

A statement by investors at the 2021 AGM of LyondellBasell

Mr. Chairman, Members of the Board and Fellow Shareholders,

I am here on behalf of EOS at Federated Hermes and our global stewardship clients, and as lead for the company under the Climate Action 100+ initiative. I am here with other Climate Action 100+ supporters from M&G, KBI, Legal and General Investment Management, the Church of England Pensions Board, Local Authorities Pension Fund Forum and the Church Commissioners.

Climate Action 100+ is an investor-led initiative focused on working with the world's largest corporate greenhouse gas emitters to minimise climate-related risks and enable the transition to a net-zero economy. To date, over 575 investors with ~\$54 trillion in assets under management have signed up to support the Climate Action 100+ initiative, equivalent to more than one third of all assets under management, globally.

I would first like to open by thanking the company for the constructive engagement to date, in particular with Mr. Patel, Mr. Kinney, Ms. Brown and Mr. Seward. I would also like to thank the board for accepting these two discussion items on to the agenda, which were filed by shareholders holding around 4.2% of the company's outstanding shares. Firstly, to discuss the Company's climate change commitments and strategy and secondly, on whether the Company should adopt a regular advisory vote on its climate strategy. We consider this open and challenging dialogue to be critical for the company in developing a Paris-aligned strategy which is approved by shareholders.

The breakdown of the climate is already creating more intense and frequent extreme weather events, as experienced by the Company's operations in Texas earlier this year. The unfortunate reality is that these will get worse before they get better, heightening risks for companies and investors. We appreciate in your response in the Proxy Statement that you recognize the materiality of this issue to the company.

To minimize these risks we must work together to stabilize the level of greenhouse gas emissions in the atmosphere. This will be achieved by governments, investors and companies setting net-zero goals for 2050 or sooner, coupled with ambitious, absolute short- and medium-term greenhouse gas reduction targets. Short-, medium- and long-term targets are a central component to the Climate Action 100+ Net-Zero benchmark, which was published for the first time in March this year. The company's performance in this assessment raises serious concerns for investors that climate-related risks are not being appropriately managed by the company. Of the 161 global companies assessed, Lyondellbasell's performance was within the bottom 15% based on positive indicators. Of the 57 companies domiciled within Europe, Lyondellbasell received the third lowest score based on these indicators.

We would like to discuss many of the points that are covered within the net-zero benchmark, and I am aware that fellow Climate Action 100+ supporters that are here today have additional questions of the company in line with this framework. The most critical of these is the disclosure of a net-zero target for 2050, as well as intermediary greenhouse gas reduction targets consistent with meeting the goals of the Paris Agreement. To begin this discussion, recognizing that the company plans on evolving its climate ambition this year, we would like to ask the company whether the company plans on setting a net-zero target

for 2050 or sooner, recognizing that it remains one of the few European companies within the Climate Action 100+ to not set such a target? In addition, as the world is working with a finite carbon budget to mitigate warming to no more than 1.5-degrees above pre-industrial levels, we would like to know any plans the company has to set Paris-aligned science-based targets?

// [Interlude to hear company response]

Thank You [Director Name(s)] for your response. [Investor to introduce themselves] We are convinced that the actions that you take to mitigate emissions from your operations and value chain will help to reduce the climate-related risks that the company faces and be in the best interest of long-term shareholders. We recognize that developing a climate strategy will require actions across the organization and helpfully you have set a number of these out in the proxy statement and your sustainability report. However, as it stands, none of the actions that you describe, including the sourcing or renewable energy, have any forward-looking commitments attached to them. We consider this information to be valuable in understanding how the company will achieve its decarbonization aims. Please could you explain to shareholders any other key targets and performance indicators that the company is using to track the progress of its climate strategy? Furthermore, could you detail the key actions that the company plans to take in the next 12 months to develop its climate strategy and reduce emissions?

// [Interlude to hear the company's response]

Thank you for your comments. [Investor to introduce themselves]. Climate risks, both physical and transitional, will manifest in many forms and threaten the direct and indirect operations of the Company. It is important that companies are aware of these risks and communicate the most material risks and opportunities to investors. To do this, we believe that robust reporting in line with the recommendations of the Task Force on Climate-related Financial Disclosures is beneficial for demonstrating to investors that these risks are being appropriately managed. We are therefore pleased that the company has publicly committed to report in line with the TCFD recommendations in its proxy statement. We consider the application of a wide range of scenarios, including orderly and disorderly low-carbon scenarios to be valuable to demonstrating the resilience of the company to these possible scenarios. With this in mind, we would be interested to hear from the company how it is using climate-related scenarios currently, how these scenarios have impacted the strategy and which scenarios the company plans to report on in its 2021 annual reporting?

// [Interlude to hear the company's response]

Thank you [Director Name(s)] for your valuable response. [Investor to introduce themselves]. Aligning the business with the goals of the Paris Agreement will require

ensuring that financial reports and accounts are aligned with the goals of the Paris Agreement, including the assumptions that have been used to formulate this report. Please could you explain to shareholders whether this has been the case and how the auditor and audit committee has taken into account the risks that the energy transition poses to the company in their statements?

// [Interlude to hear the company's response]

Thank you [Director Name] for your response. [Investor to introduce themselves]. We understand that for the chemicals sector climate policy is essential for driving the transition. This can create both risks and opportunities for the Company. In Europe, the rapidly increasing price of the EU ETS is pressuring high emitting sectors and negatively impacting margins. Whilst climate policies, such as carbon pricing, are essential for enabling the transition, we note that there are companies and organizations that continue to undermine and delay the development of climate policies around the world. In order to address these risks, it is important that all companies, including our company LyondellBasell, are transparent about their own positions on climate policies and those which are advocated through third parties, such as trade organisations. We therefore ask the board whether it is planning on publishing more information about its direct and indirect lobbying activities on climate policy formation? We would welcome this disclosure. Furthermore, we ask the company to describe the governance process around lobbying and the actions that the company takes when it finds material misalignment between the Paris Goals and the positions of third parties?

// [Interlude to hear the company's response]

Thank you [Director Name(s)] for your response. [Investor to introduce themselves]. To move to the second discussion item. We believe that allowing shareholders to vote on the Company's climate transition strategy enhances the Company's accountability to this strategy as well as gauging investor support for the level of ambition and approach. As with the constructive dialogue we have had today, we consider the annual meeting to be the best forum for understanding the broad range of shareholder views. As such, we would like to see the company put forward its climate strategy for shareholders to vote upon at the 2022 annual meeting and on an annual basis thereafter. Please could the company confirm whether it has the intention to allow shareholders to vote on its climate strategy from 2022 onwards?

// [Interlude to hear the company's response]

Thank you [Director Name(s)] for your response. [Investor to introduce themselves]. We have appreciated the robust and candid dialogue with you today. We would like to finish discussing the process of accountability for the company's future climate strategy. As climate is a material risk to the company, we agree the management of climate-related risks and opportunities to be a core tenant to the fiduciary duties of the board. Increasingly, investors are taking into account the management of climate risk into their voting decisions, and so, the nomination of one or more directors to be accountable for this element of the strategy is beneficial for us in understanding where this responsibility lies. We would therefore be interested to know whether the company plans to nominate one or more directors to be accountable for the climate strategy?