Sustainability Report and Non-Financial Report

195 — 256

In this 2022 Annual Report, WACKER reports more extensively on sustainability issues. Our goal is to halve our carbon emissions in absolute terms by 2030.

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Sustainability Report and Non-Financial Report

Information Reviewed in the Non-Financial Report

Sustainability Report and the Combined Separate Non-Financial Report for the WACKER Group and for Wacker Chemie AG

Information on the WACKER Group

| GRI 2-1 | GRI 2-2 | GRI 2-3 | GRI 2-5 | GRI 2-6 |
| GRI 2-22 | GRI 2-29 | GRI 3-1 | GRI 3-2 |

About this Report

This report provides details of how Wacker Chemie AG strikes a balance between its economic, ecological and social responsibilities. With a view to our future sustainability reporting, we have integrated the Sustainability Report into the separate non-financial report, which forms part of our Annual Report. Unless indicated otherwise, what we state here applies to all our business divisions and sites around the world, as well as to those subsidiaries in which WACKER holds a majority stake.

About WACKER

WACKER is a global company with state-of-the-art specialty chemical products. The Group Business Fundamentals section of the combined management report describes the company's business model, legal structure, management and supervision as well as key products, services and business processes.

Sustainability has top priority at WACKER and has been a core component of our strategy for years. We are convinced that our future will be decided by the sustainability of our actions. For us, sustainable management stands or falls with the consistency of our actions – at all steps in the value-creation process. Without chemicals, it will not be possible to solve the problems of our time, and we are actively helping shape the transition to climate neutrality.

Statement of the President and CEO

The views of the president and CEO, Dr. Christian Hartel, as regards sustainability have been published in an interview, where he outlines a clear roadmap about how WACKER intends to meet its sustainability targets. He refers to our silicon production site in Norway as a major building block. This site has now switched over completely to green energy. He explains that in the coming years, the company will be increasingly using renewable sources of carbon in production there. The next step, according to Hartel, would be to store the CO_2 generated during production and use it as a raw material for chemical products.

» Interview with the president and CEO
» Net Zero – Climate Neutrality by 2045
» Contact for Sustainability

In the Group Business Fundamentals section of the combined management report, we provide information on competitiveness and value trends, on products, services and business processes, and on corporate management, supervision and governance.

Risk and compliance management at WACKER as well as the major risk areas affecting its business are presented in the risk management report, which forms part of the combined management report. Overall, we see no serious risks that might arise from environmental concerns, personnel matters, social issues, human rights, corruption or bribery. We see no serious sustainability risks that might arise from our business relationships, our business activities or our products.

» Management Report, Group Business Fundamentals (Business Model of the Group; Management and Supervision; Key Products, Services and Business Processes)
» Management Report, Management Processes, Value-Based Management
» Management Report, Further Information on R&D, Employees, Procurement, Production, Sales and Marketing
» Management Report, Risk Management Report
» Management Report, Opportunities Report

Review of the Separate Non-Financial Report

This is the separate non-financial report – as defined in Sections 315c and 289c through 289e of the German Commercial Code (HGB) – for both the WACKER Group and Wacker Chemie AG for fiscal 2022. The sections highlighted with a vertical line constitute the contents of the separate non-financial report for the WACKER Group and Wacker Chemie AG.

The report was reviewed by the Supervisory Board of Wacker Chemie AG and, on its behalf, by KPMG AG Wirtschaftsprüfungsgesellschaft in compliance with the International Standard on Assurance Engagements – ISAE 3000 (Revised): "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" to obtain limited assurance relating to the disclosures

legally required in accordance with Sections 315c and 289c through 289e HGB.

The references in this report relate to more detailed information, with the exception of those relating to the Group management report.

Reporting Criteria

This separate non-financial report combined for the WACKER Group and for Wacker Chemie AG is guided by the sustainability reporting standards of the Global Reporting Initiative (GRI). We also take into account other aspects relevant to WACKER's sustainability concerns. In addition, we publish information on our commitment to sustainability on our website.

» www.wacker.com/sustainability

Defining Material Issues

Every two years, we conduct an analysis in order to determine the content that is material to sustainability reporting. In 2022, WACKER employees were asked in an online survey to assess which topics are of significance to those interest groups with whom they are in close contact. The survey included experts on the following stakeholders: analysts and investors, customers, suppliers, employees, politicians, and representatives of government authorities and non-governmental organizations (NGOs). The Group coordinators for the environment, security, sustainability, energy management, health, product safety, hazardous goods, export controls, HR, compliance management and human rights were involved in this indirect survey of stakeholders.

The following were identified as the top five issues:

- Competitiveness and value trends
- Product safety
- Safety of production plants
- Sustainable products and innovations
- Energy efficiency

In the respondents' view, the following topics have the biggest influence on WACKER:

- Competitiveness and value trends
- Product safety
- Safety of production plants
- Sustainable products and innovations
- Risk management

According to the survey, WACKER has the biggest influence on:

- Safety of production plants
- Sustainable products and innovations
- Energy efficiency
- Resource consumption
- Competitiveness and value trends

Respondents saw these areas as having the greatest potential for improvement:

- Competitiveness and value trends
- Sustainable products and innovations
- Energy efficiency
- Recruiting and retaining employees
- Environmental standards within the supply chain

CSR Directive Implementation Act

We report here on issues that are deemed material under Germany's CSR Directive Implementation Act (CSR-RUG). These included 12 of the 28 concerns we asked about in our 2022 materiality analysis. We also report on the issue of human rights in line with the statutory requirements. This non-financial report contains additional topics that are not defined as material by the CSR-RUG, but which we have included in order to ensure continuity of content.

The following 12 material issues were identified for 2022, taking into account their relevance to the company and the impact of our business activities on them.

D.1 Relevant Issues Pursuant to the CSR Directive Implementation Act

Material issues pursuant to CSR-RUG	CSR-RUG aspect
Occupational safety and employee health	Personnel matters
Recruitment and employees	Personnel matters
Competitiveness and value trends	Personnel matters
Safety of production plants	Personnel matters and environmental concerns
Waste and disposal	Environmental concerns
Greenhouse gas emissions	Environmental concerns
Energy efficiency	Environmental concerns
Sustainable products and innovations	Environmental concerns
Environmental standards in the supply chain	Environmental concerns
Product safety	Environmental concerns
Resource consumption	Environmental concerns
Risk management	Diverse topics

Management

Principles and Goals

| GRI 2-13 | GRI 2-23 |

Our corporate policy guidelines are based on three pillars: our purpose, our goals and strategies, and our ethical principles. These guide our actions and set the standards to which we hold our performance. We pursue strategic planning and value-based management in our development of intelligent solutions for sustainable growth.

Sustainability has been firmly entrenched in our business processes for years. At WACKER, we aim to balance economic, ecological and social factors in everything we do. The fact that sustainability appears in two of our five strategic goals underscores its importance.

Our corporate management is involved in issues of sustainability, including the managers in charge of Environment, Health and Safety (EHS), Product Safety (PS) and Sustainability. The Executive Board members sit on the Sustainability Council and are kept informed by the Chief Compliance Officer of issues discussed by the Human Rights Committee.

The WACKER Group's Purpose

In line with its purpose as an innovative chemical company – Our solutions make a better world for generations – WACKER makes an important contribution to improving the quality of life of people all around the world. We want to continue developing and supplying solutions that meet our own expectations – namely to add value for our customers and shareholders, and to achieve sustainable growth.

We have described our vision and goals in detail in the Group management report

» Visions/Goals

WACKER's Sustainability Targets

Global warming due to rising greenhouse gas emissions is a socially and economically relevant environmental factor. We want to be at the vanguard in the fight against climate change and reduce both our own emissions as a company and those of our products. That is why we have set sustainability targets, with the aim of achieving net zero by 2045.

The goals we have set are ambitious. For example, by 2030, WACKER intends to cut its absolute greenhouse gas emissions by 50 percent relative to 2020.

WACKER is striving to ensure that its entire product portfolio meets defined sustainability criteria by 2030. We also expect all our key suppliers to meet defined sustainability standards by 2030. During the same period, we aim to reduce by 25 percent the emissions from the upstream products we use. In addition, WACKER has set new targets for specific water withdrawal and specific energy consumption, striving to achieve a reduction of 15 percent in both by 2030.

The targets to cut greenhouse gases are validated science-based targets, meaning they are consistent with the "1.5 °C" target of the Paris Agreement.

In addition, we have set ourselves diversity targets. By 2030, we would like women to occupy about one in three management positions and roughly one in two management positions to be located outside of Germany.

Safety has top priority at WACKER. Our goal every year is to avoid any chemical accidents with missed workdays or severe plant-safety incidents.

Sustainability Strategy: SustainaBalance®

SustainaBalance® is WACKER's holistic sustainability strategy to achieve its medium- and long-term sustainability targets. We promote the balance between ecological, social and economic factors based on three pillars: Value Up, Footprint Down, Collaboration Beyond.

SustainaBalance® is directly related to the 17 goals of the UN's 2030 Agenda for Sustainable Development.

WACKER's SustainaBalance® is a commitment to responsible stewardship and contributes to the implementation, in particular, of seven UN SDGs:

D.2 The Three Pillars of SustainaBalance®

VALUE UP
By empowering our teams, we enable our CUSTOMERS TO PROVIDE MORE SUSTAINABLE SOLUTIONS.

FOOTPRINT DOWN
We create EFFICIENT and safe PROCESSES, use resources responsibly, avoid waste and MINIMIZE OUR FOOTPRINT.

COLLABORATION BEYOND
As a contributing member of society, we strive for a SUSTAINABLE VALUE CHAIN together WITH all our PARTNERS.

» More information can be found in our fact sheets: Strategy and Roadmap, Sustainable Development Goals (SDGs)

D.3 WACKER's Sustainability Targets

SustainaBalance®	Sustainable Development Goals (SDGs)	Sustainability indicator[1]	Base year	Target year	Target[2] (%)	Status 2022
Value Up, Footprint Down, Collaboration Beyond	4, 7, 8, 9, 12, 13, 17	Net zero	2020	2045	–100	–
Value Up	7,[9]	Products meeting defined sustainability criteria[3]	2020	2030	100	90
Value Up	8	Management positions held by women	–	2030	~33	21
Value Up	8	Management positions outside of Germany	–	2030	~50	30
Footprint Down	12, 13	Absolute greenhouse gas emissions[4]	2020	2030	–50	–11
Footprint Down	12, 13	Specific energy consumption (per metric ton of net production)	2020	2030	–15	–1,5
Footprint Down	12	Specific water withdrawal (per metric ton of net production)	2020	2030	–15	2
Footprint Down	12	Specific dust emissions (per metric ton of gross production)	2012	2022	–50	–49[9]
Footprint Down	12	Specific emissions of relevant VOCs (volatile organic compounds; per metric ton of gross production)	2012	2022	–25	–18[10]
Footprint Down	12	Specific NO_x emissions (nitrogen oxides; per metric ton of gross production)	2012	2022	–25	–26[11]
Footprint Down	8, 12	Chemical accidents with missed workdays[5]	Annual target	Annual target	0	10
Footprint Down	8,12	Severe process safety incidents[5,6]	Annual target	Annual target	0	3
Collaboration Beyond	4, 17	Key suppliers[7] meeting sustainability criteria	2020	2030	100	72
Collaboration Beyond	13, 17	Absolute greenhouse gas emissions in upstream supply chains[8]	2020	2030	–25	–20

[1] Gross production corresponds to the total production (target products and byproducts) of a plant or site. Net production is calculated by subtracting the internal reuse of products from the gross production of a plant or site.
[2] The target-related success level is not based on linear progression, but on individual projects that are implemented at different stages throughout the target period.
[3] In accordance with WACKER Sustainable Solutions
[4] Scopes 1 and 2 in accordance with GHG Protocol, science-based target
[5] Absolute target
[6] In accordance with WACKER Process Safety Incidents, Severity Levels 1 and 2
[7] Corresponds to 80 percent of the volume procured
[8] In accordance with Scope 3 GHG emissions from purchased goods and services (Cat. 1) and fuel- and energy-related emissions (Cat. 3), science-based target
[9] Group target "Dust reduction" was achieved through appropriate operational measures and will in the future be pursued at site level (if identified there as a significant environmental aspect).
[10] Group target "VOC reduction" was only partially achieved through process-integrated measures and will in the future be pursued at site level (if identified there as a significant environmental aspect).
[11] Group target "NO_x reduction" was achieved through operational measures and will in the future be pursued at site level (if identified there as a significant environmental aspect).

Ethical Principles

GRI 2-23

Alongside our guiding principles and goals, our ethical principles form the third pillar of WACKER's corporate policy guidelines. These principles are supplemented by a number of regulations and directives. They are mandatory for all employees worldwide. The ethical principles are described in the Declaration on Corporate Management.

» https://www.wacker.com/cms/en-de/about-wacker/wacker-at-a-glance/corporate-strategy-and-policy-guidelines/ethical-principles.html

Voluntary Commitments

GRI 2-23

Our actions are guided by voluntary initiatives, which form the basis for sustainable corporate management at WACKER.

Responsible Care®

WACKER has been an active member of the Responsible Care® initiative since 1991. As a program participant, we must act to continually improve health, safety and

environmental performance on a voluntary basis – even in the absence of statutory requirements. We attach equal importance to economic and social goals. This explains our strong focus on environmental protection, plant process safety (for both employees and neighbors), occupational safety and product safety (for customers and end users).

» https://www.vci.de/themen/nachhaltigkeit/responsible-care/rc-initiative/uebersicht.jsp (German-language link only)

UN Global Compact

As a member of the UN Global Compact, we support the goals of this initiative for responsible corporate management. The Global Compact addresses the protection of human rights, social and environmental standards, and the fight against corruption. We have undertaken to implement the Global Compact's 10 principles. These are derived from the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, and the Rio Declaration on Environment and Development. Our progress report can be found on the UN Global Compact website.

» https://www.unglobalcompact.org/what-is-gc/participants/10060-wacker-Chemie-AG

» The latest progress report is also published on the WACKER website at: https://www.wacker.com/cms/en-de/about-wacker/sustainability/global-compact/detail.html

UN Race To Zero

WACKER's ambitious climate change mitigation targets are science-based. They are consistent with the goal of keeping the global rise in temperature below 1.5 °C and are therefore compatible with the Paris Agreement. Our targets have been validated by the independent Science Based Targets initiative (SBTi). WACKER is also a member of the UN "Race To Zero" initiative, thus making a voluntary commitment to meeting the "1.5 °C" target and undertaking to document its progress towards net zero by means of transparent reports.

» https://sciencebasedtargets.org

» https://racetozero.unfccc.int

Organization

Management Structures

| GRI 2-9 | GRI 2-11 | GRI 2-12 |

Wacker Chemie AG's four-member Executive Board oversees the Group's strategies, resources, infrastructure and organizational structure. Below the Executive Board, which is highest decision-making authority, there are various committees whose membership spans several organizational sectors and legal entities. These committees ensure that corporate strategies are implemented groupwide.

D.4 Coordinating Sustainability at WACKER

The Group Leadership Team (GLT) discusses strategically important topics, analyzes possible trends affecting markets and our competitors, and discusses key topics not directly connected with day-to-day business. The GLT comprises the Executive Board, business-division presidents and corporate-department heads.

The Executive Board has convened a Sustainability Council to monitor and coordinate the sustainability strategy. Its members, who are drawn from the business divisions and corporate departments, rate the company's sustainability performance. The Sustainability Council coordinates measures across different departments and reviews the progress made.

The main forums for environment, health, safety (EHS) and product safety (PS) are the annual Corporate Environment, Health, Safety&Product Safety (EHS&PS) Meetings and EHS&PS Strategy Meetings, led by the Executive Board member responsible for EHS&PS.

Personnel policies are dealt with monthly in the HR Strategy Meeting, while employee health is addressed once a year by the Health Promotion Steering Committee – both are chaired by WACKER's personnel director.

The Raw Materials Conference and the WOS (WACKER Operating System) Conference focus on the Group's productivity projects and goals. The Group Innovation Meeting deals with innovation strategies and projects.

At the operational level, dedicated units such as the corporate and divisional Sustainability departments, HR and Procurement&Logistics are responsible for managing sustainability issues. In addition, special functions are in place to manage individual issues such as compliance, EHS&PS, and human rights.

Personnel Responsibility

| GRI 2-13 |

Our compliance organization focuses on compliance with legal requirements and internal company regulations. The Chief Compliance Officer supervises and supports a network of regional compliance officers.

Responsibility for the environment, health, safety, trade compliance, hazardous materials and product stewardship lies with the Group coordinators, who report directly to the Executive Board and define groupwide standards in the shape of goals and processes. Alongside the Group coordinators, WACKER has legally mandated officers for managing specific areas in the respective regions (for example, in Germany, there are incidents officers as well as liaison officers for disabled staff).

Workplace and plant safety are vitally important for WACKER. That is why WACKER defines safety targets for its executives in Germany (in upper and middle management) during its annual target-setting process. These are personal goals (mandatory mostly for executives in production-related areas) and are incorporated into performance assessments.

The Executive Board appoints a Human Rights Officer, who plays a key role in elaborating and updating the company's human rights strategy, risk management system, general declaration and reporting system. The Human Rights Officer also advises the units in question and proposes corrective action. In exercising these functions, the Human Rights Officer is independent and not bound by any instructions.

Integrated Management System

| GRI 3-3 |

We control operational processes via our integrated management system (IMS). This system defines uniform standards for quality, energy, environmental protection, and health and safety across the Group. We have our Group management system certified by an international certification organization to ensure its compliance with ISO 9001 (quality) and ISO 14001 (environment) and, at our German sites, also with ISO 50001 (energy). We align our processes and standards relating to occupational health and safety with the international ISO 45001 standard. Our site in Jincheon, South Korea, has been certified to this standard.

Our Group certification program helps us adhere to statutory and customer-related requirements and to our own corporate standards at all of our sites. Almost every one of our production sites is included in the ISO 9001 (quality) and ISO 14001 (environment) Group certificates. Not included are: Wacker Biotech B.V., Amsterdam, Netherlands; Wacker Biotech US Inc., San Diego,

California, USA; Wacker Biotech GmbH, Halle and Jena, Germany; and WACKER Dymatic Silicones (Shunde) Co., Ltd., Foshan City and Zhangjiagang City, China. There are corresponding single certificates for the Tsukuba site of WACKER Asahi Kasei Silicone Co., Ltd., Tokyo, Japan. In the coming years, our production sites in Panagarh, India, and Shandong, China, will be included in the Group standards.

Aside from these traditional management standards, WACKER has many individual products certified to the FSSC 22000 (food) and EFfCI GMP (cosmetics) standards. For example, our silicone-producing facilities in Burghausen and Nünchritz (Germany), Adrian, Michigan (USA), Jandira (Brazil) and Zhangjiagang (China) have been certified to the EFfCI cosmetics standard. As a result, these five sites also meet the requirements of the ISO 22716 standard for the cosmetics industry. The site in Tsukuba, Japan, is already certified to this standard. Certifying our products according to Islamic and Jewish dietary standards (halal and kosher) is becoming increasingly relevant.

Our mass-balance products are certified to the REDcert² standard for the chemical industry. These products make a key contribution to sustainability since we manufacture them without fossil raw materials. As a member of the Roundtable on Sustainable Palm Oil (RSPO), which promotes sustainable palm-oil cultivation methods, we also have our products at the Burghausen and Nünchritz sites audited against the RSPO Supply Chain Certification Standard 2020. In the reporting year, we had our HDK® licensed in accordance with the requirements of the V-Label, the European Vegetarian Union's standardized seal of approval for vegetarian and vegan products and services. All certificates are available for download at:

» **www.wacker.com/certificates**

» **For more details about resource-efficient production and sustainable products, please refer to the section in the combined management report entitled Further Information on R&D, Employees, Procurement, Production, Sales and Marketing.**

Controlling Instruments

GRI 2-23 | GRI 2-25

At WACKER, 22 groupwide regulations govern topics of overarching significance for the company. They concern management, organization and collaboration, law and compliance, strategy and business processes as well as financing, controlling, accounting and taxes. Numerous other controlled documents regulate processes for environmental and health protection, plant and workplace safety, and product safety, at a Group, regional and site-specific level.

We use our sustainability reporting system (SPIRIT) to record environmentally relevant and safety-related events, to plan internal and external audits and coordinate the implementation of measures as part of our Integrated Management System (IMS).

Productivity Programs

High productivity is a key factor in WACKER's success. WACKER boosts productivity along the entire supply chain via its WACKER Operating System (WOS) program. Our goal is to continue to reduce specific operating costs and CO_2 emissions every year. WOS results are regularly reported to the Executive Board. In recent years, we have worked through well over 1000 projects relating to our operating activities and corporate departments. The focus of WOS was on improving our

- Plant utilization levels
- Specific energy consumption
- Raw-material yields
- Labor productivity
- Specific maintenance costs
- Carbon footprint

Risk and Compliance Management

| GRI 2-12 | GRI 2-13 | GRI 2-16 |

Risk and compliance management are an integral part of corporate management at WACKER. As a global company, we are exposed to numerous risks directly attributable to our operational activities. Starting from an acceptable level of overall risk, the Executive Board decides which risks we should take to utilize opportunities available to the company.

We refer you to the Risk Management Report for a detailed description of corporate risk management and compliance management.

» Management Report, Risk Management Report

» Management Report, Opportunities Report

Climate Risk Assessment

In the course of the risk management process, it is important to identify and analyze material risks as they emerge. Responsibility for this process is anchored in a wide variety of functions within the Group.

While assessing EU taxonomy alignment during the reporting period, we refined and standardized how we report on climate risks. We took a closer look at the short-, medium- and long-term risks posed to our various business operations and to individual sites by climate change and identified potential impacts at an early stage. We assessed climate-related risks in accordance with predefined standards (including IPCC scenarios) and, where necessary, adopted countermeasures. We intend to further expand this approach and update it at regular intervals.

Data Protection

| GRI 2-27 | GRI 418-1 | GRI 418-3.3 |

We gather and process personal data of our employees and all external parties with whom we are in contact in compliance with data protection regulations and with the sole aim of meeting the intended purposes.

The European Union's General Data Protection Regulation (GDPR) provides a uniform basis for implementing privacy law throughout the EU and is directly applicable in all member states. The role of privacy law is to protect personal data, which includes any information about natural persons, such as name, contact data, date of birth, religion, gender, but also simply their email address. The GDPR regulates the use and processing of personal data and obligates every company that collects personal data to do so only within narrow constraints and with due regard to a large number of protection mechanisms.

WACKER employees who collect, use or process personal data must always ask themselves whether this data is actually needed and has to be stored and, if so, for how long. All employees must ensure that no infringements of privacy law occur. Even before the GDPR took effect, we had introduced mechanisms to ensure compliance with existing data protection legislation.

Our employees undergo mandatory online training on data protection. We provide additional individual training in departments that are particularly affected. Our Compliance Regulation now contains a supplement that describes the main aspects of the GDPR.

Information about the GDPR is available on our website and intranet. We use a film, which can be viewed on our intranet, to sensitize employees groupwide about the proper conduct to adopt when dealing with internal or external inquiries related to data protection.

In addition to that, we have linked the topic of data protection to our whistleblower hotline. Employees as well as people from outside the company can address any questions or complaints they have in this regard directly to the responsible officers at WACKER.

There were no justified complaints relating to the violation of customers' privacy or the loss of customer data during the reporting period.

Customer Management

| GRI 2-29 |

» Management Report, Further Information (Procurement, Production, Sales and Marketing)

Sustainability Along the Supply Chain

| GRI 2-6 | GRI 308-3.3 | GRI 414-3.3 |

With production sites in Europe, the Americas and Asia, WACKER procures goods and services from numerous countries. As a member of both the United Nations Global Compact and the chemical industry's Responsible Care® initiative, we have long considered it vital that our suppliers fulfill generally accepted sustainability principles. Important aspects include social and ethical standards (especially human rights, working conditions, health and safety standards, responsible management of local resources such as water and energy, and environmental protection). We also expect our suppliers to use a management system that meets the requirements of ISO 9001 (quality) and ISO 14001 (environmental protection) or those of certifications that exceed these standards, such as GMP (Good Manufacturing Practice). These principles are anchored both in our terms and conditions and our Supplier Code of Conduct and, as of the reporting year, must be adhered to along the entire supply chain.

» https://www.wacker.com/cms/media/asset/about_wacker/procurement_and_logistics_1/suppliers/supplier_code_of_conduct.pdf

WACKER has been a member of the Together for Sustainability (TfS) initiative since 2015. Launched by the chemical industry, this procurement initiative has developed a framework that allows member companies to audit and assess a supplier's sustainability performance. Its uniform standards and processes ensure that results of supplier assessments and audits are credible and transparent to all TfS members; audit reports are shared within the TfS initiative. The TfS Academy offers training courses on relevant sustainability topics for all TfS members' suppliers and purchasers. The head of our Corporate Procurement&Logistics department is a member of the TfS Steering Committee. In addition, we were actively involved, during the reporting year, in developing a common standard for calculating product carbon footprints.

» https://tfs-initiative.com/

Processes and Tools

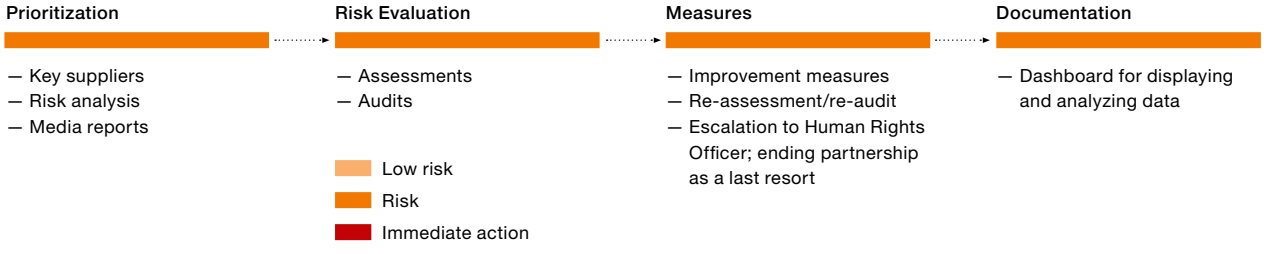
| GRI 308-2 | GRI 407-1 | GRI 414-2 |

All key suppliers must demonstrate a positive sustainability performance at regular intervals (at least every three years). These defined key suppliers cover more than 80 percent of the entire global procurement volume. Their sustainability performance must be demonstrated either in the form of an EcoVadis assessment with a minimum score of 46 and/or a TfS audit with no findings. All of our key suppliers must fulfill this minimum requirement by 2030. We follow up on our targets in monthly management reports.

In addition, we assess further suppliers that were identified based on an annual risk analysis.

In the event of unsatisfactory results, we consult with the supplier involved and agree on action to be taken to make improvements. We follow up on progress and status with supplier talks as part of the annual supplier evaluation, with reassessments or follow-up audits. Results and actions are recorded and tracked in an internal WACKER dashboard. Consistently poor results and lack of cooperation have consequences and may ultimately lead to business relations being terminated.

D.5 Risk Management



Supplier Evaluation

| GRI 308-2 | GRI 407-1 | GRI 414-2 |

By the end of 2022, a total of 992 valid assessments were available, with suppliers having improved by 64 percent. The average EcoVadis assessment score across all suppliers was 53 points.

D.6 Results

	2022	2021	Change in %
Valid assessments	**992**	934	6.2
Average score	**53**	53	–
Improvement rate (%)	**64**	61	4.9

Key Suppliers

We particularly focus on key suppliers, because they cover more than 80 percent of our procurement volume. At the end of 2022, a valid TfS audit or assessment was available for 86 percent of this group. 72 percent of all key suppliers fulfilled our minimum requirements in the reporting year.

D.7 2030 Target: 100% of Our Key Suppliers Meet Sustainability Standards

%	2022	2021	2020
Key suppliers with valid assessment or audit	**86**	77	78
Compliance with sustainability standards	**72**	60	57

Conflict-Free Minerals

| GRI 2-24 | GRI 414-2 |

We know that human rights violations are a possibility anytime minerals are mined. That is why we are intensely involved in all of the issues surrounding mined raw materials, particularly when it comes to the four “conflict minerals”: gold, tantalum, tungsten and tin. For this reason, WACKER takes great care to avoid procuring minerals from conflict areas. When we purchase raw materials containing gold, tantalum, tungsten or tin, we require our suppliers to confirm that neither they nor their sub-suppliers procure these minerals from the Democratic Republic of the Congo, Angola, Burundi, the Central African Republic, Republic of the Congo, Rwanda, South Sudan, Tanzania, Uganda or Zambia.

At least once a year, our suppliers conduct a regular inspection of their source mines and confirm this using a CMRT (Conflict Minerals Reporting Template). Developed by the Conflict-Free Sourcing Initiative (CFSI), the CMRT form shows simply and transparently how information on a material’s country of origin and on the contracted smelter and refiner is communicated along the entire supply chain.

Based on feedback, we have no evidence suggesting that the raw materials from our suppliers come from mines in these countries.

Palm (Kernel) Oil

Palm (kernel) oil is facing criticism for its association with frequent violations of human rights and environmental protection guidelines during its recovery. Even though WACKER does not procure large quantities of palm (kernel) oil, we want to make sure that we obtain this renewable raw material from sustainable, certified sources. WACKER SILICONES and WACKER POLYMERS use palm oil in the form of various fatty acid derivatives.

The RSPO (Roundtable on Sustainable Palm Oil) initiative is accelerating the implementation of sustainable practices in the global palm oil industry. In order to become certified, manufacturers have to demonstrate that they have a material-flow control system. In addition, certified producers commit to complying with human rights standards, to reducing emissions and to refraining from clearing forests for plantations and from planting in peatlands with biotopes for protected species.

We obtained RSPO certification for the first time in 2021. We furthermore increasingly use RSPO-certified raw materials in order to step up the proportion of certified palm (kernel) oil. We aim to use 100-percent certified palm (kernel) oil by 2030. We report on our progress annually through an ACOP (Annual Communication on Progress).

Sustainability and Compliance in Logistics

We are continuously working on optimizing shipments and logistics processes in our logistics chains. Major logistics chains, especially the supply of raw materials and also overseas shipping of containers, have been pivoted onto railway networks as far as possible. We employ analysis tools to regularly seek out optimization potential within our current logistics network in order to continuously reduce the number of shipments of our products to customers and thus also any associated emissions.

Our specialist departments provide comprehensive training, information and monitoring services to ensure compliance with legal standards governing customs, export controls and the transport of hazardous goods. Some of WACKER's internal standards even go beyond legal requirements.

WACKER as a Supplier

As a TfS member, WACKER not only evaluates its suppliers in terms of sustainability, but also subjects its own performance as a supplier to external rating by EcoVadis. We reached the Platinum EcoVadis sustainability recognition level in the reporting year, which puts us in the top one percent of all companies assessed.

We additionally complete social audits at our major production sites. Proceeding according to the SMETA (Sedex Members Ethical Trade Audit) or TfS process, auditors investigate issues such as working conditions, occupational health and safety, environmental management and corporate ethics. We make the results of such audits available to interested customers via TfS or in the Sedex database.

Production

Environmental Protection

| GRI 301.3-3 | GRI 302.3-3 | GRI 305.3-3 | GRI 306.3-3 |

WACKER attaches particular importance to integrated environmental protection, which begins right in the product-development and plant-planning stage. WACKER constantly strives to improve its production processes in order to conserve resources. A key task is to close material loops and recycle byproducts from other areas back into production. This enables us to reduce or prevent energy and resource consumption, emissions and waste, and to integrate environmental protection into our production processes. At WACKER, we monitor resource and waste targets at site and divisional levels.

Our environmental protection measures often surpass statutory requirements – in the spirit of the central idea behind the Responsible Care® initiative. Responsible stewardship is one of the ways we contribute to the United Nations' Sustainable Development Goals (SDGs). In production, we focus on SDG 12 "Sustainable Consumption," SDG 13 "Climate Action" and SDG 17 "Partnerships for the Goals," for example.

Our groupwide standards for protecting the environment apply to all production sites and technical competence centers. The site managers ensure that environmental protection requirements and environmental standards are met at their particular locations.

Through a groupwide reporting system, our Group Coordinator for the Environment reviews how environmental standards and legal requirements are put into practice.

By setting quantifiable environmental targets, we aim to lower the environmental impact of our production activities. We have set ourselves targets with respect to reducing CO_2 emissions and specific energy and water consumption.

D.8 Environmental Protection Costs

€ million	2022	2021	2020
Operating costs	88.9	81.5	83.0
Capital expenditures	8.8	1.9	0.8

Areas covered by our investments in environmental protection include water-pollution control, waste management, emissions control, climate change mitigation, noise reduction, soil remediation and preservation of the natural landscape. A large portion of the capital expenditures on environmental protection went toward WACKER's central disposal facilities at the Burghausen site.

As part of our sustainability strategy, a special budget was introduced in 2022 with the aim of bringing sustainability projects to fruition quickly. Around €0.9 million of that budget was invested in the reporting year in projects with a positive impact on reaching our environmental targets.

To motivate our employees, we presented the WACKER Net Zero Award for the first time in 2022. To be awarded annually from now on, this €10,000 prize recognizes outstanding projects that reduce WACKER's product environmental footprint.

Integrated Production – Our Greatest Strength

GRI 301-3-3 | GRI 301-2

The highly integrated material loops at its integrated production sites in Burghausen, Nünchritz, Charleston and Zhangjiagang give WACKER a key advantage. The basic principle of integrated production is to use the byproducts from one stage as starting materials for making other products. The auxiliaries required for this, such as silanes, are recycled in a closed loop. By taking waste heat from production processes and utilizing it for other chemical processes, we are reducing our consumption of energy and resources and using raw materials sustainably.

We are constantly working to optimize our integrated-production system. We also analyze and test ways of extending the circular economy so that we can feed materials from suppliers, customers and end consumers into this loop along with our own WACKER materials.

Our integrated production system encompasses the following:

- Integrated energy solutions in which waste heat generated in production is used in downstream chemical processes. Examples here include using waste heat to generate steam, preheating feed water for the production of deionized water and using integrated heat-recovery systems in distillation processes
- Integrated material systems, in which byproducts generated in a given process are treated and fed back into the production loop or serve as raw materials for other processes. Examples here include our integrated hydrogen chloride, silicon and acetic acid production systems

Our integrated production system is primarily based on rock salt, silicon, methanol, acetic acid and ethylene as starting materials. In integrated processes, we optimize material efficiency by purifying byproducts and reusing them or making them available for external use.

- In our integrated ethylene production system, we use ethylene to obtain organic intermediates, which we then turn into polymer dispersions and dispersible polymer powders.
- Our integrated silicon production system operates along similar lines. Although comprising only a small number of raw materials – silicon, methanol and salt (sodium chloride) – this system enables us to manufacture over 2,800 different silicone products, as well as pyrogenic silica and polysilicon.

A focus of our integrated production is to minimize hydrogen chloride (HCl) consumption. HCl is an essential auxiliary deployed in the production of reactive intermediates from energy-poor natural materials. We then use these intermediates to make our end products. Hydrogen chloride production requires a great deal of energy, however. In our

integrated material loop, we convert chlorine-containing intermediates to chlorine-free end products (such as silicones, hyperpure silicon or pyrogenic silica) and in the process we obtain heating steam, thus recovering some of the original energy expended. We also reclaim hydrogen chloride here, which we return to the production loop and reuse. This closed material loop lowers emissions and, due to lower raw-material consumption, reduces shipments as well.

We use a chloralkali membrane process to supply chlorine, hydrogen, caustic soda and hydrogen chloride as starting materials to our Burghausen site. One example of how our integrated production system has the potential to save resources: We recycle 93 to 96 percent of the hydrogen chloride that we use in the production loops at our Burghausen and Nünchritz sites. More information can be found in our fact sheet:

» Integrated Production

Energy

| GRI 302-1 | GRI 302-3.3 | GRI 302-4 |

WACKER is constantly improving the energy efficiency of its processes. This enables us to remain globally competitive and at the same time contribute to climate protection.

Many chemical reactions generate heat that can be put to use in other production processes. In addition to recovering heat from these reactions, we also operate integrated heat-recovery systems, which we are continually developing and improving. In this way, we reduce the amount of primary energy (natural gas) consumed by our power plants. We are also continually optimizing our electricity consumption.

At this point, we still rely primarily on natural gas to generate electricity. At Burghausen, our largest site, we produce steam and electricity in a combined heat and power (CHP) plant. The site's highly efficient, low-emission gas turbine can generate up to 137 megawatts of electricity. Combining this plant with the output of Burghausen's hydroelectric plant and that of smaller generation facilities, we produced 1,166 GWh of our electricity ourselves in the reporting year (2021: 1,295 GWh), which corresponds to roughly 19 percent of our total electricity demand. With an output of 50 megawatts, our hydropower generator is one of Germany's biggest industrial hydroelectric power plants. In keeping with its sustainability strategy, and also spurred on by the current gas crisis, WACKER plans to further reduce its energy and gas consumption by pursuing energy-efficiency initiatives (e.g. electrifying steam generation).

D.9 Group Energy Consumption

GWh	2022	2021	2020
Electricity consumption	**6,024**	5,974	5,879
Of which			
From on-site generation (fossil)	**948**	1,063	988
From on-site generation (renewable)	**218**	232	249
Energy consumption[1]	**5,927**	6,010	5,744
Of which			
Natural gas[2,3]	**4,290**	4,424	4,188
Solid fuels[4]	**1,336**	1,297	1,295
Heat supplied by third parties[5]	**301**	289	261

[1] Excluding energy from electricity provided by third parties, self-generated renewable energy and recovered energy
[2] Includes natural gas used for on-site fossil-fuel-based electricity generation
[3] For reporting years beginning in 2020, heat consumption is no longer itemized separately; most of it is contained in the figure for natural gas consumption.
[4] Coal, charcoal and wood; used as reducing agents at the silicon plant in Holla, Norway
[5] Steam and district heating

Energy Consumption

In our continued efforts to reduce our specific energy consumption (the amount of energy per unit of net production output), we have set a target of cutting consumption by 15 percent by 2030 relative to our base year (2020).

D.10 2030 Target: Reduce Specific Energy Consumption by 15%

%	2022	2021	2020
Specific energy consumption	**98.5**	98.3	100
Change	**–1.5**	–1.7	–

Emissions

| GRI 305-1 | GRI 305-2 | GRI 305-3 | GRI 305.3-3 | GRI 305-7 |

Greenhouse Gases

Global warming due to rising greenhouse gas emissions is a socially and economically relevant environmental factor. We see a reduction in greenhouse gases as a key to ecologically effective climate protection.

The Group-wide greenhouse-gas accounting system – the tool we use for recording our greenhouse gas emissions – covers three different areas referred to officially as “scopes”:

- Scope 1 covers direct greenhouse gas emissions from sources of emissions at WACKER sites worldwide. Examples of these include production facilities and power plants generating electricity and steam, as well as waste disposal systems and emissions from mobile combustion (vehicles).
- Scope 2 covers indirect greenhouse gas emissions produced by energy suppliers that generate the electricity, steam and heat that WACKER purchases.
- Scope 3 includes all greenhouse gas emissions in the supply chain that are produced upstream or downstream in relation to WACKER. Examples of such emissions include those created by the production or transportation of raw materials, the generation of fuels or by the disposal of end-of-life products. The GHG (Greenhouse Gas) Protocol divides these emissions into 15 categories, with WACKER reporting on those emissions that are relevant to its operations.

We report our indirect emissions from purchased energy (Scope 2) in accordance with both the location-based method (using the national energy mix) and the market-based method (using the supplier-specific energy mix). In its 2022 annual report, WACKER began publishing Scope 3 data as well.

In 2022, we once again forwarded our emissions data to the Carbon Disclosure Project (CDP), which WACKER joined in 2007. In the CDP’s Climate Change Report for the chemical sector, Wacker Chemie AG achieved a score of B as in the previous year (on a scale from A to D, representing the levels Leadership (A), Management (B), Awareness (C) and Disclosure (D)). Registered CDP users can download the details.

» https://www.cdp.net/en/data

D.11 Overview and Explanations of Greenhouse Gases

CO_2-equivalent emissions (kt CO_2e)[1]	2022	2021	2020
Scope 1 (direct emissions), of which:	**1,304**	**1,290**	**1,285**
CO_2 emissions (carbon dioxide)[2]	**1,294**	1,303	1,264
Of which fossil	**1,226.6**	1,247.0	1,208.0
Of which biogenic	**67.4**	56.0	56.0
CH_4 (methane)[3]	**0.7**	0.7	0.8
N_2O (nitrous oxide)	**10.6**	10.6	10.9
HFCs (hydrofluorocarbons)[4]	**66.2**	31.6	65.6
PFCs (perfluorocarbons)	**–**	–	–
NF_3 (nitrogen trifluoride)	**–**	–	–
SF_6 (sulfur hexafluoride)	**0.2**	–	–
Scope 2 (indirect emissions):			
Location-based (kt)[5]	**1,324**	1,390	1,579
Market-based (kt)[6]	**1,930**	**2,357**	**2,340**
Total Scope 3 (indirect emissions), of which:	**6,621**	**6,927**	**7,754**
Upstream activities			
Category 1 – Purchased goods and services	**4,549**	4,844	5,238
Category 3 – Fuel and energy-related activities (not included in Scopes 1 and 2)	**407**	497	1,021
Total of all other upstream activities[7]	**269**	278	281
Downstream activities			
Total of all downstream activities[8]	**1,396**	1,308	1,214

[1] CO_2e = CO_2 equivalents, as defined in the Greenhouse Gas Protocol. CO_2 emissions are measured on the basis of the Greenhouse Gas Protocol of the World Resources Institute and World Business Council for Sustainable Development, "A Corporate Accounting and Reporting Standard" (GHG Protocol).
Scope 1: direct CO_2 emissions.
Scope 2: indirect emissions from the consumption of purchased energy (converted into CO_2 equivalents for purchased electricity, steam and heat).
Scope 3: all greenhouse gas emissions in the value chain that occur upstream and downstream of WACKER.

[2] CO_2 emissions are split into fossil and biogenic sources in accordance with the GHG Protocol. Biogenic emissions arise from the combustion or decomposition of renewable raw materials.

[3] CH_4: methane emissions from fossil sources, without methane emissions from biogenic sources.

[4] The HFC category contains minor quantities of emissions from other partially halogenated HFCs which contribute to the greenhouse effect as well. The GWP factors of the individual substances were used as a basis for calculating the effects of hydrofluorocarbons. The factors range from 5.5 to 14,600 kg CO_2e/kg HFC.

[5] The electricity volumes supplied by the affiliated company Alzwerke GmbH are included in indirect CO_2 emissions in a climate-neutral manner due to the fact that they are not fed into the public electricity grid. Indirect CO_2 emissions also include methane and nitrous oxide emissions converted into CO_2 equivalents. Purchased electricity volumes are converted into CO_2 emissions using emission factors from "CO_2 Emissions from Fuel Combustion," 2021 and 2022 Editions, respectively, issued by the International Energy Agency (location-based).

[6] The electricity volumes supplied by the affiliated company Alzwerke GmbH are included in the indirect CO_2 emissions in a climate-neutral manner due to the fact that they are not fed into the public electricity grid. Purchased electricity volumes are converted into CO_2 emissions using the emission factors of the electricity suppliers (market-based). If the emission factors for the respective suppliers are not available, the residual-mix emission factors are used or the emission factors of the International Energy Agency.

[7] Contains CO_2e emissions in the following categories: 2 (Capital Goods), 4 (Upstream transportation and distribution), 5 (Waste generated in operations), 6 (Business travel), 7 (Employee commuting) and 8 (Upstream leased assets). Due to their much smaller percentages, these are reported in consolidated form only.

[8] In the case of downstream activities, we report in the following categories: 9 (Downstream transportation and distribution), 12 (End-of-life treatment of sold products) and 15 (Investments). As a chemical company, WACKER does not – in line with the GHG Protocol – report any emissions in categories 10 (Processing of sold products) or 11 (Use of sold products). The following Scope-3 categories –13 (Downstream leased assets) and 14 (Franchises) – are not relevant to WACKER and are consequently not recorded.

Scope 1 Emissions

In the reporting year, direct emissions of CO_2e from fossil sources rose by 1 percent year over year. A positive development was the reduction in direct CO_2e emissions from fossil sources at the Burghausen site. On the other hand, greenhouse gas emissions at the Holla site rose due to increased production, and there were unexpected coolant leaks at other sites.

In the cooling units we use in our production processes at many sites, we have been gradually replacing existing coolants with alternative materials that pose as little global warming potential as possible. That helps us keep reducing greenhouse gas emissions from coolant leaks.

Scope 2 Emissions

In 2022, indirect emissions from purchased energy declined year over year despite the larger quantities procured at our production plants in Burghausen and Nünchritz (Germany) and in Holla (Norway).

This was due to the greater quantities of renewable electricity purchased. That enabled WACKER to reduce its indirect CO_2e emissions (Scope 2, market-based) by approx. 18 percent overall in the reporting year.

Location-based Scope 2 emissions also declined further in the reporting period due to the fact that more renewable energy was procured worldwide.

Scope 3 Emissions

To calculate the indirect Scope 3 emissions relevant to WACKER, we use methods in line with the GHG Protocol (Corporate Value Chain Standard) based on WBCSD (World Business Council for Sustainable Development) guidance for chemical-sector companies.

At WACKER, indirect Scope 3 emissions belong predominantly to Category 1 (Purchased goods and services) and Category 3 (Fuel and energy-related activities (not included in Scopes 1 or 2)). In the reporting year, indirect emissions in Category 1 fell by around 6 percent, mainly due to reduced quantities of raw materials and to raw-material purchases with smaller product carbon footprints. In addition, Category 3 emissions decreased by around 18 percent thanks to the greater quantities of renewable electricity purchased, the upstream emissions of which are lower than with electricity from fossil sources. The other upstream categories (2, 4–8) and the downstream categories (9, 12, 15) reported are of minor importance and are thus presented as a single combined figure.

Reduction in Greenhouse Gas Emissions

As we pursue our goal of achieving net zero, we aim to reduce the Group's absolute greenhouse gas emissions (Scopes 1 and 2) to half of our 2020 value by 2030.

D.12 2030 Target: Reduce Absolute CO_2 Emissions (Scopes 1 and 2) by 50%

	2022	2021	2020
Absolute CO_2 emissions (kt CO_2)	**3,235**	3,660	3,626
Absolute CO_2 emissions (%)	**89.2**	100.9	100
Change in %	**–10.8**	0.9	–

During the year under review, reductions in emissions were on the linear trajectory that had been mapped out for a 10-percent reduction in 2022 relative to 2020. The main factors in this were optimized operation of the power plant in Burghausen and increasing use of renewable electricity.

WACKER is also committed to reducing its absolute greenhouse gas emissions from purchased goods and services, such as fuel- and energy-related activities (Scope 3, Categories 1 and 3), by 25 percent between 2020 and 2030.

D.13 2030 Target: Reduce Absolute CO_2 Emissions (Upstream Scope 3, Categories 1 and 3) by 25%

	2022	2021	2020
Absolute CO_2 emissions (kt CO_2)	**4,172**	4,490	5,218
Absolute CO_2 emissions (%)	**80.0**	86.1	100
Change in %	**–20.0**	–13.9	–

During the year under review, emissions (Scope 3) were down 20 percent, so that reductions in emissions were above the linear trajectory that had been mapped out for a 5-percent reduction in 2022 relative to 2020. This was due not only to continually enhanced computational models, but also to the fact that lower quantities of raw materials were used. In addition, we procured raw materials with a smaller carbon footprint as well as an increasing amount of electricity from renewable sources.

Air Pollutants

D.14 Overview and Explanations of Emissions of Airborne Pollutants

t	2022	2021	2020
NO_x (nitrogen oxides)	**2,200**	2,440	2,330
NMVOCs (non-methane volatile organic compounds)	**950**	1,130	890
CO (carbon monoxide)	**508**	487	501
Dust	**415**	428	500
SO_2 (sulfur dioxide)	**1,248**	1,075	1,145

In the reporting period, the Group reduced its nitrogen oxide emissions by 10 percent thanks to significant process improvements at the Holla site and decreased utilization of the power station at Burghausen.

Emissions of non-methane volatile organic compounds (NMVOCs) declined by 16 percent, chiefly due to WACKER POLYMERS' lower production-capacity utilization at Burghausen and Ulsan.

In addition, total dust emissions were reduced by 3 percent, due mainly to continued stable operation of the furnaces at Holla and of the powder-drying facility at Burghausen.

Water

GRI 303-1 | GRI 303-3 | GRI 303-4

Water plays an important role in many of WACKER's production processes, whether for cooling, cleaning or as a formulation component. Safe, cost-effective availability of water, in both the quality and quantity needed, has a substantial effect on the company's added value.

Climate change may increasingly lead to limitations on the available quantity and quality of water.

It follows that water stewardship is a significant part of our sustainability strategy. The WACKER Water Stewardship program we have developed and introduced groupwide takes a systematic approach to water management at our production sites, committing our business divisions and sites to the responsible use of water resources throughout the entire supply chain.

Our water stewardship plays out at the local level, so that we can accommodate the unique circumstances and requirements of the areas where our sites are located. To this end, we focus on the following:

- Giving our production processes a secure supply of water, in a quantity and quality (temperature, substance loads) appropriate to demand – adapted to the ecological capacity of the water reservoir in question
- Treating wastewater safely and preventing harmful substances from entering waterways
- Meeting society's demands for sustainable water use and fulfilling legal and regulatory specifications for water consumption and wastewater/sewage disposal
- Ensuring our production sites can be adapted to physical and regulatory changes both to head off risks to sustainable development and to take advantage of economic opportunities.
- Strengthening the degree to which the production portfolio supports our sustainability efforts by incorporating impacts on water into our WACKER Sustainable Solutions program

In doing so, we are gearing our efforts to international standards such as the EWS (European Water Stewardship), the AWS (Alliance for Water Stewardship) and the WASH (Water, Sanitation and Hygiene) standards.

We also began submitting water data to the CDP in 2018. In 2022, we scored an A- in the CDP's Water Security Report (prior year: B; on a scale from A to D, representing the levels Leadership (A), Management (B), Awareness (C) and Disclosure (D)). Registered CDP users can download the details.

» https://www.cdp.net/en/data

D.15 Overview and Explanations of Water Consumption and Emissions to Water

	2022	2021	2020
Water withdrawal (thousand m³)	**275,489**	273,107	264,077
Utilized by WACKER	**241,383**	237,479	229,930
Supplied to third parties	**34,106**	35,628	34,147
Cooling water volume (thousand m³)	**259,578**	257,172	237,829
Utilized by WACKER	**228,084**	224,293	206,228
Supplied to third parties	**31,494**	32,879	31,601
Wastewater volume (thousand m³)	**17,885**	17,898	16,926
WACKER	**12,685**	12,592	11,142
Third parties	**5,200**	5,306	5,784
COD (chemical oxygen demand) (t)	**1,321**	1,528	1,053
Heavy metals (t)	**1.4**	1.3	1.1
Total nitrogen (t)	**203**	207	171
Total phosphorus (t)	**7.0**	7.8	7.5

In the reporting year, water withdrawal for the Group's own use increased by 2 percent. This rise was attributable chiefly to the weather-related increase in the use of cooling water at the Burghausen site.

Wastewater volume remained on par with the previous year.

The discharge of residual organics in wastewater, expressed es the chemical oxygen demand (COD), fell by 14 percent, due in part to the good performance of the biological wastewater treatment plant at Burghausen.

To assess our water risks, we use the WWF (World Wildlife Fund) Water Risk Filter, which rated the maximum global basin risk of our production sites as 3.8 in 2022 (scale: 1 = no risk, 5 = high risk). The basin risk indicators prescribed by the WWF Water Risk Filter comprise several risk types (physical, regulatory, reputational) subdivided into twelve risk categories. We take the information from this classification into account when analyzing water usage at our sites.

» https://waterriskfilter.panda.org/

Reducing Specific Water Withdrawal

To help decrease the size of our water consumption footprint, we have set ourselves the target of reducing specific water withdrawal by 15 percent across the Group between 2020 and 2030.

D.16 2030 Target: Reduce Specific Water Withdrawal by 15%

%	2022	2021	2020
Specific water withdrawal	**102.2**	98.4	100
Change	**2.2**	–1.6	–

Waste

| GRI 306-1 | GRI 306-2 | GRI 306-3 | GRI 306-3.3 | GRI 306-4 | GRI 306-5 |

In integrated production, we minimize waste by feeding byproducts back into the production loop. WACKER endeavors to avoid waste throughout the product's entire life cycle. Groupwide, we record the volume of waste we generate according to the criteria "to be recycled" and "to be disposed of," as well as "hazardous" and "non-hazardous."

When it comes to solid waste, we prioritize prevention over recycling and recycling over disposal. We see it as one of our ongoing tasks to identify new ways of suitably recycling materials within and outside our sites.

It is very important to us that waste is recycled, treated and disposed of in an environmentally compatible and legally compliant manner. To this end, we monitor the disposal companies that we work with for recycling and disposal, performing regular audits.

Our German sites can use our internal Environmental Information System (EIS) to exchange information on these companies.

The amount of waste rose 6 percent groupwide. Possible reasons for this increase include higher quantities of construction waste at the Burghausen and Amsterdam sites and of residual organics from wastewater treatment at Burghausen and Charleston. Changes in production-related waste streams reflect trends in plant utilization.

D.17 Waste

Waste by type, in metric tons (t)	2022	2021[1]	2020[2]
Total	**192,741**	181,628	200,160
Recycled	**160,538**	150,702	111,280
Hazardous	**60,692**	64,310	–
Non-hazardous	**99,846**	86,392	–
Disposed of	**32,203**	30,926	88,880
Hazardous	**11,612**	11,414	–
Non-hazardous	**20,591**	19,512	–
Hazardous	**72,304**	75,724	96,350
Non-hazardous	**120,437**	105,904	103,810

Recycled waste in the reporting year, in metric tons (t)	Onsite	Offsite	Total
Hazardous waste			
Preparation for reuse	–	287	**287**
Recycling	1	10,228	**10,229**
Other recovery processes	23,771	26,405	**50,176**
Total	23,772	36,920	**60,692**
Non-hazardous waste			
Preparation for reuse	41	12,318	**12,359**
Recycling	44	20,057	**20,101**
Other recovery processes	2,957	64,430	**67,387**
Total	3,042	96,805	**99,847**

Waste disposed of in the reporting year, in metric tons (t)	Onsite	Offsite	Total
Hazardous waste			
Incineration (with energy recovery)	733	758	**1,491**
Incineration (without energy recovery)	4,326	3,704	**8,030**
Landfill	1,389	410	**1,799**
Other waste-treatment processes	22	270	**292**
Total	6,470	5,142	**11,612**
Non-hazardous waste			
Incineration (with energy recovery)	35	545	**580**
Incineration (without energy recovery)	3,907	420	**4,327**
Landfill	5,030	9,716	**14,746**
Other waste-treatment processes	–	939	**939**
Total	8,972	11,620	**20,592**

[1] First-time reporting of waste treatment in accordance with GRI 306 in 2021
[2] The data for 2020 was not reported on the basis of GRI 306.

Soil and Groundwater

GRI 413-2 | **GRI 413-3.3**

Like many other long-standing chemical companies, WACKER has some on-site soil contamination.

To remediate this legacy of contamination, WACKER has been extracting air from the soil at the Burghausen site since 1989. This predominantly removes volatile halogenated hydrocarbons from the soil, which are then disposed of properly.

In addition, since 2003 we have been using a groundwater stripping plant to treat an area of localized groundwater contamination east of the Burghausen site, reducing the concentration of harmful substances there to a tenth of the original concentration. In order to reduce the discharge of hexachlorobutadiene (HCBD) into the tailrace at the Burghausen site, we are continuing groundwater treatment of the site's contaminated areas.

The results of our annual fish contaminant survey at Burghausen indicate that fish from the Salzach river continued to be quite safe to eat in the year under review. The fish were monitored by BNGF GmbH – specialists in nature conservation, waterways and fisheries.

There is likewise some groundwater contamination at our Nünchritz site, which predates WACKER's takeover of the site. Removal was already underway as a part of short-term projects. Pilot measures involved examining purification methods and commencing groundwater treatment. This was followed by an investigation aimed at devising a strategy for further remediation measures; we continued this investigation during the current period under review. In this and in flood protection at the Nünchritz site, we are collaborating closely with local authorities.

Nature Conservation

| GRI 304-1 | GRI 304-2 | GRI 304-3 |

We promote biodiversity through our environmental protection efforts to conserve resources and restore habitats. Burghausen's Site Planning unit develops strategies for limiting land use. We have implemented a site development plan containing a renaturation proposal so as to ensure that we also make use of open spaces, vacant lots and old plants. We carefully assess the impact that site expansions may have on nature and biodiversity and – in consultation with the authorities – implement environmental mitigation programs to offset these impacts.

Covering 232 hectares, our Burghausen plant borders an EU Habitats Directive site along the Salzach river. To check whether the operation of our facilities has any effect on this nature reserve, we regularly monitor our air pollution levels (e.g. nitrogen oxide emissions, NO_x). In this regard, we had an external consultant compile an environmental-exposure register for the site. For the period under review, the results again show that operation of our plant does not impact the preservation and development goals of the reserve near the site.

We are cooperating with the Bavarian State Agency for the Environment in monitoring the presence of the protected Aesculapian snake on our Burghausen site premises. Aesculapian snakes have only been sighted at five locations in Germany, one of which is the Salzach region near Burghausen.

In 2019, WACKER began working with the Landschaftspflegeverband Altötting (Altötting Landscape Conservation Association) in a community project to promote biodiversity at the Burghausen site.

An area of 30,000 square meters along a one-and-a-half-kilometer stretch of the Alz canal between Burgkirchen and Hirten was restored into a habitat where flowers and insects can thrive. At the Burghausen site, land areas totaling over 2,300 square meters have been turned into flourishing meadows as a nourishing habitat for insects.

WACKER and seven other ChemDelta Bavaria companies have joined forces within the Verein Naturnahe Alz (Natural Alz Association), an organization supporting the Bavarian authorities in renaturalizing the Alz river and enhancing its ecosystem in the long term.

» https://www.naturnahe-alz.de/ (in German only)

WACKER is a founding member of the Bavarian Environmental and Climate Pact, in which the Bavarian state government and Bavaria's industry associations have come together to break a lance for environmental protection and climate change mitigation.

Plant and Transport Safety

GRI 2-25 | GRI 403-2 | GRI 403-3 | GRI 403-4 | GRI 403-5 | GRI 403-7

Incident management and Prevention

An important goal at WACKER is to operate plants and processes in a manner that poses no risk to people or the environment. Our Group safety management system addresses occupational and plant safety and crisis management.

The main focus is on prevention. Nevertheless, safety-critical incidents cannot always be prevented. Each WACKER site has an emergency response plan in place for coordinating internal and external emergency response teams and working with the authorities.

The first step in ensuring the safety of our plants is to systematically identify and assess risks. Here we analyze the energy used in processes (e.g. pressure and heat), as well as the effects that individual errors might have on a chain of events that could culminate in the release of a substance or lead to an accident. Using the results of our analyses, we specify safety measures to prevent the occurrence of undesirable incidents.

Across the Group, we promptly record any incident relevant to safety, health or the environment in the IT system we use for sustainability reporting (SPIRIT), evaluate these reports and track the measures taken. We use incident reports that provide learning experience for the Group's other divisions or sites to inform corporate units with similar hazard potential and, if possible, identify measures for improvement.

In addition to continuous evaluation of pipe bridges, a groupwide prevention program focuses on hazards caused by stress corrosion cracking that is difficult to detect. WACKER attaches particular importance to providing its safety experts with ongoing training. We enhance our experts' knowledge of explosion-damage protection by holding interactive online training courses.

We conduct regular training sessions on plant safety and explosion-damage protection, for example. We give special recognition to facilities that operate for sustained periods of time without a reportable accident.

Employees in Germany can use our idea management system to quickly and easily report safety-critical situations. As a result, hazards can be identified and eliminated at an early stage before they lead to an accident.

Once a year, the plant fire departments in Burghausen and Nünchritz conduct emergency drills in tandem with local fire and emergency services. These drills provide a practical opportunity for rehearsing a major emergency response. Afterward, the exercise is analyzed to identify and eliminate any weak points. Training drills are likewise regularly carried out at our major non-German sites, e.g. in China and in the USA.

WACKER's plant fire department in Burghausen also trains fire departments from the local area. It invites the fire departments of other companies and municipalities to WACKER sites, where they can prepare their response to accidents involving dangerous goods. As and when needed, our plant fire department at the Nünchritz site also supports local firefighters responding to major emergencies.

The German chemical industry established its Transport Accident Information and Emergency Response System (TUIS) to provide assistance in the event of chemical accidents. Our experts support this network, which is part of the chemical industry's Responsible Care® initiative.

D.18 Safety- and Environment-Related Incidents – WACKER Group

	2022	2021	2020
Number of environment- and safety-related incidents[1], Group	**35**	39	29
Environment- and safety-related incidents per 1 million hours worked[2], Group	**1.5**	1.7	1.3

[1] Pursuant to the criteria of the European Chemical Industry Council (Cefic Guidance for Reporting on the ICCA Globally Harmonized Process Safety Metric, June 2016)
[2] WACKER Process Safety Incident Rate (WPSIR)

Safe Transport of Hazardous Materials

WACKER ensures that its products are transported safely, especially where hazardous materials are involved. All sites at which WACKER produces and ships goods must comply with locally and internationally applicable transport regulations, as well as with WACKER's own strict safety standards. We ensure their consistent application by means of a groupwide directive on transport safety for chemicals and hazardous goods. An essential element of transport safety is our personnel, who are highly trained both in handling hazardous goods and securing loads.

We have similarly high expectations of our logistics providers – above and beyond statutory regulations, we impose additional requirements in our contracts and comprehensive requirements profiles. If our contractors should deviate from our requirements, we issue formal complaints and demand corrective action to ensure a continuous improvement process.

For products with a high hazard potential, we use packaging and tanks that meet the most demanding quality standards. Some 163,000 tons of hazardous materials were shipped from our German sites in the reporting year. We recorded not a single reportable transport incident involving hazardous goods.

When monitoring the distribution of our products, we also record any transport incidents that do not involve hazardous goods, as well as those that have no negative impact on people or the environment. Such incidents are an important factor in the annual assessment of our logistics providers.

D.19 Transport Incidents in Germany

Number of reportable accidents	2022	2021	2020
Road	–	1	–
Rail	–	–	2
Sea	–	–	2
Inland waterways	–	–	–
Air	–	–	–

Products

Our portfolio includes more than 3,200 specialty chemicals. Our customers come from virtually every major sector. We develop intelligent solutions and trailblazing technologies with the aim of improving people's quality of life around the world. The goal of achieving net zero by 2045 plays an important role here. Responsible stewardship is one of the ways we contribute to the United Nations' Sustainable Development Goals (SDGs) and we use our products to support, in particular, SDG 7 "Affordable and Clean Energy," SDG 9 "Industry, Innovation and Infrastructure" and SDG 13 "Climate Action."

Sustainable Products

GRI 2-6

Thanks to its diverse array of products, WACKER is helping preserve natural resources and reduce greenhouse gases. We are developing not only modern products for the world of tomorrow, but also pioneering solutions, so that these products make a positive contribution to sustainability throughout the entire life cycle. In this way, we are supporting issues affecting the future of our planet, such as renewable energy sources, the future of construction, digitalization, electromobility, nutrition, health and quality of life. Our products can be found in solar modules, cars and building materials, not to mention a great many everyday objects and consumer goods. Our contribution enables our customers to provide even more sustainable solutions for the end market, thereby jointly advancing the transformation toward a more sustainable economy and society.

Transforming the supply chain to create a circular economy will play an increasing role here. We have used the mass balance approach to begin the transformation toward a net zero circular economy. This process allows us to save fossil resources while preserving the quality of our products. Collaboration with customers and business partners is essential to the development of products compatible with the circular economy.

A selection of our sustainable products can be found along with additional information in our new online app WACKER City.

» https://www.wacker.com/cms/en-de/home/home.html

Product Assessment Based on Sustainability Criteria

| GRI 2-23 | GRI 2-25 | GRI 303-1 | GRI 3-3 (301, 302, 303, 304, 305) |

When assessing the sustainability of our products, we take account of economic, environmental and social aspects throughout the entire product life cycle. The tool we use to evaluate our product portfolio is the WACKER Sustainable Solutions program. We also make use of the WACKER ECOWHEEL® and perform life cycle assessments. These enable us to track the progress of a product from its manufacture through to when it leaves the factory gate.

— We use the WACKER ECOWHEEL® to identify key sustainability topics at a qualitative level and, together with our stakeholders, set priorities for research projects. Our evaluations factor in a product's material, water and energy consumption, as well as its ecotoxicity, over the entire life cycle.

— In the WACKER Sustainable Solutions program, we assess the sustainability aspects of our product portfolio in line with the standards set by the World Business Council for Sustainable Development (WBCSD). We study the life cycles of products and their usage under specific regional requirements. As a basis for these assessments, we compile products in what are called PARCs (Product/Product group in one Application in one Region in Combination). We examine toxicological classification, regulatory and social criteria, controversial industries and raw materials, as well as sustainability-related aspects across the entire product life cycle. Every assessed PARC unit is assigned to one of five sustainability categories.

Our target is for 100 percent of our products to fulfill defined sustainability criteria by 2030.

In the reporting period, WACKER earned 90 percent of its sales with sustainable products. For the majority of the remaining products we have defined measures to either improve sustainability performance or replace the product.

» https://www.wbcsd.org/Programs/Circular-Economy/Factor-10/Sector-Deep-Dives/Resources/Chemical-Industry-Methodology- for-Portfolio-Sustainability-Assessments

D.20 2030 Target: 100% of our Products Fulfill Sustainability Criteria

%	2022	2021	2020
Share of sales from products meeting defined sustainability criteria	**90**	89	83

— Our life cycle assessments (LCAs) quantify the environmental impact of our products from their manufacture through to the moment they leave the factory gate. Cradle-to-gate analyses such as these allow us to evaluate the sustainability of our products and production processes, and to improve them accordingly. When preparing an LCA, we take account of all relevant, potentially harmful effects on soil, air and water, as well as all material flows associated with the system in question. That includes raw-material consumption and emissions from supply and disposal processes, from power generation and from transport.

— To this end we have launched a groupwide project that will allow WACKER to automatically calculate the carbon footprint of all of its products by late 2024 and to update this information annually. Calculations will be carried out in compliance with the rules of the Product Carbon Footprint standard defined in the Together for Sustainability initiative.

» https://www.tfs-initiative.com/app/uploads/2022/11/TfS_PCF_guidelines_2022-interactif-pages.pdf

Product Safety

| GRI 416-1 | GRI 416-3-3 | GRI 417.3-3 | GRI 417-1 |

WACKER ensures that all of its products, if used correctly, are free of any risk to human health or the environment. We seek to identify possible risks to health and the environment throughout a product's entire life cycle – from the R&D stage through to production, use and disposal.

WACKER provides information on the safe use of its products. When manufacturing them, we work continually to avoid or reduce our use of any substances harmful to human health and the environment. WACKER also complies with the chemical legislation applicable in the countries to which it ships its products.

As a guide for our product developers, we maintain a list of substances that WACKER products may no longer contain. In addition to prohibited and restricted chemicals (such as materials listed in Annexes XIV and XVII to the REACH Regulation), the list includes substances that many companies find undesirable. As far as possible, we avoid substances on the European Chemicals Agency's List of Substances of Very High Concern (SVHCs).

Evaluating the sustainability of our products also includes the application of "Identifying Substances and Mixtures of Concern" (ISC), a database-based system for systematically assessing the raw materials used in our products. We use ISC to evaluate and improve our product portfolio in terms of health, environmental compatibility and avoiding potential risks (such as SVHCs). We also follow chemical-policy discussions so that we can factor in future changes when developing products and optimizing ingredients.

Product Information

We continually update our product information and promptly incorporate new findings into our risk assessments, which are based on factors such as safety and environmental impact. When REACH requires us to include new findings in the chemical safety report, we adapt our risk assessments accordingly.

When advertising our products and services, we make sure that our brochures, for example, contain verifiable data and precise, legally compliant terminology and wording that reflect current scientific knowledge.

Only some 50 percent of WACKER products require a material safety data sheet (MSDS) by law. We go beyond these requirements and compile these sheets for all our sales products – not just for those classified as hazardous substances.

REACH

The REACH Regulation, which came into force in 2007, governs the registration, evaluation, authorization and restriction of chemicals within the European Union. REACH imposes stringent requirements on the manufacturers, importers and users of chemical products, compelling them to collect comprehensive data. All substances present in the European market in annual quantities exceeding one metric ton must be registered and evaluated. The scope of evaluation work is largely determined by the quantity produced or imported and by the expected risks. Particularly high-risk substances are subject to regulatory approval.

Under REACH, WACKER had submitted 779 new or revised registration dossiers to the European Chemicals Agency (ECHA) from the start of registrations in 2008 through to the end of 2022. In the course of its regular evaluation activities, ECHA required additional information for many of the dossiers, all of which we provided on time in 2022.

WACKER maintains intense contact with the companies that supply its chemical substances. We refer to our data when verifying the registration status and, where necessary, request information to ensure that we use only REACH-compliant raw materials.

To contribute to the safe use of chemicals, ECHA provides substance information on the internet in "Infocards" containing the data from the registration dossiers.

» https://echa.europa.eu/information-on-chemicals

REACH requires a broad range of information on the properties of chemical products, which necessitates an increase in legally mandated animal testing. WACKER makes every effort to avoid animal testing to the greatest possible extent and contracts only those tests that are required by ECHA. Whenever possible, we use recognized alternative methods, such as in vitro tests. We classify substances with similar properties into groups for testing and work within REACH consortia to exchange scientific data with other companies.

As of January 2021, companies within Europe that commercially distribute hazardous substances must supply the ECHA notification system with comprehensive information for poison control centers. The European Commission, ECHA and the chemical industry have been working on technical solutions to this end. WACKER has set up an automatic notification tool and registered roughly 3,880 notifications to ECHA's PCN (Poison Centre Notification) portal as of late 2022.

Nanomaterials

WACKER identifies these materials on the basis of the EU Recommendation on the Definition of Nanomaterial (2011/696/EU). This definition, in turn, is based on standard ISO TC 229 ("Nanotechnologies") and was adopted on January 1, 2020, as part of a fundamental change in how nanomaterials are registered within the framework of the REACH Regulation.

Nanomaterials possess innovative properties that significantly enhance products and processes. As is true of all chemical substances, the possible risk of inhalation, skin contact or ingestion by production staff and users must be taken into account. Nanomaterials do not pose a hazard per se. It is, however, conceivable that their specific physical properties – size and surface area – may entail more pronounced effects on health than larger particles, especially as regards inhalation.

We have recorded all the nanomaterials that we produce or use and assess their hazards and risks in accordance with statutory requirements. We have created an internal measurement strategy to characterize products based on uniform standards.

Most of these products are nanostructured – a classification that includes materials whose internal structures are nanoscale (between 1 and 100 nanometers), but whose external dimensions are greater than the nano-range. Except for their surface-dependent properties, nanostructured materials generally behave similarly to non-nanoparticles.

Nanostructured products include our HDK® pyrogenic silica, a powder that we have sold as a thickening agent, filler and flow enhancer for over 40 years and which we use ourselves. The HDK® product group is part of the synthetic amorphous silica (SAS) substance class. We have collaborated with external scientific institutes to examine its physicochemical properties in detail, and extensive toxicological, eco-toxicological and epidemiological data are available. Due to their solubility, SAS are eliminated effectively from the lung and, consequently, do not exhibit any overloading of the lung's cleaning function or lasting negative effects in the lung.

Genetic Engineering

The chemical industry is increasingly falling back on biotech processes to ensure its products are manufactured sustainably. WACKER is among the companies that exploit the potential of modern molecular biology and genetic engineering methods to produce high-value specialty and performance chemicals right through to complex proteins based on renewable raw materials. For instance, we use a genetically optimized E. coli system (ESETEC®) to produce pharmaceutical proteins as highly specific active ingredients for drugs.

We also prioritize safety when using genetically modified techniques, in that we comply with laws and regulations, industry-wide standards and our own rigorous internal safety provisions. We handle genetically engineered organisms solely in closed systems, which almost prevents anything from being released into the atmosphere. WACKER itself does not make any genetically modified substances, nor does it distribute them.

Research and Development

GRI 2-6

» Refer to the section entitled Further Information on R&D, Employees, Procurement, Production, Sales and Marketing.

Employees

WACKER's success is a team effort, involving the whole workforce. Skilled, committed people keep WACKER innovative and competitive. It is important to us that all our employees enjoy equality of opportunity. We offer attractive compensation, good promotion prospects and a share in our company's success. Personnel matters are dealt with by the corresponding Executive Board committees.

We have defined goals in order to maintain our long-term innovative and competitive strength, and to recruit and retain highly qualified employees. These are:

- Systematically promote health
- Maintain and enhance WACKER's appeal
- Advertise and recruit for professions critical to WACKER's success
- Align in-house vocational training to meet future needs
- Encourage civic engagement, for example by encouraging young people to explore science and engineering

We continue to strengthen our organizational culture by emphasizing the following key topics:

- Empowerment,
- Collaboration, and
- Involvement and performance,
- All of which rest on the pillars of trust and purpose.

Through this initiative, WACKER is advancing the Group's transformation into an even more flexible organization that relies more strongly on the individual responsibility of its employees. Another contribution to this transformation are the open spaces planned for our new headquarters in Munich Werksviertel, a new commercial and residential district, where HQ construction progressed to the point that a topping-out ceremony was held in November of the reporting year.

Employment Structure, Compensation and Social Benefits

| GRI 2-7 | GRI 2-8 | GRI 201-1 | GRI 401-1 | GRI 401-3.3 | GRI 402-1 | GRI 402-3.3 |

The company pursues a flexible personnel-planning strategy in order to deal with production peaks and economic downturns, while at the same time protecting its permanent staff. If measures to reduce personnel costs become necessary, these are decided in close consultation with employee representatives. WACKER regularly informs its employees of current trends within and outside of the Group that could affect business development. Employees receive timely, comprehensive information on material changes in operations, with the company observing its respective national and international duties of disclosure.

Of all employees, 66.3 percent work in Germany, and 33.7 percent in other locations worldwide. Information on the number of employees, personnel costs and retirement benefits is included in the combined management report.

» **Refer to the section entitled Further Information on R&D, Employees, Procurement, Production, Sales and Marketing.**

Personnel costs included outlays for social benefits and the company pension plan totaling €312.6 million (2021: €319.9 million). Aside from a base salary, employees usually receive variable compensation. This voluntary payment to both payscale and non-payscale employees is tied to the attainment of corporate goals.

D.21 Jobs

	2022	2021	2020
Number, groupwide	15,725	14,406	14,283
Germany	10,424	10,006	10,099
International	5,301	4,400	4,184
International (%)	33.7	30.5	29.3
New recruits groupwide	2,541	1,340	798
New recruits groupwide (%)	16.2	9.3	5.6

	2022	2021	2020
Employment contracts, groupwide	**15,725**	14,406	14,283
Permanent employment contracts	**14,504**	13,873	13,845
Temporary employment contracts	**1,221**	533	438

	2022	2021	2020
Temporary workers, groupwide	**188**	150	123
Of whom Germany	**122**	114	92
Of whom international	**66**	36	31
Ratio[1] of temporary workers, groupwide (%)	**1.2**	1.0	0.9
Ratio of temporary workers, Germany (%)	**1.2**	1.1	0.9
Ratio of temporary workers, international (%)	**1.2**	0.8	0.7

[1] Ratio of temporary workers to employees, groupwide

Employee Turnover

Good social benefits, competitive compensation and motivating work make WACKER an attractive employer. That is evident in our employees' many years of service with us. The average length of service in Germany (permanent staff) was 17.4 years (2021: 18.3 years). The average length of service of WACKER's executive personnel was 20.8 years.

D.22 Employee Turnover Rate

%	2022	2021	2020
Germany	**1.1**	2.5	0.9
International	**9.5**	11.0	7.5
Group	**3.7**	5.0	2.7

In its annual satisfaction survey of chemical-industry executives, the VAA (German Chemical Industry Association of Academic and Management Employees) ranked WACKER 12th out of the 22 companies assessed. In the reporting year, VAA member executives gave WACKER an overall score of 2.9, with 1.0 being the highest (in the previous year, WACKER had taken 14th place with a score of 3.0). The average grade for all of the companies surveyed was 2.8, as it was in the previous year.

Personnel Development

| GRI 201-1 | GRI 404-3 | GRI 404. 3-3 |

In the spirit of the UN's Sustainable Development Goal (SDG) 8 – Decent Work and Economic Growth – WACKER encourages its employees to realize their potential, assume responsibility and contribute their own ideas. We support their endeavors by providing basic and advanced training opportunities. We want to provide secure jobs, good employee benefits and a work culture that facilitates a positive work-life balance. It is important to us that all our employees enjoy equality of opportunity. A further aim is to ensure that any employees who are disabled or have chronic health issues are integrated in the workplace over the long term.

In 2022, WACKER invested a total of €7.9 million in Germany in personnel-development activities and advanced training (2021: €5.4 million).

Each Group employee participates in an annual performance review and development meeting with their supervisor. In view of increased expenses for employee recruiting and integration as well as the high workload facing many departments, the employee council and HR agreed to suspend the talent management conference cycle in the reporting year.

The project Digital Access for All provided a personal email address to all WACKER employees who did not previously have one. This means that services can be accessed conveniently via a portal on the intranet and also individually on mobile devices.

Vocational training is a key component of WACKER's personnel-development activities and has always been a focus of its HR strategy. In 2022, 174 young people began apprenticeships at WACKER or at the Burghausen Vocational Training Center (BBiW). With a total of 574 apprentices, WACKER had 4 percent fewer apprentices than the year before (2021: 600). At 5.2 percent, the percentage of trainees (ratio of trainees to Group employees in Germany) is slightly below the previous year's level (2021: 5.7 percent). The Burghausen Vocational Training Center, which celebrated its 50th anniversary in the reporting year, also provides training for companies other than WACKER.

We continually adjust to demographic trends and offer young people long-term prospects. Under a company agreement for WACKER Germany effective until March 31, 2026, apprentices who successfully complete their training and demonstrate appropriate skills will be offered a job.

D.23 Trainees

	2022	2021	2020
Number of new trainees[1]	**174**	172	187
Total number of trainees (all training years)[1]	**574**	600	625
Number of trainees graduating	**183**	186	174
Of whom employed by WACKER[2]	**154**	148	140
Number of retrainees	**–**	–	–
Trainees/retrainees as a percentage of total WACKER Germany workforce (%)[1]	**5.2**	5.7	5.8

[1] Number as of Dec. 31, 2020 (as of Sept. 30, 2020 in the Non-Financial Statement 2020).
[2] In most cases where a trainee was not hired, this was their own preference, e.g. because they were continuing their education at college or university.

Diversity, Inclusion and Equal Opportunity

| GRI 2-7 | GRI 405-1 | GRI 405-3.3 | GRI 406. 3-3 |

WACKER's goal is an unbiased work environment, where every employee can contribute to the company's success – and where employees with disabilities or with an equivalent status are integrated over the long term. Diversity management at WACKER focuses not only on inclusion, but also on the issues of gender and cultural background. WACKER is a member of Germany's Diversity Charter initiative and constantly monitors awareness of the charter's seven dimensions of diversity.

We view human diversity as an asset. We oppose discriminatory or derogatory treatment, for instance, on the basis of gender, race, ethnicity, religion, ideology, disability, sexual orientation or age. These principles are valid throughout the WACKER Group and, as part of our corporate culture, are embodied in our Code of Conduct. Employees can report incidents of potential discrimination – even anonymously. Reports can be made to a supervisor, compliance officer, employee representative or designated HR contact person. Every complaint is investigated, and the reporting party is informed of the outcome. Discrimination incidents are recorded quarterly in the compliance report submitted to the Executive Board. They are also mentioned in the regular reports submitted to the Supervisory Board. We require all employees at our German sites to familiarize themselves with the country's General Equal Treatment Act (AGG) by completing an e-learning course.

In the reporting year, we set new diversity targets for promoting women and internationality in management:

- By the year 2030, roughly one-third of management positions in the WACKER Group should be held by women.
- WACKER is planning to place around every second regional management position outside Germany by 2030.

D.24 2030 Targets: Management Positions – 33% Women, 50% Outside Germany

%	2022	2021	2020
Management positions held by women	**20.6**	18.5	16.9
Management positions outside of Germany	**29.6**	28.5	27.4

D.25 Diversity, Inclusion and Equal Opportunity

	2022	2021	2020
Workforce, groupwide	**15,725**	14,406	14,283
Of whom female	**3,844**	3,451	3,404
Female employees, groupwide (%)	**24.4**	24.0	23.8
Workforce in Germany	**10,424**	10,006	10,099
Of whom non-German	**1,039**	987	1,005
Non-German employees in Germany (%)	**10.0**	9.9	10.0
Employees in middle management, groupwide (managerial level 3)	**3,451**	3,252	3,278
Of whom female	**891**	824	804
Women in middle management, groupwide (%)	**25.8**	25.3	24.5
Executive personnel (OFK), groupwide[1]	**150**	159	169
Of whom female senior executives	**27**	27	25
Female senior executives, groupwide (%)	**18.0**	17.0	14.8

[1] Figures for executives (OFKs) exclude inactive employment contracts and the Executive Board of Wacker Chemie AG

15 percent of Group employees are under 30 years of age; 57 percent are from age 30 to 50 years; 28 percent are over 50.

People from 84 nations work for WACKER. At the end of 2022, 46 out of a total of 150 executives groupwide were of non-German nationality, corresponding to 30.7 percent of the total. A total of 17 nationalities were represented at the senior executive level.

The composition of our management personnel reflects the global nature of our business. In recent years, WACKER has increasingly filled leadership positions in its regions with local employees rather than with executives sent there on assignment from Germany. The main criterion for filling executive positions remains qualification. In Germany, the General Equal Treatment Act (AGG) forbids the selection of personnel based on ethnicity. A similar situation exists in other WACKER regions, such as China and the USA, where we make choices primarily on the basis of qualifications.

Women in Executive Positions

When calculating the proportion of women in management positions pursuant to Section 76 IV of the German Stock Corporation Act (AktG), WACKER focuses on the two levels of management below the Executive Board as depicted in the Wacker Chemie AG organizational chart. With regard to the second reporting level, we decided to include only managerial employees from the highest non-payscale level or those who are OFK executive personnel with responsibility for managing employees. The Declaration on Corporate Management contains information about the proportion of women in management and about how WACKER is implementing the German statute on equal opportunity for women and men in management. We defined a new target for women in the first and second levels of management below the Executive Board. The initial target was 21 percent at the first level and 20 percent at the second. As of December 31, 2022, we reached 25 percent at the first level and 23 percent at the second. Our new target is to ensure that women account for 25 percent at both levels by 2026. In 2022, seven women and ten men held positions on Wacker Chemie AG's Supervisory Board. The Executive Board comprises one woman and three men, which complies with the German Act on Equal Opportunity in Management (FüPoG II).

The Culture & Diversity Committee, whose members are from different departments, has initiated activities for achieving diversity in the Group, for example with information booths and online events. We support the use of gender-sensitive German language usage in the Group and have published a reference document in the intranet that provides a guide for employees as well as a platform for inquiries and suggestions.

The WACKER Women's Circle, an initiative launched by women in the Group, celebrated its tenth anniversary in the reporting year. This Circle raises awareness throughout the Group for diversity and supports women, for example with a mentoring program.

Inclusion

At WACKER, special arrangements are in place for anyone who has disabilities, who has equivalent status or whose health is impaired. To provide targeted support in line with local laws and regulations, WACKER's system of workplace integration management calls for close cooperation between supervisors, employees, Human Resources, employee representatives, representatives of employees with disabilities, and Health Services.

For years, the number of disabled employees at WACKER Germany has exceeded statutory minimum requirements. Even so, we had to pay a low compensatory levy in the reporting year, as not every subsidiary achieved the five-percent target. 89 percent of employees with severe disabilities or with an equivalent status at WACKER Germany are remunerated on the basis of the standard payscale. The average age of disabled employees at WACKER is 51.5. The Burghausen site hired a disabled young person for an apprentice position in the reporting year and we offered regular employment to another disabled apprentice was he successfully completed his training.

Life-Phase-Oriented Work

WACKER offers its employees extensive opportunities to balance their private and professional lives. These include multiple work-time models in Germany, such as working on a trust basis (work-time autonomy); childcare assistance; school-vacation support at Burghausen (our largest site); and one week of "family time" for parents of children under eight or for employees providing caregiving to relatives.

Working conditions in times such as the coronavirus pandemic in particular require flexible responses. We have extended company agreements on remote work at German sites. After obtaining approval from their supervisors, employees have the opportunity of performing an agreed portion of their work remotely.

Our employees have access to a variety of leave options and part-time models for personal situations, such as providing caregiving to family members, pursuing further education or taking a sabbatical. Unpaid leaves of absence are possible for periods of up to two years; for the duration of our Shape the Future efficiency program, that can also be extended by up to four years. These arrangements are based on company agreements and on the "Working Life and Demography" collective-bargaining agreement, and offer employees a wide range of options for balancing their careers with different stages of their lives.

We actively support childcare services and a return to work after maternity/paternity leave, e.g. by offering reintegration workshops. At our German sites, a service provider helps find places for children in kindergartens and day care centers or provides support in finding alternative care options. Whether employees themselves or family members fall ill or need caregiving, employees in Germany can obtain advice from a consultation service.

WACKER's membership in the "Familienpakt Bayern" (Family Pact Bavaria) network, sponsored jointly by the Bavarian government and Bavarian industry, highlights our goal to foster a family-friendly corporate culture.

D.26 Part-Time Employment and Leaves of Absence

	2022	2021	2020
Part-time employees, Germany[1]	**3,379**	3,327	3,195
Of whom women	**1,136**	1,099	1,001
Of whom men	**2,243**	2,228	2,194
Part-time employees, Germany (%)	**32.4**	33.3	31.6
Employees in phased early retirement	**1,435**	1,431	798
Of whom in the passive phase	**669**	522	506

[1] Working less than 100%

	2022	2021	2020
Sabbaticals[1]	**68**	59	73
Additional qualifications[2]	**20**	19	19
Caregiving[3]	**5.0**	4.0	5
Total	**93**	82	97

[1] Time off for personal reasons
[2] Advanced training either part-time alongside work or full-time
[3] Leave to provide care for a family member

Employee Representatives

GRI 2-30

Our employees in Germany make use of their option to unionize. Every WACKER site in Germany has employee representation. WACKER actively nurtures constructive collaboration. In the interests of the company's employees, relations between management and employee representatives are close and constructive. Innovative company agreements are one result of this dialogue.

WACKER employees abroad are free to unionize as well. At non-German sites where there is no (statutory or voluntary) employee representation, the HR department is the contact for employee interests.

As scheduled, employee representatives were elected at the German sites during the reporting year. There are employee representatives at all German sites of Wacker Chemie AG. We do not collect information on individual employees' membership in collective bargaining organizations.

Preventing Corruption and Bribery

| GRI 2-13 | GRI 205-1 | GRI 205-2 | GRI 205-3 | GRI 205-3.3 |

We explicitly commit ourselves to the UN Global Compact's Ten Principles. They include the principles on labor standards, namely upholding the freedom of association (Principle 3), eliminating all forms of forced labor (Principle 4), abolishing child labor (Principle 5) and eliminating discrimination (Principle 6). We also make commitments to our customers to uphold these same labor standards. The sanctions we impose for any proven misconduct in personnel matters are determined by the seriousness of the incident. There were no incidents of note in the reporting year.

Corruption and bribery have no place in our business model. Our principles on this are contained in our Code of Conduct and all WACKER employees are required to follow them. The Chief Compliance Officer reports directly to the president and CEO on compliance issues. The full Executive Board is informed on a quarterly basis of any relevant compliance issues in the Group. In urgent cases, the Executive Board is informed immediately. One principal objective is to ensure that neither the company nor its Executive Board or Supervisory Board are exposed to liability risk.

Compliance training raises employees' awareness of the relevant risks and informs them of rules of conduct applicable to their daily work. It is compulsory for all WACKER Group employees. Whistleblower hotlines provide a means for employees and business partners to report any breaches anonymously.

According to Transparency International's Corruption Perceptions Index (CPI), WACKER generates just under half its sales in countries with a low or very low risk of corruption.

D.27 Corruption and Bribery Incidents

	2022	2021	2020
Prevention			
Number of organizational units examined for corruption/bribery risks	**29**	27	27
Percentage of legal entities examined for corruption/bribery risks	**35**	24	20
Corruption and bribery incidents[1]			
Examined	**–**	–	–
Closed[2]	**–**	–	–
Measures taken in response to corruption and bribery incidents			
Written warnings	**–**	–	–
Termination of employment	**–**	–	–
Number of lawsuits	**–**	–	–
Level of major fines[2] and number of non-monetary penalties	**–**	–	–

[1] Only cases of corruption in the narrow sense (e.g. bribery) are taken into account.
[2] Major fine threshold: from €10,000

Workplace Safety

| GRI 403-1 | GRI 403-2 | GRI 403-3.3 | GRI 403-5 | GRI 403-7 | GRI 403-9 |

Workplace and plant safety are vitally important for WACKER. That is why WACKER defines safety targets together with its executives (upper and middle management) in Germany during its annual target-setting process. Systematic workplace safety includes regular evaluation of hazards and work-area monitoring. We align our processes and standards relating to occupational health and safety with the international ISO 45001 standard. The site in Jincheon, South Korea, is certified to the new ISO 45001:2018 standard.

All our employees are given compulsory safety training tailored to their particular work areas. WACKER Germany, for example, offers over 40 online courses on occupational safety issues. Topics range from general safety guidelines for office and laboratory workers to instruction on safe behavior in potentially explosive atmospheres and the classification of hazardous materials.

The trend in workplace accidents is one of the most important non-financial performance indicators. We have set a goal of keeping the number of workplace accidents to below 2.0 per million hours worked groupwide. The Group's accident rate improved slightly in the reporting year, with 3.5 workplace accidents per million hours worked, compared with 3.6 in the previous year. The relative improvement in Europe's regional accident rate was almost canceled out by an opposing trend in Asia and the Americas. However, our Asian sites continued to report substantially fewer workplace accidents than our sites in Europe and the USA. To lower the accident rate in Europe, we started a safety initiative at our Burghausen and Nünchritz sites involving action days, inspection tours, checklists and a competition of ideas; other German sites joined the initiative in the first quarter of 2023.

In the reporting year, a fatal workplace accident occurred at our Amtala site in India due to an insufficiently secured, temporary hole in the floor of a construction site. As an immediate response, it was decided, among other things, that construction-site areas would be rigorously cordoned off, more detailed assessments performed of the dangers involved in similar work and employees given specific refresher training courses. Alongside these measures, the site launched a safety initiative that focuses on the reporting of near-misses and safety-critical situations. In addition, external and internal safety audits were conducted and action points to raise safety standards were prepared and implemented. Violations of safety regulations will be punished severely.

D.28 Workplace Accidents Involving Permanent Staff and Temporary Workers

	2022	2021	2020
Accident rate: Group – accidents[1] per million hours worked	**3.5**	3.6	3.0
Accident rate: Europe	**4.3**	4.7	3.3
Accident rate: The Americas	**2.3**	1.3	3.2
Accident rate: Asia	**1.4**	0.6	1.3
Chemical accidents with missed workdays[1]	**10**	4	3
Fatal accidents	**1**	–	–

[1] Accidents leading to at least one workday missed

Very few accidents at WACKER involve chemicals. The most common causes are tripping, slipping, falling and lack of care when performing manual activities. We are never satisfied with our accident rate, and we regularly update our workplace safety initiatives.

We raise awareness of employees to help them identify and avoid unsafe behavior through our WACKER Safety Plus (WSP) program, in which we build on elements of successful safety strategies at sites with particularly low accident rates – such as safety patrols, emergency drills and holding discussions with the workforce.

Health Management

| GRI 403-3 | GRI 403-6 |

The health of our employees is extremely important to us and one of our corporate goals is to protect it. What is more, WACKER has signed the Luxembourg Declaration on Workplace Health Promotion in the EU. In doing so, we have undertaken to promote health and to encourage employees to improve their health.

We continue to pay particular attention to measures that help prevent coronavirus infections at the workplace. In this context, our priorities have been safeguarding employee health and ensuring supply continuity for our customers by keeping up production. Wherever feasible, employees worked from home.

At our German sites, we implemented the SARS-CoV-2 Occupational Safety and Health Regulation issued by the Federal Ministry of Labor and Social Affairs in the form of site-specific hazard assessments relating to protection against infection. In work areas that are vital for integrated production and where the prescribed distance could not be kept, employees complied with the requirement to wear a mask valid at a particular time.

The measures taken have proved successful. At workplaces where the provisions on protection against infection were observed, there were no transmissions reported. The number of Group employees infected by the coronavirus was low. We distributed coronavirus self-swabbing tests to employees at our German sites and informed them about the advantages of vaccination. At our German sites, company doctors performed coronavirus vaccinations in accordance with the statutory or official regulations. A vaccination center set up at the Burghausen site conducted 10,000 vaccinations.

Health protection focuses on avoiding adverse influences on employees at the workplace, for example due to hazardous substances. In health promotion, we focus on

- Avoiding back complaints and cardiovascular diseases in our workforce
- Boosting psychological resilience
- Facilitating age-appropriate work
- Providing suitable workplaces for employees with disabilities

When it comes to employee health protection, we take account of the digital transformation of work processes and the higher number of employees working remotely from home or elsewhere. Employees in Germany, for example, are invited to participate in virtual fitness classes for both relaxation and for strengthening their musculoskeletal system.

The key instruments of occupational health and safety include health screenings and health programs. Health Services advises employees on health concerns, in particular their ability to work and to start work again, and provides intensive, long-term assistance to employees with chronic illness, back problems or mental health issues.

We offer comprehensive preventive checkups to middle management and payscale employees over 45 years of age at our sites in Germany. In addition to organ exams, the focus is also on consultations with company doctors to review employees' general health as well as their working environment. Systematic evaluations of stress in the workplace – also from the perspective of occupational psychology – is a standard component of conversations with WACKER company doctors as well as of hazard assessments.

What is more, WACKER employees at the Burghausen, Nünchritz, Munich and Stetten sites can undergo health checks and medical checkups with Health Services and with external service providers under contract with WACKER. Employees receive paid leave for the duration of checkups plus the travel time involved.

The number of recognized occupational diseases at WACKER's sites in Germany is at a very low level. In the past, respiratory diseases and cancer were the most frequent causes of illness; there are some isolated cases where previous exposure to asbestos has caused occupational diseases.

We annually survey indicators of healthcare provision to log incidences of occupational disease at production sites across the Group. No cases of occupational disease were reported at WACKER Germany in the reporting period. The results of the global survey will be available in the second quarter of 2023.

Society

Social Responsibility

| GRI 2-28 | GRI 2-29 | GRI 203-1 | GRI 203-3.3 | GRI 203-2 | GRI 413-1 |

WACKER sees itself as a good corporate citizen – as part of the society in which we live and work. We practice social responsibility, especially in the regions where our sites are located.

Social Issues

Neighbors – corporate citizenship is based on good relations with local communities and neighbors. We are transparent about what happens behind our factory gates. All of our sites worldwide respond to inquiries from the public. Local residents voicing concerns receive prompt and clear answers. Local hotlines and central contact persons are available for such matters. We publish information about our sites in environmental reports and in other brochures.

At some of our sites, we offer local communities free services, such as the Household Hazardous Waste Day at Adrian, Michigan (USA), where neighbors can bring in household chemicals that are not allowed in trash cans.

WACKER supports the regions surrounding its sites by procuring about 90 percent of technical goods and services in the same country where the demand arises.

Donations and sponsorships – Our sponsorship activities focus on education and science. We have sponsored the Institute for Silicon Chemistry at the Technical University of Munich since 2006. In the reporting year, we donated US$ 1 million to the PIE Innovation Center, a training center in Cleveland, Tennessee (USA).

In Munich, WACKER has sponsored a children's and youth charity, The Ark, since 2006, and, in the reporting year, made its 16th regular donation of €100,000, taking the total donated (including special donations) to over €1.6 million. The Ark helps children and adolescents from socially disadvantaged families in the city's Moosach district.

The WACKER Relief Fund is dedicated to providing unbureaucratic, long-term aid, especially in the wake of natural disasters. The fund's board members and trustees work on a voluntary basis. So far, Wacker Chemie AG has matched all employee contributions to the fund. The relief fund uses its cent-donation program to finance ongoing operations at the schools it sponsors. Employees agree to round down their monthly paycheck to the next lower euro amount, and the company matches the cent amounts it collects, thereby doubling its contribution.

During the year under review, the WACKER Relief Fund donated €600,000 to the German Red Cross emergency fund for war victims in the Ukraine. Of this amount, employees donated €280,000, which the company then more than matched. WACKER had previously donated €100,000 directly to the Ukraine emergency fund.

In 2022, WACKER paid €372.1 million in current taxes to governments throughout the world (2021: €255.5 million). In addition to these corporate taxes, governments also receive the personal taxes and social-security contributions paid by our employees.

Schools and universities – WACKER wants to encourage children and young people to explore technology and the natural sciences. As a chemical company, we have a steady demand for outstanding scientists, now and in the future, which is why we support progressive teaching methods and modern approaches to school management. We are a founding member of the Bavarian Educational Pact, a foundation in which the state of Bavaria collaborates with industry to modernize Bavaria's education system. Angela Wörl, our Personnel Director, is a member of the foundation's board of directors. WACKER's CHEM2DO® experiment kit helps us provide free advanced training to science teachers in Germany and Austria on how to experiment in the classroom with silicones and cyclodextrins. Digital chemistry classes are enriched with animations and explanatory videos on curriculum topics such as interactions, hydrophobization, crosslinking and properties of plastics and silicones.

» www.chem2do.de

WACKER places great emphasis on fostering young scientific talent and maintaining close contacts with universities. Our researchers are invited to deliver presentations and lectures at universities. University groups visit our locations to gain insights into work at an industrial company. During the coronavirus pandemic, we increasingly used virtual formats for these activities. Students can write their bachelor's, master's or doctor's theses at WACKER, or work as interns or student employees.

Politics and NGOs

As set out in our Code of Conduct, we are committed to responsible actions and integrity – also in our dealings with political parties and NGOs.

We represent our political interests in a way that is consistent with the positions we have expressed publicly. In our work with political entities, we focus on concrete issues and are open to dialogue with any democratic parties. We regularly extend invitations to politicians for discussions and tours at our sites.

WACKER is involved in shaping energy, climate and industrial policies to ensure a solid financial and planning framework for transforming energy-intensive companies in the direction of a net zero carbon footprint by 2045.

Our ambitious climate change mitigation targets are compatible with the Paris Agreement. Validated by the Science Based Targets initiative (SBTi), they aim to limit the global rise in temperature to 1.5 °C.

» https://sciencebasedtargets.org

WACKER has joined the UN's Race To Zero initiative, thus making a voluntary commitment to meeting the "1.5 °C" target and undertaking to document its progress towards net zero by means of transparent reports.

» https://unfccc.int/climate-action/race-to-zero-campaign

As a globally active company, we support fair and free trade. As an industrial company with high gas and electricity consumption, we need globally competitive energy prices and a secure power supply.

We are involved in the Chemistry4Climate initiative of the German Chemical Industry Association. As a corporate sponsor of the KlimaWirtschaft foundation, we firmly acknowledge the importance of business's role in climate protection.

We work across sectors to find practical ways of putting corporate climate change mitigation into motion.

» https://www.vci.de/themen/energie-klima/chemistry4climate/chemistry4climate.jsp (German-language link only)

» https://www.klimawirtschaft.org/

Work in Associations

National and international associations serve as a platform for our expertise – in particular, Europe's Cefic (European Chemical Industry Council), Germany's VCI (Chemical Industry Association), the European solar association SolarPower Europe and the USA's ACC (American Chemistry Council). Our work with these entities examines issues ranging from plant, product and occupational safety, climate, energy, industrial and environmental policies, to sustainable finance. Our experts are active in trade associations such as Deutsche Bauchemie (German construction-chemicals association), where issues include sustainable construction.

Our Executive Board is represented in the leadership of the German Chemical Industry Association's Technical and Environment Committee, and we are active on the VCI's Sustainability Board and in its Chemie3 initiative.

WACKER CEO Christian Hartel has held the positions of president of the Bavarian Chemical Associations since 2019 and vice president of the Bavarian Industry Association vbw since 2020.

WACKER in Burghausen is a founding member of the ChemDelta Bavaria initiative, which champions improved regional infrastructure in that part of Bavaria. Key topics include double-track upgrades and electrification of local rail routes, as well as a sustainable, secure energy supply in ChemDelta Bavaria.

As a member of the SolarPower Europe association, WACKER is represented on its board of directors. We are committed to further expanding photovoltaics and to sustainable technologies and supply chains in this sector. The association particularly focuses on strengthening European photovoltaic manufacturing.

» https://www.solarpowereurope.org

Respect for Human Rights

We are committed to ensuring that our business activities do not violate, or have any adverse impact on, human rights. We are committed to the UN Global Compact's Ten Principles and thus to protecting human rights and avoiding complicity in human rights abuses. We condemn slavery and all other forms of forced or compulsory labor. We do not use physical violence, mental intimidation or any other form of abuse. In this respect, we follow the OECD Guidelines for Multinational Enterprises, the ILO Core Labor Standards, and the UN Guiding Principles on Business and Human Rights. In the reporting year, we reviewed the changes in German law, in particular the Supply Chain Act (LkSG), in order to update our standards and prepare for additional requirements. We implemented or enhanced the following steps:

- We continued to improve our risk management
- We anchored human rights due diligence in relevant business divisions; we designated or confirmed individuals in charge and refined and supplemented defined processes
- We appointed a human rights officer
- We refined risk analyses for suppliers and the WACKER Group; we defined prevention measures and remedy processes in a more binding manner

- We expanded our existing Supplier Code of Conduct and made it binding
- We adapted training programs for employees
- We prepared a Policy Statement
- We optimized our whistleblower system by tailoring it to internal needs and then introduced it as a digital hotline platform for internal and external contacts

Christian Hartel, our president and CEO, is also responsible for sustainability matters, including human rights. He signs our statement on the UK's Modern Slavery Act, as well as our UN Global Compact Progress Report, and in the future, will sign the yearly report to the relevant German authorities, as required by the Supply Chain Act (LkSG).

The human rights officer monitors risk management and is largely responsible for preparing and improving our human rights strategy, Policy Statement and reporting. Whenever a risk is detected, contact is immediately made with the officer, who then consults with affected departments and recommends corrective measures. The human rights officer reports directly to the president and CEO and presents a report on their activities once a year and as needed. The officer convenes the WACKER Human Rights Committee and nominates its members. This committee assists the officer in analyzing potential impacts on human rights at WACKER and throughout the supply chain. It is also responsible for checking existing management approaches in terms of mechanisms that fulfill a protective and monitoring function, as well as for identifying weak points and meeting the need for information. Experts in sustainable development, compliance, law, human resources, procurement, logistics, sales, and human rights meet in this committee at least four times a year. They review the results of audits and assessments and, where necessary, take action to make improvements. No direct violations of human rights became known during the reporting period.

With the Together for Sustainability (TfS) initiative, we commit our supply chain to human rights aspects and provide training through the TfS Academy.

» https://www.tfs-initiative.com/tfs-academy

EU Taxonomy Regulation

The European Union's Action Plan on Financing Sustainable Growth set out to establish a classification system for sustainable economic activities, formalized in the EU Taxonomy Regulation. This system is intended to help companies subject to the obligation to publish a non-financial report to identify environmentally sustainable activities and standardize their reporting. The taxonomy is intended to play a role in the transition to sustainable finance in that it strengthens the reliability and comparability of sustainability information. EU delegated acts governing fiduciary duties, and investment and insurance advice are designed to advance the European Green Deal's goal of achieving climate neutrality by 2050 by directing capital toward sustainable activities. In its Taxonomy Regulation, the EU has defined six environmental objectives which, in the EU's view, companies can use to determine which of their economic activities may be classified as sustainable. This section addresses the first two objectives that are obligatory for disclosure in the reporting year, namely climate change mitigation and climate change adaptation.

In the 2021 reporting year, we already made these additional disclosures as required by the EU Taxonomy Regulation in line with our obligation to prepare and publish a non-financial report as defined in Sections 289c and 315c of the German Commercial Code (HGB). In accordance with Article 8 (2) of the EU Taxonomy Regulation, we disclosed the proportion of sales (in the sense of turnover as per Regulation (EU) 2021/2178), capital expenditure and operating expenditure classified as environmentally sustainable.

The methodology for the classification of economic activities follows Annex I of Commission Delegated Regulation (EU) 2021/2139 and Commission Delegated Regulation (EU) 2022/1214 supplementing Regulation (EU) 2020/852, with the aid of the NACE codes cited.

The economic activities we have identified fall under the environmental objective "climate change mitigation." We have not identified any economic activities that fall under the environmental objective "climate change adaptation."

Because we identified only those eligible activities falling under the climate change mitigation objective, there is no duplication of eligible sales, CapEx and OpEx in other environmental objectives. In addition, because these KPIs relate to consolidated figures, there is also no duplication across various economic activities.

Economic activities identified as taxonomy-eligible included, in particular, those from the "Manufacture of plastics in primary form" category. This category covers economic activities performed by WACKER POLYMERS (finished products based on polyvinyl acetate), WACKER SILICONES (silicone-based products such as silicone sealants and pyrogenic silica as insulation material) and WACKER BIOSOLUTIONS (the sale of PVAC-based gum base for chewing gum). In addition, the company was able to assign wastewater treatment activities to the economic activity "Construction expansion and operation of wastewater collection and treatment systems," the hydroelectric power plant at Burghausen to the economic activity "Electricity generation from hydropower" and also, as of 2022, the Burghausen power plant to the economic activity "Highly efficient combined heat and power with gaseous fossil fuels."

On the basis of the activities identified as taxonomy-eligible, we assessed the taxonomy alignment of these activities, during the 2022 review period, using defined technical assessment criteria. In this context, a company must prove, firstly, that the relevant activity makes a substantial contribution to climate change mitigation. If this substantial contribution can be demonstrated, the activity must meet additional DNSH (Do No Significant Harm) criteria to ensure that the activity does no significant harm to any other environmental objectives. And finally, proof must be provided that defined social standards known as "minimum safeguards" are observed. These minimum social safeguards have to be verified and ensured for the individual activities in the areas of human rights, corruption, fair competition, and taxation.

Proportion of Taxonomy-Eligible Sales

We assessed the sales figures in the statement of income for each Group company to determine whether they were generated with taxonomy-eligible economic activities under Annex I (substantial contribution to climate change mitigation) and Annex II (substantial contribution to climate change adaptation) of Commission Delegated Regulation (EU) 2021/2139 and Commission Delegated Regulation (EU) 2022/1214, and allocated the relevant proportions of sales to the taxonomy-eligible economic activities.

The sales KPI (in the sense of turnover KPI as per Regulation (EU) 2021/2178) required by the EU Taxonomy Regulation is the proportion of sales from taxonomy-eligible economic activities to total sales in 2022. Our taxonomy-eligible sales under Annex I of Commission Delegated Regulation (EU) 2021/2139 and Commission Delegated Regulation (EU) 2022/1214 supplementing Taxonomy Regulation (EU) 2020/852 can be categorized in particular as the "Manufacture of plastics in primary form" at WACKER POLYMERS, WACKER SILICONES and WACKER BIOSOLUTIONS. A small proportion of sales is attributable to the area of wastewater treatment at the Burghausen site; this wastewater treatment can be allocated to the the economic activity of "Construction, expansion and operation of wastewater collection and treatment systems."

Currently, a large number of upstream products are not covered by the EU Taxonomy Regulation. Therefore, in this reporting period, too, the EU Taxonomy Regulation does not cover WACKER POLYSILICON, whose core product is hyperpure polysilicon – a fundamental building block for highly efficient solar cells and thus a raw material that plays a vital role in the energy transition.

Taxonomy-Eligible Investments

Taxonomy-eligible investments come from capital expenditure (CapEx) associated with an eligible economic activity or a credible plan for expanding or achieving an environmentally sustainable economic activity, or otherwise relating to the purchase of products and services from an eligible economic activity. To determine the CapEx KPI, we calculate the ratio of taxonomy-eligible investments to the sum of additions to property, plant and equipment and intangible assets during the fiscal year before depreciation, amortization and remeasurements, including additions from business combinations.

We identify taxonomy-eligible investments using project descriptions of the additions to property, plant and equipment and intangible assets. The majority of taxonomy-eligible investments at WACKER are attributable to WACKER POLYMERS and WACKER SILICONES. A small portion is attributable to our energy generation from hydropower at the Burghausen site and the wastewater treatment plants at the Burghausen and Nünchritz sites. In the reporting period, we were also able to classify investments in our combined heat and power plant in Burghausen as a taxonomy-eligible activity under Commission Delegated Regulation (EU) 2022/1214.

Taxonomy-Eligible Operating Expenditure

Taxonomy-eligible operating expenditure comprises the cost of maintenance and repairs of property, plant and equipment (including building refurbishment measures), non-capitalized R&D costs, and short-term leases for taxonomy-eligible economic activities. We calculate the OpEx KPI as the ratio of taxonomy-eligible operating expenditure to total direct, non-capitalized costs, which comprise those related to R&D, building refurbishment measures, short-term leases, maintenance and repair, and direct expenditures related to the maintenance of property, plant and equipment to retain functionality. The majority of taxonomy-eligible operating expenditure comprises servicing and maintenance costs at WACKER POLYMERS and WACKER SILICONES, and R&D expenditures. Taxonomy-eligible operating expenditure from the other economic activities for servicing and maintenance is of a subordinate nature.

Taxonomy-Aligned Economic Activities

Our taxonomy-eligible economic activities under Annex I of Commission Delegated Regulation (EU) 2021/2139 and Commission Delegated Regulation (EU) 2022/1214 supplementing Taxonomy Regulation (EU) 2020/852 can be categorized in particular as the “Manufacture of plastics in primary form” at WACKER POLYMERS and WACKER SILICONES.

In this context, we were able to prove that the requirements for a substantial contribution to climate change mitigation are met as regards Criterion c) “manufactured... wholly or partially from renewable feedstock” for one part of the above-mentioned activity.

The corresponding DNSH (Do No Significant Harm) criteria in Appendix C of Annex I were also assessed for the activities identified as taxonomy-aligned, with the result that these criteria were met as well.

It should be noted that, especially when we interpreted the DNSH criteria in Appendix C, the entire production process of each activity was taken into consideration. In complying with the requirements of Appendix C, Point c), which references Regulation (EC) 1005/2009, we refer in particular to Art. 24 (1) and to the terms defined in this regulation. Chloromethane (methyl chloride), which is mentioned in Part B of Annex II, is used as a base material in the manufacture of silicone products. It is produced as an intermediate in a closed system, subsequently reacts in a further process and is no longer present in the finished product. Consequently, it cannot be released either. Within the meaning of Art. 24 (1), use of this substance as a base material is permissible and thus not subject to the ban. In general, the technical departments involved assess

all the substances using well-established processes as regards hazard potential and the regulatory requirements of Appendix C. In order to comply with the requirements of Appendix C, Point f) of Regulation (EC) 1907/2006, all the raw materials used throughout the entire production process are taken into consideration. The use and deployment of these materials is permitted under the applicable regulations and production processes are in place to ensure they are utilized safely. They react during the production process and are no longer present in the final product.

Within the meaning of Annex C, Point f) in connection with Regulation (EC) 1907/2006, the base materials used are essential to silicone production and cannot be replaced as there are no alternatives. Silicone products are essential because they make a key contribution to society. For instance, they are used in wind turbines, in energy supply networks, in electromobility and in various medical applications.

The minimum safeguard requirements for each activity have been complied with in the areas of human rights, corruption, fair competition, and taxation by means of existing and enhanced processes.

As far as the other activities identified as taxonomy-eligible are concerned – namely “Electricity generation from hydropower,” “Construction, extension and operation of waste water collection and treatment” and “Highly efficient combined heat and power with gaseous fossil fuels” – alignment with the taxonomy does not yet have to be proven because the corresponding technical assessment criteria cannot yet be met.

Taxonomy-Aligned Proportion of Sales, Capital Expenditure and Operating Expenditure

The basis for calculation and disclosure of taxonomy-eligible proportions of sales, capital expenditure (CapEx) and operating expenditure (OpEx) in relation to the respective share in total Group sales or total Group capital expenditure or operating expenditure is applied analogously to taxonomy-aligned activities. That is, the individual taxonomy-aligned proportions of sales/CapEx/OpEx are compared with the respective proportion of sales, CapEx or OpEx for the entire Group.

The taxonomy-aligned proportion of sales to total sales of the Group is only 0.08 percent, whereas the proportion of sales from taxonomy-eligible activities is almost 66.4 percent.

There are various reasons for this:

- A proportion of taxonomy-eligible products is already based on renewable raw materials. As no fossil-based technology is being replaced, it is impossible to achieve alignment with the taxonomy.
- Renewable raw materials are not available in sufficient quantities and at competitive prices, making it currently impossible to substitute renewable for fossil-based raw materials.
- Given the large number of different products for a very wide variety of value chains, the large amount of time and effort needed to meet the technical assessment criteria can be provided only in stages.

The same applies to the taxonomy-aligned proportions of capital expenditures and operating expenditures as compared with the respective total figures calculated using a production volume key.

The taxonomy-aligned share of CapEx in total CapEx is 0.01 percent (mainly capital expenditure in plants), as compared with 32.9 percent for taxonomy-eligible CapEx.

At 0.01 percent, the taxonomy-aligned share of OpEx (including maintenance and servicing) in total OpEx is substantially lower than the taxonomy-eligible share of 53.5 percent.

A detailed comparison of these figures is presented in the tables below.

D.29 Sales

Economic activities	Code	Absolute sales* in € million	Proportion of sales %	Taxonomy-aligned proportion of sales, current year %	Taxonomy-aligned proportion of sales, prior year %	Category enabling activities	Category transitional activities
A. Taxonomy-eligible activities							
A.1 Environmentally sustainable activities (taxonomy-aligned)							
Manufacture of plastics in primary form	3.17	6.8	0.08	0.08	–		Y
Total sales from environmentally sustainable activities (taxonomy-aligned)		6.8	0.08	0.08	–		
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)							
Manufacture of plastics in primary form	3.17	5,436.1	66.2				
Electricity generation from hydropower	4.5	–	–				
Highly efficient combined heat and power with gaseous fossil fuels	4.30	–	–				
Construction, extension and operation of waste water collection and treatment	5.3	5.8	0.1				
Total sales from taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)		5,441.9	66.3				
Total (A.1 + A.2)		5,448.7	66.4				
B. Non-taxonomy-eligible activities							
Sales from non-taxonomy-eligible activities	–	2,760.6	33.6				
Total (A + B)		**8,209.3**	**100**				

*Sales (in the sense of turnover as per Regulation (EU) 2021/2178)

		Criteria for a substantial contribution					
Economic activities	Code	Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Bio-diversity and eco-systems %
A.1 Environmentally sustainable activities (taxonomy-aligned)							
Manufacture of plastics in primary form	3.17	100	–	–	–	–	–
Total sales from environmentally sustainable activities (taxonomy-aligned)		100	–	–	–	–	–

Economic activities	Code	DNSH criteria (Do No Significant Harm) Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Bio-diversity and eco-systems Y/N	Minimum safeguards Y/N
A.1 Environmentally sustainable activities (taxonomy-aligned)								
Manufacture of plastics in primary form	3.17	Y	Y	Y	Y	Y	Y	Y
Total sales from environmentally sustainable activities (taxonomy-aligned)								

D.30 CapEx

Economic activities	Code	Absolute CapEx in € million	Proportion of CapEx %	Taxonomy-aligned CapEX proportion, current year %	Taxonomy-aligned CapEx proportion, prior year %	Category enabling activities	Category transitional activities
A. Taxonomy-eligible activities							
A.1 Environmentally sustainable activities (taxonomy-aligned)							
Manufacture of plastics in primary form	3.17	0.05	0.01	0.01	–		Y
Total CapEx for environmentally sustainable activities (taxonomy-aligned)		0.05	0.01	0.01	–		
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)							
Manufacture of plastics in primary form	3.17	297.0	32.63				
Electricity generation from hydropower	4.5	1.0	0.11				
Highly efficient combined heat and power with gaseous fossil fuels	4.30	0.1	0.01				
Construction, extension and operation of waste water collection and treatment	5.3	0.9	0.10				
Total CapEx for taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)		299.0	32.8				
Total (A.1 + A.2)		299.1	32.9				
B. Non-taxonomy-eligible activities							
CapEx for non-taxonomy-eligible activities	–	611.2	67.1				
Total (A + B)		**910.3**	**100**				

		Criteria for a substantial contribution					
Economic activities	Code	Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Bio-diversity and eco-systems %
A.1 Environmentally sustainable activities (taxonomy-aligned)							
Manufacture of plastics in primary form	3.17	100	–	–	–	–	–
Total CapEx for environmentally sustainable activities (taxonomy-aligned)		100	–	–	–	–	–

		DNSH criteria (Do No Significant Harm)						
Economic activities	Code	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Bio-diversity and eco-systems Y/N	Minimum safeguards Y/N
A.1 Environmentally sustainable activities (taxonomy-aligned)								
Manufacture of plastics in primary form	3.17	Y	Y	Y	Y	Y	Y	Y
Total CapEx for environmentally sustainable activities (taxonomy-aligned)								

D.31 OpEx

Economic activities	Code	Absolute OpEx in € million	Proportion OpEx %	Taxonomy-aligned OpEx proportion, current year %	Taxonomy-aligned OpEx proportion, prior year %	Category enabling activities	Category transitional activities
A. Taxonomy-eligible activities							
A.1 Environmentally sustainable activities (taxonomy-aligned)							
Manufacture of plastics in primary form	3.17	0.09	0.01	0.01	–		Y
Total OpEx for environmentally sustainable activities (taxonomy-aligned)		0.09	0.01	0.01	–		
A.2 Taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)							
Manufacture of plastics in primary form	3.17	364.4	52.3				
Electricity generation from hydropower	4.5	1.4	0.2				
Highly efficient combined heat and power with gaseous fossil fuels	4.30	1.6	0.2				
Construction, extension and operation of waste water collection and treatment	5.3	5.7	0.8				
Total OpEx for taxonomy-eligible but not environmentally sustainable activities (non-taxonomy-aligned activities)		373.1	53.5				
Total (A.1 + A.2)		373.2	53.5				
B. Non-taxonomy-eligible activities							
OpEx for non-taxonomy-eligible activities	–	324.0	46.5				
Total (A + B)		697.2	100				

		Criteria for a substantial contribution					
Economic activities	Code	Climate change mitigation %	Climate change adaptation %	Water and marine resources %	Circular economy %	Pollution %	Bio-diversity and eco-systems %
A.1 Environmentally sustainable activities (taxonomy-aligned)							
Manufacture of plastics in primary form	3.17	100	–	–	–	–	–
Total OpEx for environmentally sustainable activities (taxonomy-aligned)		100	–	–	–	–	–

		DNSH criteria (Do No Significant Harm)						
Economic activities	Code	Climate change mitigation Y/N	Climate change adaptation Y/N	Water and marine resources Y/N	Circular economy Y/N	Pollution Y/N	Bio-diversity and eco-systems Y/N	Minimum safeguards Y/N
A.1 Environmentally sustainable activities (taxonomy-aligned)								
Manufacture of plastics in primary form	3.17	Y	Y	Y	Y	Y	Y	Y
Total OpEx for environmentally sustainable activities (taxonomy-aligned)								

Information on Wacker Chemie AG

In addition to the information on the WACKER Group provided in the combined non-financial report, the key indicators for Wacker Chemie AG are given below.

Wacker Chemie AG is the parent company of the WACKER Group and has its headquarters in Munich, Germany. It operates through four business divisions: WACKER SILICONES, WACKER POLYMERS, WACKER BIOSOLUTIONS and WACKER POLYSILICON. Wacker Chemie AG also has corporate departments, which provide services to the Group as a whole. The key performance indicators used in corporate management are implemented groupwide in the business divisions. Corporate goals are defined and reported for the divisions on a groupwide basis. Even though Wacker Chemie AG is an independent entity, no separate key performance indicators are defined or reported for it. That also applies to matters such as sustainability and non-financial performance indicators. For more information, please refer to the respective details provided for the WACKER Group as a whole.

D.32 Energy Consumption

GWh	2022	2021	2020
Electricity consumption	**3,974**	3,927	3,776
Of which			
From on-site generation (fossil)	**948**	1,062	988
From on-site generation (renewable)	**218**	232	248
Energy consumption[1]	**3,834**	4,098	3,785
Of which			
Natural gas[2, 3]	**3,809**	4,071	3,764
Solid fuels[4]	**–**	–	–
Heat supplied by third parties[5]	**25**	27	21

[1] Excluding energy from electricity provided by third parties, self-generated renewable energy and recovered energy
[2] Includes natural gas used for on-site fossil-fuel-based electricity generation
[3] For reporting years beginning in 2020, heat consumption is no longer itemized separately; most of it is contained in the figure for natural gas consumption.
[4] Coal, charcoal and wood; used as reducing agents at the silicon plant in Holla, Norway
[5] Steam and district heating

D.33 Greenhouse Gas Emissions

CO_2-equivalent emissions (kt CO_2e)[1]	2022	2021	2020
Total Scope 1 (direct emissions), of which:	**751**	**780**	**759**
CO_2 emissions (carbon dioxide)[2]	**705**	756	732
Of which fossil	**705**	756	732
Of which biogenic	**–**	–	–
CH_4 (methane)[3]	**0.3**	0.4	0.4
N_2O (nitrous oxide)	**9.8**	9.8	10.0
HFCs (hydrofluorocarbons)[4]	**36.0**	14.2	16.8
PFCs (perfluorocarbons)	**–**	–	–
NF_3 (nitrogen trifluoride)	**–**	–	–
SF_6 (sulfur hexafluoride)	**0.2**	–	–
Scope 2 (indirect emissions):			
Location-based (kt)[5]	**879**	911	1,022
Market-based (kt)[6]	**1,540**	**1,622**	**1,569**

[1] CO_2e = CO_2 equivalents, as defined in the Greenhouse Gas Protocol CO_2 emissions are measured on the basis of the Greenhouse Gas Protocol of the World Resources Institute and World Business Council for Sustainable Development, "A Corporate Accounting and Reporting Standard" (GHG Protocol).
Scope 1: direct CO_2 emissions
Scope 2: indirect emissions from the consumption of purchased energy (converted into CO_2 equivalents for purchased electricity, steam and heat).
[2] CO_2 emissions are split into fossil and biogenic sources in accordance with the GHG Protocol. Biogenic emissions arise from the combustion or decomposition of renewable raw materials.
[3] CH_4: methane emissions from fossil sources, without methane emissions from biogenic sources.
[4] The HFC category contains minor quantities of emissions from other partially halogenated HFCs which contribute to the greenhouse effect as well. The GWP factors of the individual substances were used as a basis for calculating the effects of hydrofluorocarbons. The factors range from 5.5 to 14,600 kg CO_2e/kg HFC.
[5] The electricity volumes supplied by the affiliated company Alzwerke GmbH are included in indirect CO_2 emissions in a climate-neutral manner due to the fact that they are not fed into the public electricity grid. Indirect CO_2 emissions also include methane and nitrous oxide emissions converted into CO_2 equivalents. Purchased electricity volumes are converted into CO_2 emissions using emission factors from "CO_2 Emissions from Fuel Combustion," 2021 and 2022 Editions, respectively, issued by the International Energy Agency (location-based).
[6] The electricity volumes supplied by the affiliated company Alzwerke GmbH are included in the indirect CO_2 emissions in a climate-neutral manner due to the fact that they are not fed into the public electricity grid. Purchased electricity volumes are converted into CO_2 emissions using the emission factors of the electricity suppliers (market-based). If the emission factors for the respective suppliers are not available, the residual-mix emission factors are used or the emission factors of the International Energy Agency.

D.34 Emissions of Air Pollutants

t	2022	2021	2020
NO_x (nitrogen oxides)	**315**	350	400
NMVOCs (non-methane volatile organic compounds)	**440**	540	490
CO (carbon monoxide)	**126**	107	90
Dust	**17**	23	27
SO_2 (sulfur dioxide)	**2**	3	2

D.35 Water Use and Emissions to Water

	2022	2021	2020
Water withdrawal (thousand m^3)	**241,145**	239,815	230,740
Utilized by WACKER	**207,061**	204,211	196,623
Supplied to third parties	**34,084**	35,604	34,117
Cooling water volume (thousand m^3)	**229,696**	228,081	208,536
Utilized by WACKER	**198,202**	195,202	176,935
Supplied to third parties	**31,494**	32,879	31,601
Wastewater volume (thousand m^3)	**15,965**	16,098	15,115
WACKER	**10,771**	10,800	9,333
Third parties	**5,194**	5,298	5,782
COD (chemical oxygen demand) (t)	**794**	1,010	864
Heavy metals (t)	**1.4**	1.3	1.1
Total nitrogen (t)	**202**	206	168
Total phosphorus (t)	**6.4**	7.2	6.9

D.36 Waste

Waste by type, in metric tons (t)	2022	2021[1]	2020[2]
Total	**130,959**	124,575	200,160
Recycled	**116,476**	110,805	111,280
Hazardous	**58,800**	62,567	–
Non-hazardous	**57,676**	48,238	–
Disposed of	**14,483**	13,770	88,880
Hazardous	**9,507**	9,377	–
Non-hazardous	**4,976**	4,393	–
Hazardous	**68,307**	71,944	96,350
Non-hazardous	**62,652**	52,631	103,810

Recycled waste in the reporting year, in metric tons (t)	Onsite	Offsite	Total
Hazardous waste			
Preparation for reuse	–	–	**–**
Recycling	–	9,610	**9,610**
Other recovery processes	23,771	25,419	**49,190**
Total	23,771	35,029	**58,800**
Non-hazardous waste			
Preparation for reuse	–	–	**–**
Recycling	–	14,691	**14,691**
Other recovery processes	2,957	40,028	**42,985**
Total	2,957	54,719	**57,676**

Waste disposed of in the reporting year, in metric tons (t)	Onsite	Offsite	Total
Hazardous waste			
Incineration (with energy recovery)	733	392	**1,125**
Incineration (without energy recovery)	4,326	2,113	**6,439**
Landfill	1,389	330	**1,719**
Other waste-treatment processes	–	224	**224**
Total	6,448	3,059	**9,507**
Non-hazardous waste			
Incineration (with energy recovery)	35	91	**126**
Incineration (without energy recovery)	3,907	178	**4,085**
Landfill	580	184	**764**
Other waste-treatment processes	–	–	**–**
Total	4,522	453	**4,975**

[1] First-time reporting of waste treatment in accordance with GRI 306 in 2021
[2] The data for 2020 was not reported on the basis of GRI 306.

D.37 Environment- and Safety-Related Incidents

	2022	2021	2020
Number of environment- and safety-related incidents[1], Wacker Chemie AG	**19**	28	19
Environment- and safety-related incidents per 1 million hours worked[2], Wacker Chemie AG	**1.2**	1.8	1.2

[1] Pursuant to the criteria of the European Chemical Industry Council (Cefic Guidance for Reporting on the ICCA Globally Harmonized Process Safety Metric, latest version: June 2016)
[2] WACKER Process Safety Incident Rate (WPSIR)

D.38 Workplace Accidents Involving Permanent Staff and Temporary Workers

	2022	2021	2020
Accidents[1] per million hours worked	**4.0**	4.6	3.1
Reportable accidents[2] per million hours worked	**2.1**	2.8	2.1
Chemical accidents with missed workdays[1]	**8**	3	3
Fatal accidents	**–**	–	–

[1] Accidents leading to at least one workday missed
[2] Accidents leading to over three workdays missed

D.39 Number of Employees and Temporary Workers

	2022	2021	2020
Employees	**10,073**	9,724	9,823
Temporary workers	**122**	114	92

TCFD Index (Not Audited)

Topic	Recommended disclosure	Annual Report 2022 – section/note	Other publicly accessible information
Governance	Oversight of the Supervisory Board regarding climate-related risks and opportunities	– For Our Shareholders – Executive Board and Report of the Supervisory Board	– CDP questionnaire – Climate Change 2022, see sections C1.1a, C1.1b, C1.3a
Corporate management disclosure of climate-related risks and opportunities	Role of the Executive Board and senior executives in assessing and managing climate-related risks and opportunities	– Management Report – Goals and Strategies – Non-Financial Report – Management (Sustainability Strategy and Goals)	– CDP questionnaire – Climate Change 2022, see sections C1.2, C1.2a, C1.3a – CDP questionnaire – Water Security 2022, see section W6 – WACKER's SustainaBalance® fact sheet – WACKER's Climate Protection/ CO_2 Management fact sheet
Strategy	Short-, medium- and long-term climate-related risks and opportunities for the company	– Management Report – Goals and Strategies – Management Report – Risk Management Report – Non-Financial Report – Management (Sustainability Strategy and Goals) – Non-Financial Report – Organization (Risk and Compliance Management) – Non-Financial Report - Production	– CDP questionnaire – Climate Change 2022, see sections C2.1a, C2.2a, C2.3, C2.3a, C2.4, C2.4a – CDP questionnaire – Water Security 2022, see sections W4, W7 – WACKER's SustainaBalance® fact sheet – WACKER's Climate Protection/ CO_2 Management fact sheet
Disclosure of actual and potential effects of climate-related risks and opportunities on strategy, business operations and financial planning	Effects of climate-related risks and opportunities on strategy, business operations and financial planning	– Management Report – Goals and Strategies – Non-Financial Report – Management (Sustainability Strategy and Goals) – Non-Financial Report – Organization (Risk and Compliance Management) – Non-Financial Report - Production – Non-Financial Report – Products	– CDP questionnaire – Climate Change 2022,see sections C2.3a, C2.4a, C3.1, C3.2a/b, C3.3, C3.4 – WACKER Sustainable Solutions fact sheet
	Resilience of the company's strategy in the face of different climate scenarios (including a 2 °C increase or more ambitious scenarios)	– Management Report – Goals and Strategies – Management Report – Risk Management Report – Non-Financial Report – Management (Sustainability Strategy and Goals) – Non-Financial Report – Organization (Risk and Compliance Management)	– CDP questionnaire – Climate Change 2022, see section C3.1

Topic	Recommended disclosure	Annual Report 2022 – section/note	Other publicly accessible information
Risk management	Processes for identifying and assessing climate-related risks	– Management Report – Risk Management Report – Non-Financial Report – Organization (Risk and Compliance Management) – Non-Financial Report – Production	– CDP questionnaire – Climate Change 2022, see sections C2.1, C2.1a, C2.2, C2.2a – CDP questionnaire – Water Security 2022, see section W3.3a/b
Disclosure of processes for identifying, assessing and managing climate-related risks	Processes for managing climate-related risks	– Management Report – Risk Management Report – Non-Financial Report – Management (Sustainability Strategy and Goals) – Non-Financial Report – Organization (Risk and Compliance Management) – Non-Financial Report – Production	– CDP questionnaire – Climate Change 2022, see sections C2.2, C2.2a – CDP questionnaire – Water Security 2022, see section W3.3a/b
	How processes for identifying, assessing and managing climate-related risks are integrated into the general risk management process	– Management Report – Risk Management Report – Non-Financial Report – Management (Sustainability Strategy and Goals) – Non-Financial Report – Organization (Risk and Compliance Management) – Non-Financial Report – Production	– CDP questionnaire – Climate Change 2022, see section C2.2 – CDP questionnaire – Water Security 2022, see section W3.3a/b
KPIs and goals	KPIs for assessing climate-related risks and opportunities in accordance with the risk management strategy/ processes	– Non-Financial Report – Management (Sustainability Strategy and Goals) – Non-Financial Report – Organization (Risk and Compliance Management) – Non-Financial Report – Production – Non-Financial Report – Products	– CDP questionnaire – Climate Change 2022, see sections C2.1a, C2.1b, C2.3a, C2.4a – WACKER's Climate Protection/ CO_2 Management fact sheet – CDP questionnaire – Water Security 2022, see sections W4.1, W4.2, W4.3 – WACKER's Water Stewardship fact sheet – WACKER Sustainable Solutions fact sheet
Disclosure of KPIs and goals for assessing climate-related risks and opportunities	Scope-1, Scope-2 and Scope-3 greenhouse gas emissions and related risks	– Non-Financial Report – Management (Sustainability Strategy and Goals) – Non-Financial Report – Organization (Risk and Compliance Management) – Non-Financial Report – Production – Non-Financial Report – Products	– CDP questionnaire – Climate Change 2022, see sections C6, C7 – WACKER's Climate Protection/ CO_2 Management fact sheet – WACKER's Energy Management fact sheet
	Goals for managing climate-related risks and opportunities, including level of goal achievement	– Non-Financial Report – Management (Sustainability Strategy and Goals) – Non-Financial Report – Organization (Risk and Compliance Management) – Non-Financial Report – Production – Non-Financial Report – Products	– WACKER's SustainaBalance® fact sheet – CDP questionnaire – Climate Change 2022, see sections C4, C8 – WACKER's Climate Protection/ CO_2 Management fact sheet – CDP questionnaire – Water Security 2022, see section W.8 – WACKER's Water Stewardship fact sheet – WACKER Sustainable Solutions fact sheet

GRI Index

Wacker Chemie AG has reported on the information given in this GRI content index for the period January 1, 2022 to December 31, 2022, with reference to the GRI Standards. GRI 1: Foundation 2021 was used to compile this report. We use this content index to refer to GRI indicators that are mentioned in the various sections of this report.

We report on those measures we use to implement the principles of the UN Global Compact and to contribute toward the UN Sustainable Development Goals (SDGs). We use this content index to refer to topics of relevance to the Global Compact and the SDGs.

GRI 2: General Disclosures (2021)		References	Global Compact Principles	Sustainable Development Goals (SDG)
THE ORGANIZATION AND ITS REPORTING PRACTICES				
GRI 2-1	Organizational details	Information on the WACKER Group		
GRI 2-2	Entities included in the organization's sustainability reporting	Information on the WACKER Group		
GRI 2-3	Reporting period, frequency and contact point	Information on the WACKER Group		
GRI 2-4	Restatements of information	There were no retroactive restatements of information in the reporting year.		
GRI 2-5	External assurance	Information on the WACKER Group		
ACTIVITIES AND WORKERS				
GRI 2-6	Activities, value chain and other business relationships	Information on the WACKER Group; Sustainability along the Supply Chain; Research and Development; Sustainable Products		
GRI 2-7	Employees	Employment Structure; Compensation and Social Benefits; Diversity, Inclusion and Equal Opportunity		8.5, 10.3
GRI 2-8	Workers who are not employees	Employment Structure; Compensation and Social Benefits		8.5

GRI 2: General Disclosures (2021)		References	Global Compact Principles	Sustainable Development Goals (SDG)
GOVERNANCE				
GRI 2-9	Governance structure and composition	Management Structures		5.5, 16.7
GRI 2-10	Nomination and selection of the highest governance body	Annual Report 2022: Declaration on Corporate Management		5.5, 16.7
GRI 2-11	Chair of the highest governance body	Management Structures		16.6
GRI 2-12	Role of the highest governance body in overseeing the management of impacts	Management Structures; Risk and Compliance Management		16.7
GRI 2-13	Delegation of responsibility for managing impacts	Management; Management Structures; Personnel Responsibility; Risk and Compliance Management; Preventing Corruption and Bribery		
GRI 2-16	Communication of critical concerns	Risk and Compliance Management		
STRATEGY, POLICIES AND PRACTICIES				
GRI 2-22	Statement on sustainable development strategy	Information on the WACKER Group		
GRI 2-23	Policy commitments	Principles and Goals; Ethical Principles; Voluntary Commitments; Controlling Instruments; Product Assessment Based on Sustainability Criteria	7, 10	16.3
GRI 2-24	Embedding policy commitments	Conflict-Free Minerals		
GRI 2-25	Processes to remediate negative impacts	Controlling Instruments; Plant and Transport Safety; Product Assessment Based on Sustainability Criteria		
GRI 2-26	Mechanisms for seeking advice and raising concerns	Voluntary Commitments; Risk Report		16.3
GRI 2-27	Compliance with laws and regulations	Data Protection		
GRI 2-28	Membership associations	Social Responsibility		
STAKEHOLDER ENGAGEMENT				
GRI 2-29	Approach to stakeholder engagement	Information on the WACKER Group; Social Responsibility; Customer Management		
GRI 2-30	Collective bargaining agreements	Employee Representation	3	8.8

GRI 3: Material Topics (2021)		References GRI	Global Compact Principles	Sustainable Development Goals (SDG)
GRI 3-1	Process to determine material topics	Information on the WACKER Group		
GRI 3-2	List of material topics	Information on the WACKER Group		
GRI 3-3	Management of material topics	Integrated Management System		

GRI 200: Economic		References GRI	Global Compact Principles	Sustainable Development Goals (SDG)
GRI 201: ECONOMIC PERFORMANCE (2016)				
GRI 3-3	Management of material topics	Annual Report 2022: Business Model of the Group; Annual Report 2022: Risk Management Structures and Tools; Annual Report 2022: Strategy of the WACKER Group; Annual Report 2022: Value-Based Management Is Integral to Our Corporate Policies		
GRI 201-1	Direct economic value generated and distributed	Annual Report 2022: Statement of Income; Employee Structure; Compensation and Social Benefits; Personnel Development		8.1, 8.2, 9.1, 9.4, 9.5
GRI 201-3	Defined benefit plan obligations and other retirement plans	Annual Report 2022: Notes of the WACKER Group – Notes to the Statement of Financial Position		
GRI 203: INDIRECT ECONOMIC IMPACTS (2016)				
GRI 3-3	Management of material topics	Social Responsibility		
GRI 203-1	Infrastructure investments and services supported	Social Responsibility		5.4, 9.1, 9.4, 11.2
GRI 203-2	Significant indirect economic impacts	Social Responsibility		1.2, 1.4, 3.8, 8.2, 8.3, 8.5
GRI 205: ANTI-CORRUPTION (2016)				
GRI 3-3	Management of material topics	Preventing Corruption and Bribery		
GRI 205-1	Operations assessed for risks related to corruption	Preventing Corruption and Bribery	10	16.5
GRI 205-2	Communication and training about anti-corruption policies and procedures	Preventing Corruption and Bribery	10	16.5
GRI 205-3	Confirmed incidents of corruption and actions taken	Preventing Corruption and Bribery	10	16.5

GRI 300: Environmental		References GRI	Global Compact Principles	Sustainable Development Goals (SDG)
GRI 301: MATERIALS (2016)				
GRI 3-3	Management of material topics	Production/Environmental Protection; Integrated Production – Our Greatest Strength; Product Assessment Based on Sustainability Criteria		
GRI 301-2	Recycled input materials used	Integrated Production – Our Greatest Strength	8	8.4, 12.2, 12.5
GRI 302: ENERGY (2016)				
GRI 3-3	Management of material topics	Production/Environmental Protection; Energy; Product Assessment Based on Sustainability Criteria		
GRI 302-1	Energy consumption within the organization	Energy	7, 8	7.2, 7.3, 8.4, 12.2, 13.1
GRI 302-4	Reduction of energy consumption	Energy	8, 9	7.3, 8.4, 12.2, 13.1
GRI 303: WATER AND EFFLUENTS (2018)				
GRI 3-3	Management of material topics	Water; Product Assessment Based on Sustainability Criteria		
GRI 303-1	Management approach: Interactions with water as a shared resource	Water; Product Assessment Based on Sustainability Criteria		6.3, 6.4, 6.a, 6.b, 12.4
GRI 303-3	Water withdrawal	Water		6.4
GRI 303-4	Water discharge	Water		6.3

GRI 300: Environmental		References GRI	Global Compact Principles	Sustainable Development Goals (SDG)
GRI 304: BIODIVERSITY (2016)				
GRI 3-3	Management of material topics	Nature Conservation; Product Assessment Based on Sustainability Criteria	7	
GRI 304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas	Nature Conservation		6.6, 14.2, 15.1, 15.5
GRI 304-2	Significant impacts of activities, products, and services on biodiversity	Nature Conservation		6.6, 14.2, 15.1, 15.5
GRI 304-3	Habitats protected or restored	Nature Conservation	8	6.6, 14.2, 15.1, 15.5
GRI 305: EMISSIONS (2016)				
GRI 3-3	Management of material topics	Production/Environmental Protection; Emissions; Product Assessment Based on Sustainability Criteria	8	
GRI 305-1	Direct (Scope 1) GHG emissions	Emissions	7, 8	3.9, 12.4, 13.1, 14.3, 15.2
GRI 305-2	Energy indirect (Scope 2) GHG emissions	Emissions	7, 8	3.9, 12.4, 13.1, 14.3, 15.2
GRI 305-3	Other indirect (Scope 3) GHG emissions	Emissions	7, 8	3.9, 12.4, 13.1, 14.3, 15.2
GRI 305-7	Nitrogen oxides (NO_x), sulfur oxides (SO_x), and other significant air emissions	Emissions	7, 8	3.9, 12.4, 14.3, 15.2
GRI 306: WASTE (2020)				
GRI 3-3	Management of material topics	Production/Environmental Protection; Waste		
GRI 306-1	Management approach: Waste generation and significant waste-related impacts	Waste	8, 9	3.9, 6.3, 6.6, 11.6, 12.4, 12.5
GRI 306-2	Management approach: Management of significant waste-related impacts	Waste	8, 9	3.9, 6.3, 8.4, 11.6, 12.4, 12.5
GRI 306-3	Waste generated	Waste	8, 9	3.9, 6.6, 11.6, 12.4, 12.5, 15.1
GRI 306-4	Waste diverted from disposal	Waste	8, 9	3.9, 11.6, 12.4, 12.5
GRI 306-5	Waste directed to disposal	Waste	8, 9	11.6, 12.4, 12.5, 15.1, 3.9, 6.6
GRI 308: SUPPLIER ENVIRONMENTAL ASSESSMENT (2016)				
GRI 3-3	Management of material topics	Sustainability Along the Supply Chain		
GRI 308-2	Negative environmental impacts in the supply chain and actions taken	Processes and Tools; Supplier Assessment	7	

GRI 400: Social		References GRI	Global Compact Principles	Sustainable Development Goals (SDG)
GRI 401: EMPLOYMENT (2016)				
GRI 3-3	Management of material topics	Employment Structure; Compensation and Social Benefits		
GRI 401-1	New employee hires and employee turnover	Employment Structure; Compensation and Social Benefits	6	5.1, 8.5, 8.6, 10.3
GRI 402: LABOR/MANAGEMENT RELATIONS (2016)				
GRI 3-3	Management of material topics	Employment Structure; Compensation and Social Benefits		
GRI 402-1	Minimum notice periods regarding operational changes	Employment Structure; Compensation and Social Benefits	3	8.8
GRI 403: OCCUPATIONAL HEALTH AND SAFETY (2018)				
GRI 3-3	Management of material topics	Workplace Safety		
GRI 403-1	Management approach: Occupational health and safety management system	Workplace Safety		8.8
GRI 403-2	Management approach: Hazard identification, risk assessment, and incident investigation	Plant and Transport Safety; Workplace Safety		8.8
GRI 403-3	Management approach: Occupational health services	Plant and Transport Safety; Health Management		8.8
GRI 403-4	Management approach: Worker participation, consultation, and communication on occupational health and safety	Plant and Transport Safety		8.8, 16.7
GRI 403-5	Management approach: Worker training on occupational health and safety	Plant and Transport Safety; Workplace Safety		8.8
GRI 403-6	Management approach: Promotion of worker health	Health Management		
GRI 403-7	Management approach: Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Plant and Transport Safety; Workplace Safety		8.8
GRI 403-9	Work-related injuries	Workplace Safety		3.6, 3.9, 8.8, 16.1
GRI 404: TRAINING AND EDUCATION (2016)				
GRI 3-3	Management of material topics	Personnel Development		
GRI 404-3	Percentage of employees receiving regular performance and career development reviews	Personnel Development	6	5.1, 8.5, 10.3
GRI 405: DIVERSITY AND EQUAL OPPORTUNITY (2016)				
GRI 3-3	Management of material topics	Diversity, Inclusion and Equal Opportunity		
GRI 405-1	Diversity of governance bodies and employees	Diversity, Inclusion and Equal Opportunity	6	5.1, 5.5, 8.5

GRI 400: Social		References GRI	Global Compact Principles	Sustainable Development Goals (SDG)
GRI 406: NON-DISCRIMINATION (2016)				
GRI 3-3	Management of material topics	Diversity, Inclusion and Equal Opportunity		
GRI 406-1	Incidents of discrimination and corrective actions taken	We do not keep a log of discrimination cases.	6	5.1, 8.8
GRI 407: FREEDOM OF ASSOCIATION AND COLLECTIVE BARGAINING (2016)				
GRI 3-3	Management of material topics	Voluntary Commitments		
GRI 407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	Employee Representation; Processes and Tools; Supplier Assessment	3	8.8
GRI 413: LOCAL COMMUNITIES (2016)				
GRI 3-3	Management of material topics	Soil and Groundwater		
GRI 413-1	Operations with local community engagement, impact assessments, and development programs	Social Responsibility		
GRI 413-2	Operations with significant actual and potential negative impacts on local communities	Soil and Groundwater	1	1.4, 2.3
GRI 414: SUPPLIER SOCIAL ASSESSMENT (2016)				
GRI 3-3	Management of material topics	Sustainability Along the Supply Chain		
GRI 414-2	Negative social impacts in the supply chain and actions taken	Processes and Tools; Supplier Assessment; Conflict-Free Minerals	1, 2	5.2, 8.8, 16.1
GRI 416: CUSTOMER HEALTH AND SAFETY (2016)				
GRI 3-3	Management of material topics	Product Safety		
GRI 416-1	Assessment of the health and safety impacts of product and service categories	Product Safety		
GRI 417: MARKETING AND LABELING (2016)				
GRI 3-3	Management of material topics	Product Safety		
GRI 417-1	Requirements for product and service information and labeling	Product Safety		12.8
GRI 418: CUSTOMER PRIVACY (2016)				
GRI 3-3	Management of material topics	Data Protection		
GRI 418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Data Protection		16.3, 16.10

Limited Assurance Report of the Independent Auditor regarding the combined separate non-financial report

To the Supervisory Board of Wacker Chemie AG, Munich

We have performed a limited assurance engagement on the combined separate non-financial report (further "combined separate non-financial report") of Wacker Chemie AG, Munich (further "Company" or "Wacker Chemie AG"), and the Group for the period from January 1 to December 31, 2022.

Not subject to our assurance engagement are the external sources of documentation, expert opinions, or information, that is not highlighted with a vertical line, mentioned in the combined separate non-financial report. Only the sections highlighted with a vertical line represent the assured content of the combined separate non-financial report.

Responsibilities of Management

Management of the parent company is responsible for the preparation of the combined separate non-financial report in accordance with Sections 315c in conjunction with 289c to 289e HGB ("Handelsgesetzbuch": German Commercial Code) and Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of 18. June 2020 on establishing a framework to facilitate sustainable investment and amending Regulation (EU) 2019/2088 (hereinafter the "EU Taxonomy Regulation") and the Delegated Acts adopted thereunder, as well as for making their own interpretation of the wording and terms contained in the EU Taxonomy Regulation and the delegated acts adopted thereunder as set out in section "EU Taxonomy Regulation" of the combined separate non-financial report.

This responsibility includes the selection and application of appropriate non-financial reporting methods and making assumptions and estimates about individual non-financial disclosures of the group that are reasonable in the circumstances. Furthermore, management is responsible for such internal control as they consider necessary to enable the preparation of a combined separate non-financial report that is free from material misstatement, whether due to fraud or error.

The EU Taxonomy Regulation and the Delegated Acts issued thereunder contain wording and terms that are still subject to considerable interpretation uncertainties and for which clarifications have not yet been published in every case. Therefore, management has disclosed their interpretation of the EU Taxonomy Regulation and the Delegated Acts adopted thereunder in section "EU Taxonomy Regulation" of the combined separate non-financial report. They are responsible for the defensibility of this interpretation. Due to the immanent risk that indeterminate legal terms may be interpreted differently, the legal conformity of the interpretation is subject to uncertainties.

Independence and Quality Assurance of the Assurance Practitioner's firm

We have complied with the independence and quality assurance requirements set out in the national legal provisions and professional pronouncements, in particular the Professional Code for German Public Auditors and Chartered Accountants (in Germany) and the quality assurance standard of the German Institute of Public Auditors (Institut der Wirtschaftsprüfer, IDW) regarding quality assurance requirements in audit practice (IDW QS 1).

Responsibility of the Assurance Practitioner

Our responsibility is to express a conclusion with limited assurance on the combined separate non-financial report based on our assurance engagement.

We conducted our assurance engagement in accordance with International Standard on Assurance Engagements (ISAE) 3000 (Revised): "Assurance Engagements other than Audits or Reviews of Historical Financial Information" issued by the IAASB. This standard requires that we plan and perform the assurance engagement to obtain limited

assurance about whether any matters have come to our attention that cause us to believe that the company's combined separate non-financial report, other than the external sources of documentation, expert opinions, or information that is not highlighted with a vertical line, mentioned in the combined separate non-financial report, are not prepared, in all material respects, in accordance with Sections 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by management disclosed in section "EU Taxonomy Regulation" of the combined separate non-financial report.

In a limited assurance engagement, the procedures performed are less extensive than in a reasonable assurance engagement, and accordingly, a substantially lower level of assurance is obtained. The selection of the assurance procedures is subject to the professional judgment of the assurance practitioner.

In the course of our assurance engagement we have, among other things, performed the following assurance procedures and other activities:

- Inquiries of Group level personnel who are responsible for the materiality analysis in order to understand the processes for determining material topics and respective reporting boundaries for Wacker Chemie AG.
- A risk analysis, including media research, to identify relevant information on Wacker Chemie AG's sustainability performance in the reporting period.
- Reviewing the suitability of internally developed Reporting Criteria.
- Evaluation of the design and the implementation of systems and processes for the collection, processing and monitoring of disclosures, including data consolidation, on environmental, employee and social matters, respect for human rights, and anti-corruption and bribery matters.
- Inquiries of management and relevant employees involved in the preparation of the combined separate non-financial report about the preparation process, about the internal control system related to this process, and about disclosures in the combined separate non-financial report.
- Inspection of selected internal and external documents.
- Analytical procedures for the evaluation of data and of the trends of quantitative disclosures as reported at Group level by all sites.
- Evaluation of local data collection, validation and reporting processes as well as the reliability of reported data based on a sample taken at the site in Burghausen in Germany.
- Assessment of the overall presentation of the disclosures.
- Inquiries of Group level personnel in order to understand the processes for identifying relevant economic activities according to the EU Taxonomy Regulation.
- Understanding the design and implementation of systems and processes for the identification, processing and monitoring of turnover, capital expenditure and operating expense disclosures for taxonomy-eligible and taxonomy-aligned economic activities.
- Evaluation of the process for the identification of taxonomy-eligible and taxonomy-aligned economic activities and the corresponding disclosures in the combined separate non-financial report

In determining the disclosures in accordance with Article 8 of the EU Taxonomy Regulation, management is required to interpret undefined legal terms. Due to the immanent risk that undefined legal terms may be interpreted differently, the legal conformity of their interpretation and, accordingly, our assurance engagement thereon are subject to uncertainties.

Assurance Opinion

Based on the assurance procedures performed and the evidence obtained, nothing has come to our attention that causes us to believe that the combined separate non-financial report of Wacker Chemie AG for the period from January 1 to December 31, 2022 has not been prepared, in all material respects, in accordance with Sections 315c in conjunction with 289c to 289e HGB and the EU Taxonomy Regulation and the Delegated Acts issued thereunder as well as the interpretation by management as disclosed in section "EU Taxonomy Regulation" of the combined separate non-financial report.

We do not express an assurance opinion on the external sources of documentation, expert opinions, or information that is not highlighted with a vertical line mentioned in the combined separate non-financial report.

Restriction of Use

This assurance report is solely addressed to the Supervisory Board of Wacker Chemie AG, Munich.

Our assignment for the Supervisory Board of Wacker Chemie AG, Munich, and professional liability is governed by the General Engagement Terms for Wirtschaftsprüfer (German Public Auditors) and Wirtschaftsprüfungsgesellschaften (German Public Audit Firms) (Allgemeine Auftragsbedingungen für Wirtschaftsprüfer und Wirtschaftsprüfungsgesellschaften) in the version dated January 1, 2017 (https://www.kpmg.de/bescheinigungen/lib/aab_english.pdf). By reading and using the information contained in this assurance report, each recipient confirms having taken note of provisions of the General Engagement Terms (including the limitation of our liability for negligence to EUR 4 million as stipulated in No. 9) and accepts the validity of the attached General Engagement Terms with respect to us.

Munich, March 2, 2023

KPMG AG
Wirtschaftsprüfungsgesellschaft
[Original German version signed by:]

Prof. Dr. Grottel	**Vogl**
Wirtschaftsprüfer	**Wirtschaftsprüferin**
[German Public Auditor]	**[German Public Auditor]**