

## **Declaration of Conformity for 2022 Issued by the Executive Board and Supervisory Board of Wacker Chemie AG**

### **1. General Declaration Pursuant to Section 161 of the German Stock Corporation Act**

The Executive Board and the Supervisory Board of Wacker Chemie AG last issued a declaration pursuant to Section 161 of the German Stock Corporation Act of conformity with the German Corporate Governance Code as amended on December 16, 2019, in December 2021 and updated that declaration in May 2022. Since that time, Wacker Chemie AG has complied with the recommendations of the German Corporate Governance Code (the “Code”) as amended on December 16, 2019, with the exceptions listed below, and it will continue to comply with the recommendations of the Code as amended on April 28, 2022, with the exceptions listed below:

### **2. Exceptions**

#### **a) Disclosure of the Implementation Status of the Skills and Expertise Profile in the Form of a Qualifications Matrix (Recommendation C.1)**

The Supervisory Board in its entirety fulfills the profile of skills and expertise as adopted. The board as a whole has the people, skills, knowledge and experience that enable it to properly oversee the company and provide professional advice to the Executive Board. Suitable candidates who, in the Supervisory Board’s estimation, contribute the requisite skills and expertise, are proposed for election to the Supervisory Board at the shareholders’ meeting. Shareholders and other interested persons can view on the company’s website the published CVs of the Supervisory Board members and candidates and make their own conclusions as to their education, background and suitability for membership of the Supervisory Board. In our view, the preparation and disclosure of a “qualifications matrix” offers no additional insights – all it does is impose additional unnecessary bureaucracy and expense on the company and its Supervisory Board.

#### **b) No Simultaneous Appointment of an Executive Board Member as Supervisory Board Chair of a Non-Group Listed Company (Recommendation C.5)**

Our Executive Board member Dr. Tobias Ohler is chairman of the Supervisory Board of Siltronic AG. Prior to its deconsolidation in March 2017, Siltronic AG was a subsidiary and a business division of Wacker Chemie AG, and Dr. Ohler had specific responsibility for it on the Executive Board. The workload resulting from that function was at least as high then as the workload associated with his activity as Supervisory Board chair is now. We therefore have no reason to assume that Dr. Ohler cannot dedicate sufficient time to either of his two offices. We further consider it wholly appropriate for the largest shareholder of Siltronic AG to appoint the chair of its Supervisory Board.

#### **c) More Than Half of Shareholder Representatives to Be Independent from the Company and Its Executive Board (Recommendation C.7)**

We are making a precautionary declaration of deviation from this recommendation. It states that, when assessing the independence of shareholder representatives, one of the aspects

to be considered should be whether such a Supervisory Board member – or a close family member – has been on the Supervisory Board for more than 12 years. This “excessively long” membership criterion covers five of the eight shareholder representatives on the Supervisory Board of Wacker Chemie AG – with one shareholder representative covered solely by attribution because, even though she herself only joined the Supervisory Board in 2018, she is a close family member of another person who has been on the Supervisory Board for more than 12 years. We view as flawed the premise that being on a company’s supervisory board for more than 12 years constitutes a lack of independence from the company and its executive board. In our opinion, long membership of a supervisory board actually does not necessarily cause a substantial and not merely temporary conflict of interest – which should indeed remain a key criterion for assessing independence. Especially not when such a long membership is merely “attributed” by way of a family relationship. We hold the opposite to be true – namely, that it is highly desirable for our Supervisory Board members to stay with us for a long time. When they do, they gain the indispensable in-depth understanding of the company and its business, competitive environment, opportunities and risks, which in turn fosters advisory and control activities aimed at sustainable, long-term objectives. None of the other indicators of a lack of independence from the company and its Executive Board apply to any of the shareholder representatives.

**d) Independence of the Chair of the Supervisory Board and of the Chair of the Executive Committee (Recommendation C.10)**

The chairman of the Supervisory Board, who simultaneously chairs the Executive Committee, has been on the Supervisory Board for more than 12 years, and a precautionary declaration of deviation from Recommendation C.10 is being made in this respect. We see no indications of impending substantial and not merely temporary conflicts of interest despite this long membership of the Supervisory Board. In fact, the Board and the Committee both benefit from the many years of experience contributed by their chairman.

**e) Time Limitation of Applications for Court-Ordered Appointment of a Supervisory Board Member (Recommendation C.15)**

Pursuant to this recommendation, applications for the appointment of a supervisory board member by the court should be limited in time up to the next annual shareholders’ meeting. We do not comply with this recommendation. Proposals for candidates to be appointed by the court are in any case agreed with the majority shareholder beforehand. Given the majority situation, the election of this same candidate at the next Annual Shareholders’ Meeting would merely constitute a confirmation of that candidate’s appointment, which we consider redundant.

**f) Formation of a Nomination Committee within the Supervisory Board (Recommendation D.4)**

The recommendation requires a supervisory board to establish a nomination committee that is composed exclusively of shareholder representatives and whose task it is to name suitable candidates to the supervisory board for its proposals to the annual shareholders’ meeting. We do not comply with this recommendation because, in view of our shareholder structure, we do not believe that the formation of such a committee is appropriate. Due to

the majority situation, nominations to the Supervisory Board must in any case be agreed with the majority shareholder, so that an additional nomination committee would not serve to increase efficiency.

**g) Specification of Performance Criteria Governing Variable Compensation for the Forthcoming Fiscal Year (Recommendation G.7)**

We believe it makes sense to determine variable compensation for the forthcoming fiscal year at the same Supervisory Board meeting that decides on variable compensation for the past fiscal year. That meeting is the March meeting of the Supervisory Board. It is also the meeting at which the performance criteria governing variable compensation are specified. This procedure has proven its worth in the past, and we believe it is not efficient to deal with the decision on performance criteria and the decision on target and maximum variable compensation at two separate meetings. For this reason, we do not comply with the recommendation that the performance criteria for all variable compensation components should be specified for the forthcoming fiscal year.

Munich, December 2022