop recommendations for more effective climate reporting. It sets out to promote investment, loan and insurance decisions that are made on a more solid foundation and to enable stakeholders to assess how companies are dealing with the opportunities and risks of climate change. We have published an TCFD Index on this basis since 2021.

The recommendations on disclosure are divided into four subject areas:

1. Governance
2. Strategy
3. Risk management
4. Key performance indicators and targets

The following pages present basic information on the four subject areas in line with this system. All of the data in the TCFD report relates to fiscal year 2023.

# 1. GOVERNANCE

LANXESS intends to be successful as a sustainable chemicals company over the long term. Among other things, this ambition is reflected in our climate protection target: We intend to be climate-neutral by 2040.

## Sustainability-Related Committees and Board of Management Responsibilities



1) until March 31, 2023 Dr. Anno Borkowsky  
2) January 1 to August 31, 2023 Michael Pontzen

### Sustainability Committee

The top committee for managing all key sustainability issues at LANXESS is the Sustainability Committee. It comprises all of the members of the Board of Management, who make decisions together. Five sub-committees report to the Sustainability Committee, each of which deals with various focal points of the LANXESS sustainability strategy and is headed by a member of the Board of Management:

- › “Climate & Energy” sub-committee – implementation of the LANXESS “Climate-neutral 2040” climate program
- › “Health, Safety & Environment” sub-committee – development of sustainable and safe production sites
- › “Value Chain Circularity & Product Stewardship” sub-committee – promotion of sustainable products and value chains
- › “Social & Governance” sub-committee – coordination of issues relating to the corporate and social responsibility of LANXESS
- › “Stakeholder Expectations and Reporting Standards” sub-committee – fulfillment of external reporting standards and stakeholder management

☐ Please see the “Sustainability” chapter starting on page 13 of our Annual Report 2023 for more information.

### Climate & Energy sub-committee

The sub-committee is made up of the heads and experts from the Group Functions Corporate Development, Corporate Controlling, PTSE (Production, Technology, Safety and Environment) and Global Procurement and Logistics. The committee manages and monitors our climate strategy and ensures that the reduction targets for 2025 and 2030 are achieved. To this end, it examines data on CO<sub>2</sub>e emissions and energy efficiency, reviews milestones in relevant projects and makes a pre-selection of additional measures to be implemented.

### Value Chain Circularity & Product Stewardship sub-committee

This sub-committee promotes sustainable products and value chains. It has set itself the goal of creating a product portfolio that is as climate-neutral and circular as possible. In addition to making the entire upstream and downstream supply chain climate-neutral by 2050, the aim is to also achieve this for the LANXESS product portfolio. In the process, the sub-committee looks beyond our 2040 climate strategy and also takes into account raw materials and scope 3 emissions. In addition, measures that promote circular value chains are advanced. This committee also consists of heads and experts from relevant business units and Group functions as well as a member of the Board of Management.

### **Role of the Supervisory Board**

The Supervisory Board discusses the progress of our climate strategy at a strategy meeting every year. The climate-related opportunities and risks are also discussed as part of the annual risk analysis.

### **Role of the Board of Management**

The full Board of Management assesses the implementation of our climate strategy and all other climate issues three to four times a year during the meetings of the Sustainability Committee. Individual members of the Board of Management also chair the respective sub-committees.

The Board of Management monitors strategic (business) risks and opportunities resulting from climate change in the course of the annual strategic portfolio review. The results are presented to the Supervisory Board and incorporated in the Group and portfolio strategy as well as in the business strategy of LANXESS.

The Chief Financial Officer (CFO) is responsible for reviewing the business risks and the financial structure of the Group. This is done as part of the work of the Corporate Risk Committee, which reports both to the full Board of Management and to the Supervisory Board.


In order to make sustainable investment decisions, climate protection is also taken into account in key investment decisions (e.g. internal CO<sub>2</sub> price). All relevant investment decisions are subjected to a technical assessment by the Investment Committee and approved by the full Board of Management.

### **Corporate Risk Committee**

The Corporate Risk Committee headed by the Chief Financial Officer is responsible for the structure and implementation of our Group-wide risk management process. It is made up of representatives from selected Group functions. One of its tasks is to analyze the principal climate-related opportunities and risks and their development from the perspective of the entire company. Its tasks also include examining measures to counter risks, initiating additional measures, and instigating further analyses of individual opportunities and risks where necessary.

### **Compensation of the Board of Management**

For all members of the Board of Management, both a part of their annual performance bonus and the medium-term performance bonus are linked to the achievement of our key sustainability targets. A prerequisite for the medium-term performance bonus (sustainability bonus) is that a specific reduction in greenhouse gas emissions for 2024 and 2025 is achieved. In total, 40% of the long-term variable remuneration is linked to this sustainability target.


 [Please see our compensation report for further information.](#)

## **2. STRATEGY**

Since it was founded in 2004, LANXESS has made substantial progress on the road toward climate neutrality. LANXESS is aiming to become carbon-neutral by 2040. We intend to reduce our greenhouse gas emissions to around 1.3 million metric tons of CO<sub>2</sub>e as early as 2030. This corresponds to an 80% reduction compared with our emissions when LANXESS was founded. In the reporting year 2023, we were already able to achieve a reduction of around 73% in continuing operations.

Our climate strategy takes a three-pronged approach to achieving climate neutrality:

1. Implement climate protection projects that generate major reductions
2. Break the link between emissions and growth so that we can reduce greenhouse gas emissions in our individual business units despite increasing production volumes
3. Target and drive selected processes and technologies

 [Please see the “Climate Action and Energy Efficiency” chapter starting on page 32 of our Annual Report 2023 for more information.](#)

## Identifying and taking risks and opportunities

Forward-looking risk management is an important aspect of sustainable activity. Accordingly, LANXESS identifies its climate-related risks and opportunities on a regular basis and aligns its strategy accordingly. The following risks and opportunities, among others, were assessed in 2023:

### Medium and longer-term risks

1. International differences and duplication in carbon pricing
2. Transition to lower-emission technologies
3. Changes in customer behavior

### Medium and longer-term opportunities

1. Development of products for a low carbon society
2. Development of solutions for climate change adaptation

## Managing risks

### 1. International differences and duplication in carbon pricing

Regulations for carbon pricing systems have been established, modified, or are expected to be introduced in a number of countries and regions, especially in Europe, on the basis of the Paris Agreement. The spectrum ranges from carbon charges and taxes, through carbon customs duties, to expanded emissions trading systems. These diverse regulations are accompanied by rising and volatile carbon prices, the level of which varies depending on the sector. The greatest risks currently relate to

an EU-wide increase in carbon costs (in parallel with and as part of the EU emissions trading system) and a lack of or inadequate implementation of comparable mechanisms in countries such as the US or China.

LANXESS is countering this risk by significantly reducing its CO<sub>2</sub> emissions and continually investing in climate protection projects. These projects include both smaller energy efficiency projects and – as progress is made in technological developments – the construction of new plants and the retrofitting of old ones.

Moreover, we engage in the assessment of climate protection rules and actively provide feedback so that CO<sub>2</sub> regulations are appropriately designed.

### 2. Transition to lower-emission technologies

A transformation to low-carbon products and value chains is taking place around the world. To this end, the chemical industry is (among other things) developing innovative technologies for energy-efficient and resource-efficient chemical production processes. In the case of some problems, it is currently difficult to foresee which solution will prevail. However, it is essential to only invest in the most efficient low-emission technologies in order to remain competitive. It is important to avoid poor investments.


This is why it is beneficial for LANXESS to work together with partners in order to reduce costs and minimize the development risk. When it comes to innovation and cooperation, we pursue several approaches, including technology scouting,

strict stage-gate processes, and technology benchmarking. The selection of the best production processes that are both cost-efficient and low-emission is ensured by comparing process alternatives. With its members drawn from all relevant business segments, the LANXESS Innovation Community identifies innovations and provides technical support for their implementation. It meets three times a year to discuss climate-related issues and opportunities, among other topics.

### 3. Changes in customer behavior

Information into consideration in their supplier relationships is constantly increasing. This entails opportunities and risks at the same time. If we fail to optimally serve these requirements or if competitors are more successful in meeting customer requirements, LANXESS will lose market share. This is why we inform our customers about our climate protection strategy and activities as well as our carbon footprint. We engage in a regular dialog where we look in detail at their specific requests and requirements regarding the issue of climate protection.

We perform active product portfolio management. We adopt an approach that promotes products with a significant positive impact on climate protection. We also identify products that offer a great deal of potential for reducing greenhouse gas emissions.

 Please see the “Sustainable Products” chapter starting on page 57 of our Annual Report 2023 for more information.



## **Taking opportunities**

### **1. Development of products for a low carbon society**

Climate change and decarbonization are boosting demand for LANXESS products. We continuously identify and assess the relevant sustainability and decarbonization trends in downstream markets. For example, we are involved in developing electromobility through precursors for batteries made from lithium-ion cells. We offer important raw materials to manufacturers of precursors for these batteries as well as an integrated plant structure that ensures the supply of the relevant chemicals in Europe. Our Group initiative for electromobility and the circular economy, which started its work at the beginning of 2021, is primarily tasked with developing additional market opportunities in the field of electromobility by implementing growth projects across business units, opening up new business opportunities, and driving innovation projects in the area of battery technology.

### **2. Development of solutions for climate change adaptation**

Experts estimate that climate change will result in a 2,700 billion m<sup>3</sup> shortage of water in 2030. At the same time, the pollution of water resources is increasing. This global shortfall in the water supply is opening up additional growth potential for us as a provider of water collection and treatment technologies. We are increasing our production capacity in order to cater to the rapidly growing demand. Moreover, we are investing in research and development cooperation projects with scientific institutions as well as in cooperation with our customers.

## **Impacts of climate-related risks and opportunities on strategy, business operations, and financial planning**

The mission for our business development is the transformation to circular, climate-neutral value creation, which must also be fair and safe. Thinking and acting sustainably and in an integrated manner supports our business goals in a variety of different ways – from higher resource efficiency to good relationships with our stakeholders, increased risk awareness, and permanently advantageous cost structures.

### **Strategy**

LANXESS has worked for many years to improve energy and raw material efficiency along the entire value chain. The company aims to become climate-neutral in terms of scope 1 and scope 2 emissions by 2040. And we intend to achieve an 80% reduction in scope 1 and scope 2 greenhouse gas emissions as early as 2030 compared with the year in which LANXESS was founded.

Reflecting the considerable importance of this issue, climate protection is integrated into our business policy and forms part of our strategic guidelines. The Board of Management has defined the climate strategy as the highest priority among the environmental issues and aligned its corporate strategy accordingly. For example, it is not only the LANXESS businesses and sites that are regularly inspected to assess their climate-specific opportunities and risks. The climate impacts and the climate resilience of businesses and production sites are also examined when potential M&A targets (mergers and acquisitions) are assessed.

☐ Please see the “Strategy” chapter starting on page 5 of our [Annual Report 2023 for more information.](#)

## **Business activities**

We understand the trends that are emerging as a result of climate change and align our portfolio accordingly. More sustainable value creation requires the far-reaching transformation of LANXESS and of the entire chemical industry. This applies both to our suppliers and to our customers. In the course of our strategy process, we analyze the global long-term trends and market developments from the end customer’s perspective. This allows us to gain a better understanding of how our customers’ demand will develop over the long term so that we can develop products and solutions that are tailored to this demand. Our product portfolio strategy continues to build on safety and sustainability as growth drivers. The focus is on restructuring the entire portfolio in a climate-neutral manner. Under the umbrella brand Scopeblue, for example, we offer products on the basis of renewable raw materials and with a carbon footprint reduced by at least 50%, which helps our customers to decarbonize their products. To this end, we are increasingly utilizing bio-based and circular raw materials.

Independently of this, we continually analyze our production processes and identify potential energy savings. We align our investment projects accordingly and – where possible – use lower-emission technologies and processes so that the ecological footprint of our products is also improved. At our Indian sites in Jhagadia and Nagda, for example, we rely on a mix of biomass and solar energy for our energy supply and have thus reduced CO<sub>2</sub> emissions by 100,000 tons by the end of 2023.

☐ More information can be found in the “Climate Action and Energy Efficiency” chapter starting on page 32 of our [Annual Report 2023](#) as well as on the [LANXESS website under Sustainability > Climate-Neutral 2040.](#)

### **Financial planning**


As part of our strategic process, we drew up strategic plans for all business units in 2021. In addition to the major financial KPIs, these plans also define development prospects for the CO<sub>2</sub> emissions at the level of the sites and business units. Dedicated projects are discussed for the carbon-intensive businesses with a view to developing climate-neutral solutions. The impacts on the financial KPIs of these projects are incorporated in strategic planning, thereby ensuring that the climate protection measures are also taken into account in investment planning. In order to avoid unsustainable investment decisions, we calculate using a “strategic” CO<sub>2</sub> price, which is redefined annually by the Group Functions.

Our sustainability-linked financing framework also enables us to link capital market financing to sustainability targets. Having issued our first bond whose interest rate is partially tied to the reduction in our scope 1 emissions in 2021, we issued a second bond of this type in March 2022.

### **Resilience of our strategy taking climate scenarios into account**

We support the implementation of our climate strategy by performing qualitative scenario analysis. We have identified and applied several suitable scenarios, such as the IEA 2DS scenario, for this purpose. We have modified the scenarios in line with our requirements and adjusted them to our technological basis, e.g. in terms of how ready key technologies are for the market or whether green energy is available in the regions in which we operate.

The scenarios have shown that LANXESS will be climate neutral in terms of scope 1 and scope 2 emissions by 2040. Reaching this goal will require projects that continually and decisively enhance energy efficiency, as well as innovative solutions in selected areas of technology. One prerequisite for economic success is the implementation of the individual measures in close coordination with each other. Technological development in the wider environment is also critical in this respect.

 [Please see the “Climate Action and Energy Efficiency” chapter starting on page 32 of our Annual Report 2023 for more information.](#)

## **3. RISK MANAGEMENT**

Dealing with opportunities and risks systematically is an important element of our value-oriented management and provides a basis for sustainable growth as well as economic success. The Corporate Risk Committee provides the Board of Management and the Supervisory Board with support in monitoring opportunity and risk management. The Board of Management is also supported in identifying and assessing opportunities and risks and taking measures to control and monitor them.

We use a risk management system that we are continually developing and adapting to changes in the general conditions. The Board of Management regularly informs the Supervisory Board of potential opportunities and risks and their development. The Audit Committee of the Supervisory Board reviews the effectiveness of risk management and the internal control and audit system twice a year.

### **Identifying and assessing climate opportunities and risks**

The aim of the identification process is to recognize material opportunities and risks at an early stage and create transparency so as not to jeopardize the achievement of our goals. We have defined a risk catalog for this purpose. It contains the following climate-related categories: “Natural disaster, physical climate risks”, “Environmental policy”, “Raw material, energy and water prices”, “Transport and logistics”, and “Environmental and social concerns”.

Our risk management process is enshrined throughout the Group by means of various functions. All organizational units can report opportunities and risks in all risk categories. In the course of identifying climate risks, we continually monitor all existing and new regulatory requirements relating to climate change.

We assess short-term, medium-term and long-term opportunities and risks twice a year as part of the forecasting and target planning process. Opportunities and risks are assessed on the basis of their potential financial impact, taking into account countermeasures and the probability of their occurrence.



## Opportunity and risk management

After the opportunities and risks have been identified and assessed, the responsible functions define appropriate risk management strategies based on the respective risk appetite. The strategic measures follow risk management approaches:

- › Limiting risks, e.g. by reducing CO<sub>2</sub> emissions
- › Transferring risks, e.g. by selling the asset in question
- › Recognizing a provision

Risks are acceptable if the assessment and management process shows that they do not jeopardize our business strategy and we can expect to achieve our targets.

Risk management is performed on an ongoing basis. Regular exchanges about new developments take place in the competent committees, especially the “Climate & Energy” sub-committee.

## Risk types

The risk types that we take into consideration in our climate-related risk assessment include current and expected regulatory requirements as well as the direct and indirect financial, organizational and strategic impacts they will have. Technologies of the future also have to be anticipated, primarily for low-carbon energy supply and storage as well as for energy-efficient chemical production processes. This is supplemented by reputational risks, as well as the physical risks of climate change as climate patterns shift and have an adverse impact on supply chain stability.

Type of risk	Explanation
Regulatory requirements	LANXESS has been recording and assessing changes to existing regulatory requirements as well as new regulatory proposals, both globally and at country level, twice a year since 2015. Direct and indirect impacts on sites, operations, supply chains and products are taken into account. The impacts cover financial, organizational, and strategic implications, including those of the recommended measures.
Technology	Value chains with reduced CO <sub>2</sub> emissions are being planned around the world. LANXESS is pursuing its climate strategy with a view to managing the transition to reduced carbon value chains. Chemical companies are required to gear their business and investment strategies towards deploying the right technology in the right region in accordance with the local regulatory requirements regarding CO <sub>2</sub> emissions and approaches for a low-carbon energy supply. Our Manufacturing Excellence Team analyzes the technological potential for improving the individual sites. Around 50% of this potential relates to energy.

Type of risk	Explanation
Legal	LANXESS conducts a country-specific assessment of potential legal risks twice a year. The country organizations are required to report these risks to the Group. This also includes legal risks in connection with climate change.
Market	In view of climate change and decarbonization, the products of LANXESS are required in order to develop a low-carbon society. The chemical industry stands at the beginning of long value chains and supplies molecules for downstream markets. Regulations and trends on these markets therefore have to be observed very carefully. LANXESS continually identifies and assesses emerging sustainability and climate trends in its downstream markets. Our specialist departments review regulatory developments and drive innovation strategies to create solutions for the circular economy.
Reputation	Our risk management identifies reputational risks for each risk that is identified. These are assessed on a qualitative basis in four categories.
Acute physical risks	All relevant corporate functions are connected to the LANXESS central incident reporting system and are informed as soon as an incident occurs. Level 1 events always trigger contingency plans and communication measures, which are coordinated by an emergency officer. In some cases, a company-wide crisis team comprising members of all relevant corporate functions takes charge. The relevant LANXESS experts assess the remaining risks in relation to potential serious damage in order to ensure that sufficient cover is provided by insurance policies.

Type of risk	Explanation
Chronic physical risks	As a global chemicals company, LANXESS is also affected by shifting climate patterns, such as changes in rainfall, water shortages, floods, and extreme weather conditions. Our Corporate Development and PTSE (Production, Technology, Safety, and Environment) departments follow official documents and recognized risk filters in order to identify and assess the relevance and the potential impacts of changing climate patterns on our company. The results of the process are incorporated into our strategic planning, site and plant management, and supply chain management.

📄 [Further information can be found in our Annual Report 2023 in the opportunity and risk report starting on page 138.](#)

## 4. KEY PERFORMANCE INDICATORS AND TARGETS

For many years now, we have been collecting and publishing data concerning the emissions from our own production processes (scope 1 emissions), external energy sources (scope 2 emissions) and our value chain (scope 3 emissions). The ESG Data Factsheet is a compact format outlining all our climate-related targets and KPIs.

LANXESS uses an electronic data entry system to record key data on safety and environmental protection systematically worldwide. This enables us to calculate a wide range of HSE performance data for each business unit and site worldwide. This data provides a valid basis for strategic decisions and is also used for internal and external reporting. The system also shows the progress we are making towards achieving our global sustainability goals.

LANXESS reports in detail on its energy consumption and air emissions in its non-financial Group report. There you will also find an overview of our climate-relevant objectives.

📄 [Non-financial Group report 2023 \(part of the LANXESS Annual Report\)](#)

Other relevant sources of information:

📄 [LANXESS Website: Sustainability – Climate-Neutral 2040](#)

📄 [ESG Data Factsheet](#)

📄 [LANXESS Climate Background Paper](#)

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	Topic	Chapter/section of Annual Report/ Non-financial Group Report 2023	Other publicly available information
<b>Governance</b> Disclose the governance of the organization in relation to climate risks and opportunities.	Oversight performed by the Supervisory Board where climate-related risks and opportunities are concerned	› Report of the Supervisory Board, see page 91 onwards	› CDP questionnaire – Climate Change 2023, see sections C1.1a, C1.1b, C1.3a › LANXESS website: Compensation Report 2023
	Role of the Board of Management and of the managers in the assessment and handling of climate-related risks and opportunities	› Strategy, see page 5 onwards › Sustainability management, see page 13 onwards › Good corporate governance, see page 37 onwards › Opportunity and risk report, see page 138 onwards	› CDP questionnaire – Climate Change 2023, see sections C1.2, C1.2a, C1.3a › LANXESS website: Compensation Report 2023
<b>Strategy</b> Disclose the actual and potential impacts of climate-related risks and opportunities on the organization’s business operations, the strategy and the financial planning where this information is material.	Short, medium and long-term climate-related risks and opportunities for the organization	› Strategy, see page 5 onwards › Climate action and energy efficiency, see page 32 onwards › Opportunity and risk report, see page 138 onwards	› CDP questionnaire – Climate Change 2023, see sections C2.1a, C2.2a, C2.3, C2.3a, C2.4, C2.4a › LANXESS website: Sustainability – Climate-Neutral 2040 › LANXESS Climate Background Paper › LANXESS Water Background Paper › CDP questionnaire – Water Security 2023, see section W.4
	Impacts of the climate-related risks and opportunities on strategy, business operations, and financial planning	› Strategy, see page 5 onwards › Climate action and energy efficiency, see page 32 onwards	› CDP questionnaire – Climate Change 2023, see sections C2.3a, C2.4a, C3.1b, C3.1d, C3.1e, C3.1f › LANXESS website: Sustainability – Climate-Neutral 2040
	Resilience of the organization's strategy in due consideration of different climate scenarios (including a 2°C or more ambitious scenario)		› CDP questionnaire – Climate Change 2023, see sections C3.1b, C3.1d

	Topic	Chapter/section of Annual Report/ Non-financial Group Report 2023	Other publicly available information
<b>Risk management</b> Disclose how the organization identifies, assesses and manages climate-related risks.	Processes for identifying and assessing climate-related risks	<ul style="list-style-type: none"> <li>› Climate action and energy efficiency, see page 32 onwards</li> <li>› Opportunity and risk report, see page 138 onwards</li> </ul>	<ul style="list-style-type: none"> <li>› CDP questionnaire – Climate Change 2023, see sections C2.1, C2.1a, C2.2, C2.2a</li> <li>› LANXESS Climate Background Paper</li> <li>› LANXESS Water Background Paper</li> <li>› CDP questionnaire – Water Security 2023, see section W3.3</li> </ul>
	Process for dealing with climate-related risks	<ul style="list-style-type: none"> <li>› Opportunity and risk report, see page 138 onwards</li> </ul>	<ul style="list-style-type: none"> <li>› CDP questionnaire – Climate Change 2023, see sections C2.2, C2.2a</li> <li>› LANXESS Climate Background Paper</li> <li>› LANXESS Water Background Paper</li> <li>› CDP questionnaire – Water Security 2023, see sections W3.3b, W3.3c, W3.3d</li> </ul>
	Integration of the processes for identifying, assessing and dealing with climate-related risks in the general risk management	<ul style="list-style-type: none"> <li>› Opportunity and risk report, see page 138 onwards</li> </ul>	<ul style="list-style-type: none"> <li>› CDP questionnaire – Climate Change 2023, see section C2.2</li> <li>› CDP questionnaire – Water Security 2023, see sections W3.3a, W3.3d</li> </ul>
<b>Key performance indicators and targets</b> Disclose the measurement parameters and targets that are used to assess and to manage relevant climate-related risks and opportunities where this information is material.	Key performance indicators for assessing climate-related risks and opportunities in accordance with the strategy and the processes relating to the risk management	<ul style="list-style-type: none"> <li>› Safe and sustainable sites, see page 22 onwards</li> <li>› Climate action and energy efficiency, see page 32 onwards</li> </ul>	<ul style="list-style-type: none"> <li>› CDP questionnaire – Climate Change 2023, see sections C2.1a, C2.1b, C2.3a, C2.4a</li> <li>› LANXESS Climate Background Paper</li> <li>› LANXESS Water Background Paper</li> <li>› CDP questionnaire – Water Security 2023, see section W4.1a</li> </ul>
	Scope 1, scope 2, and scope 3 greenhouse gas emissions and related risks	<ul style="list-style-type: none"> <li>› Climate action and energy efficiency, see page 32 onwards</li> <li>› Opportunity and risk report, see page 138 onwards</li> </ul>	<ul style="list-style-type: none"> <li>› CDP questionnaire – Climate Change 2023, see sections C6.1, C6.3, C6.5</li> <li>› LANXESS Climate Background Paper</li> </ul>
	Targets for the management of climate-related risks and opportunities as well as degree to which these targets have been achieved	<ul style="list-style-type: none"> <li>› Corporate responsibility goals, see page 17</li> <li>› Climate action and energy efficiency, see page 32 onwards</li> </ul>	<ul style="list-style-type: none"> <li>› CDP questionnaire – Climate Change 2023, see section C4</li> <li>› LANXESS Website: Sustainability – Climate-Neutral 2040</li> <li>› LANXESS Climate Background Paper</li> <li>› LANXESS Water Background Paper</li> <li>› CDP questionnaire – Water Security 2023, see section W.8</li> <li>› LANXESS Background Paper: Responsibility for sustainable value chains</li> <li>› LANXESS Background Paper: Product portfolio</li> </ul>



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