

# Welcome to your CDP Water Security Questionnaire 2023

## W0. Introduction

### W0.1

#### **(W0.1) Give a general description of and introduction to your organization.**

WACKER is a global company with state-of-the-art specialty chemical products found in countless everyday items, ranging from tile adhesives to solar cells. Our portfolio includes more than 3,200 products supplied in over 100 countries with a total revenue of 8,209.3 Mio € in 2022. Most of our products are based on the main raw materials silicon metal (metallurgical grade), ethylene, methanol, vinyl acetate monomer (VAM) and speciality silanes & siloxanes. Our main customers are in the chemical, construction, electrical, electronics and photovoltaic sectors.

WACKER's integrated global production system consists of 27 production sites with in total 15,725 employees. Ten sites are in Europe, eight in the Americas and nine in Asia. The Group's key production location is Burghausen (Germany).

A key competitive advantage for WACKER is the highly integrated material loops at its major production sites in Burghausen, Nünchritz, Charleston and Zhangjiagang. The basic principle of integrated production is to use the by-products from one stage as starting materials for making other products. The auxiliaries required for this, such as silanes, are recycled in a closed loop. Waste heat from one process is utilized in other chemical processes. Integrated production cuts energy and resource consumption, lastingly improves raw material use and makes environmental protection an intrinsic part of the production process.

Overall, the range of products and services at each of our divisions remained unchanged in 2022. In several application areas, however, we expanded our product portfolio.

#### WACKER SILICONES

is the business division with the broadest range of products. Two raw materials – silicon metal and methanol – are the basis for making over 2,800 silicone products in seven product groups: silanes, siloxanes, silicone fluids, silicone emulsions, silicone elastomers, silicone resins and pyrogenic silica. Silicones have numerous chemical, mechanical and tactile properties that can be precisely adjusted and newly combined time and again. No other synthetic material offers this kind of versatility and range of applications. Silicones are extremely durable, stress-resistant, water-repellent and UV-resistant. They are just as indispensable in everyday applications as they are in developing innovative, new technologies.

#### WACKER POLYMERS

makes state-of-the-art binders and polymeric additives (such as dispersible polymer powders and dispersions). They are used in diverse industrial applications or as basic chemicals. The main customer for polymer binders is the construction industry. Other customers include the paint, coating, paper and adhesive industries.

#### WACKER BIOSOLUTIONS

supplies customized biotech and catalogue products for fine chemicals. Products include pharmaceutical proteins, vaccines, cyclodextrins, cysteine, polyvinyl acetate solid resins (for gumbase) and acetylacetone. The division focuses on customer-specific solutions for growth areas, such as pharmaceutical actives, food additives and agrochemicals.

WACKER POLYSILICON produces hyperpure polysilicon for the semiconductor and solar sectors.

WACKER uses water resources as raw material, solvent and coolant in many technical and chemical processes. Therefore, availability of water is crucial for securing production processes at all of our production sites globally. Most of our production sites are located in water basins with a medium to low water risk. Nevertheless, with ongoing climate change water availability becomes a serious risk there as well.

Therefore, our water strategy addresses a responsible and efficient handling of water. We set up a target to reduce the specific water withdrawals by 15% until 2030. By introducing the WACKER water management system we ensure a structured approach to improve WACKER's water performance.

Please note that in this questionnaire we may make statements which contain predictions, estimates or other information which are forward-looking statements. These statements are based on current expectations and certain assumptions and are therefore subject to certain risks and uncertainties. Some of these risks and uncertainties are beyond WACKER's control and could cause the actual results to differ materially from results, performances or achievements that may be expressed or implied in such forward-looking statements. WACKER may not update those risk factors, or the forward-looking statements made during this data gathering, nor does it assume any obligation to do so.

## W-CH0.1a

### (W-CH0.1a) Which activities in the chemical sector does your organization engage in?

Bulk organic chemicals

Bulk inorganic chemicals

Specialty organic chemicals

Specialty inorganic chemicals

Other, please specify

Org. Precursors, Polysilicon, Silanes and Silicones, such as fluids, elastomers, resins and emulsions

## W0.2

### (W0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date
--	------------	----------

Reporting year	January 1, 2022	December 31, 2022
----------------	-----------------	-------------------

## W0.3

**(W0.3) Select the countries/areas in which you operate.**

- Brazil
- China
- Czechia
- Germany
- India
- Japan
- Netherlands
- Norway
- Republic of Korea
- Spain
- United States of America

## W0.4

**(W0.4) Select the currency used for all financial information disclosed throughout your response.**

- EUR

## W0.5

**(W0.5) Select the option that best describes the reporting boundary for companies, entities, or groups for which water impacts on your business are being reported.**

- Companies, entities or groups over which financial control is exercised

## W0.6

**(W0.6) Within this boundary, are there any geographies, facilities, water aspects, or other exclusions from your disclosure?**

- Yes

## W0.6a

**(W0.6a) Please report the exclusions.**

Exclusion	Please explain
Administrative sites, sales offices and technical centers are not included.	Administrative sites, sales offices and technical centers without production facilities contribute to less than 1% of WACKER's total water use or consumption and are thus excluded.

## W0.7

**(W0.7) Does your organization have an ISIN code or another unique identifier (e.g., Ticker, CUSIP, etc.)?**

Indicate whether you are able to provide a unique identifier for your organization.	Provide your unique identifier
Yes, an ISIN code	DE000WCH8881

## W1. Current state

### W1.1

**(W1.1) Rate the importance (current and future) of water quality and water quantity to the success of your business.**

	Direct use importance rating	Indirect use importance rating	Please explain
Sufficient amounts of good quality freshwater available for use	Vital	Important	<p><b>DIRECT USE</b></p> <p>Water is an extremely precious resource – not only as drinking water, but also as a raw material, solvent and coolant in many technical / chemical processes. We use water sparingly and protect natural water resources. We aim to re-use or recirculate water in our processes. We make sure that this multiple use does not increase energy consumption or negatively impact the environment. In many of our production processes, water plays an essential role (for cooling, cleaning, or as component of formulations). Its reliable and economical availability in quantity / quality makes a significant contribution to the company's value creation.</p> <p><b>INDIRECT USE</b></p> <p>We support the UN Global Compact initiative and the principles of the chemical industry's global Responsible Care initiative. We expect our suppliers also to observe these principles. This is part of our general terms and conditions of procurement. We joined the "Together for Sustainability" (TfS) initiative in 2015 in order to assess, test and improve sustainability practices in our supply chain, including aspects such as use of</p>

			<p>local water resources, e.g. for the production of our raw materials. Furthermore, our suppliers provide evidence of their sustainability performance by an assessment performed by EcoVadis.</p> <p>The aspect of indirect use will become more important, which is reflected in our corporate goal, that all our key suppliers should meet our required sustainability standards by 2030. Non-compliance to these standards will result in competitive disadvantages. The importance of this aspect is not only based on our own expectations (strategic goals) but also because our customers demand evidence that we observe these environmental principles also in our supply chain.</p>
Sufficient amounts of recycled, brackish and/or produced water available for use	Vital	Important	<p><b>DIRECT USE</b></p> <p>Water is an extremely precious resource – not only as drinking water, but also as a raw material, solvent and coolant in many technical / chemical processes. We use water sparingly and protect natural water resources. We aim to re-use or recirculate water in our processes. We make sure that this multiple use does not increase energy consumption or negatively impact the environment. In many of our production processes, water plays an essential role (for cooling, cleaning, or as component of formulations). Its reliable and economical availability in quantity / quality makes a significant contribution to the company's value creation.</p> <p><b>INDIRECT USE</b></p> <p>We support the UN Global Compact initiative and the principles of the chemical industry's global Responsible Care initiative. We expect our suppliers also to observe these principles. This is part of our general terms and conditions of procurement. We joined the "Together for Sustainability" (TfS) initiative in 2015 in order to assess, test and improve sustainability practices in our supply chain, including aspects such as use of local water resources, e.g. for the production of our raw materials. Furthermore, our suppliers provide evidence of their sustainability performance by an assessment performed by</p>

			<p>EcoVadis.</p> <p>The aspect of indirect use will become more important, which is reflected in our corporate goal, that all our key suppliers should meet our required sustainability standards by 2030. Non-compliance to these standards will result in competitive disadvantages. The importance of this aspect is not only based on our own expectations (strategic goals) but also because our customers demand evidence that we observe these environmental principles also in our supply chain.</p>
--	--	--	--

## W1.2

**(W1.2) Across all your operations, what proportion of the following water aspects are regularly measured and monitored?**

	% of sites/facilities/operations	Frequency of measurement	Method of measurement	Please explain
Water withdrawals – total volumes	100%	Continuously	Large sites determine their main water volumes using online water flowmeters. Smaller sites typically have a mechanical flowmeter and receive a water bill from their water service providers once a year.	WACKER uses the internal KURT database (Kennzahlen- und Reporting-Tool) which is a software based on SAP and is designed to collect and to record the data of water withdrawals (as the sum of drinking and process water, including cooling water) for all production sites. Large sites determine their main water volumes using online water flowmeters. Smaller sites typically have a mechanical flowmeter and

				<p>receive a water bill from their water service providers once a year. We do not monitor water consumption for administrative sites (see W 0.6a). Each data provider enters their figures from the above sources into the KURT database. Data from the database is verified and processed once a year for various reporting requirements (e.g., annual report, sustainability report, legal reporting requirements). The data for the Annual Report are verified by an external auditor (limited assurance).</p>
Water withdrawals – volumes by source	100%	Continuously	The quantities are either measured via online water flow meters or billed once a year by the water supplier or determined by own calculations.	Source data are known at all sites and are summarized annually across the group in the KURT group database. The quantities are either measured via online water flow meters or billed once a year by the water supplier or determined by own calculations. The

				volumes by sources are listed in item W1.2h
Water withdrawals quality	100%	Daily	<p>If sites withdraw water by themselves the water quality is measured according to local legal requirements and process quality demands. The typical parameters are measured daily, weekly or monthly with methods and equipment which are state of the art.</p> <p>If water is withdrawn by 3rd parties water quality is checked by spot-checks which are confirmed by lab testing if required, to prove that water quality is within specification. Used methods and equipment are state-of-the-art.</p>	<p>If sites withdraw water by themselves the water quality is measured according to local legal requirements and process quality demands. Typical parameters are chemical oxygen demand, conductivity, and suspended solid. They are measured daily, weekly or monthly, depending on the requirements at the site with methods and equipment which are state of the art.</p> <p>For instance, at our biggest production site Burghausen, Germany, we use continuous online measurements to not only monitor our withdrawal volumes but also water quality values such as temperature and turbidity. Samples are taken weekly to conduct on site lab testing for parameters such as TSS and TDS.</p>



				<p>In Burghausen we use own extensive lab facilities and our own expert groups for these sampling activities.</p> <p>If water is withdrawn by 3rd parties water quality is checked by spot-checks which are confirmed by lab testing if required, to prove that water quality is within specification. Used methods and equipment are state-of-the-art.</p>
Water discharges – total volumes	100%	Continuously	Cooling-water discharges and wastewater discharges are recorded daily at large sites using water flow meters. At smaller sites, they are calculated once a year, mainly based on the volume of purchased water.	Cooling-water discharges and wastewater discharges are recorded daily at large sites using water flow meters. At smaller sites, they are calculated once a year, mainly based on the volume of purchased water. At WACKER, this data is recorded at site level once a year using the Group's KURT database
Water discharges – volumes by destination	100%	Continuously	The water discharge quantity arriving at the destinations is	Water discharge destinations are known at all sites. The water discharge quantity

			either measured by online flowmeter or determined by weighing at each disposal.	arriving at the destinations is either measured by online flowmeter or determined by weighing at each disposal. The volumes are summarized annually across the group in the KURT group database. The volumes by destinations are listed in item W1.2i.
Water discharges – volumes by treatment method	100%	Daily	Cooling-water discharges and wastewater discharges are recorded daily at large sites using water flow meters. At smaller sites, they are calculated once a year, mainly based on the volume of purchased water.	Data regarding treatment method of waste water is known at all sites and it is collected once a year group wide in the group database KURT. Cooling-water discharges and wastewater discharges are recorded daily at large sites using water flow meters. At smaller sites, they are calculated once a year, mainly based on the volume of purchased water.
Water discharge quality – by standard effluent parameters	100%	Daily	Water discharge quality is measured acc. to local legal requirements and process quality demands. We conduct extensive	If a site operates a WACKER owned wastewater treatment plant, water discharge quality is measured acc. to local legal requirements and process quality

			<p>monitoring activities with in-situ online analytics (TOC, total P, etc.). This is supported by manual sampling and on-site lab analysis. Our rain- and cooling water discharge is monitored by online-monitoring (pH-value, conductivity, turbidity, and TOC).</p>	<p>demands. Typical parameters are COD, total N / P and TSS. They are measured daily, weekly, or monthly, depending on legal requirements with state of the art methods and equipment. At our production site in Burghausen, Germany, we conduct extensive monitoring activities with in-situ online analytics (TOC, total P, etc.). This is supported by manual sampling and on-site lab analysis. Our rain- and cooling water discharge is monitored by online-monitoring (pH-value, conductivity, turbidity, and TOC). If wastewater is discharged to 3rd parties it is checked by spot-checks to prove that wastewater quality is within specification. Used methods and equipment are state-of-the-art and include sampling and lab analysis. Typical parameters</p>
--	--	--	---	---

				are COD, total N / P and TSS. Data is collected and verified from all sites once a year in our database KURT.
Water discharge quality – emissions to water (nitrates, phosphates, pesticides, and/or other priority substances)	100%	Daily	Water discharge quality is measured acc. to local legal requirements and process quality demands. We conduct extensive monitoring activities with in-situ online analytics (TOC, total P, etc.). This is supported by manual sampling and on-site lab analysis. Our rain- and cooling water discharge is monitored by online-monitoring (pH-value, conductivity, turbidity, and TOC).	If a site operates a WACKER owned wastewater treatment plant, water discharge quality is measured acc. to local legal requirements and process quality demands. Typical parameters are COD, total N / P and TSS. They are measured daily, weekly, or monthly, depending on legal requirements with state of the art methods and equipment. At our production site in Burghausen, Germany, we conduct extensive monitoring activities with in-situ online analytics (TOC, total P, etc.). This is supported by manual sampling and on-site lab analysis. Our rain- and cooling water discharge is monitored by online-monitoring (pH-value,

				<p>conductivity, turbidity, and TOC).</p> <p>If wastewater is discharged to 3rd parties it is checked by spot-checks to prove that wastewater quality is within specification. Used methods and equipment are state-of-the-art and include sampling and lab analysis. Typical parameters are COD, total N / P and TSS. Data is collected and verified from all sites once a year in our database KURT.</p>
Water discharge quality – temperature	100%	Continuously	<p>We monitor the temperature of the water by using state-of-the-art online temperature measuring equipment. At sites with discharge to third parties the temperature of the discharged water is measured by the third party depending on their demand and specification.</p>	<p>At large sites where we have a direct discharge of cooling water or treated wastewater, we monitor the temperature of the water by using state-of-the-art online temperature measuring equipment. At smaller sites with direct water discharge, we monitor the temperature of the water by using state-of-the-art measurement</p>

				<p>equipment, e.g. by in-situ resistance temperature sensors (PT100) either continuously or in defined intervals (e.g. during daily site walks).</p> <p>Depending on legal requirements and operational demands the rhythm is daily, weekly, monthly or spot-checks. At some sites conduct measurements and monitoring although there are no local legal requirements. We like to ensure that the thermal load does not affect the receiving ecosystem. The documentation of the temperature monitoring is done locally at each site. At sites with discharge to third parties the temperature of the discharged water is measured by the third party depending on their demand and specification.</p>
Water consumption – total volume	100%	Yearly	Water consumption is determined at	Water consumption (mainly water in products and

			WACKER by calculation and mass balance on plant level. This data is aggregated once a year to site level	evaporated water) is determined at WACKER by calculation and mass balance on plant level. This data is aggregated once a year to site level and by using the Group's KURT database to group level. The data are processed and reported in various reports.
Water recycled/reused	100%	Yearly	Calculated on plant level once a year by using technical equipment data of the circulation pumps and their running time.	Recycled/reused water in cooling water and scrubbers' circuits at WACKER are calculated on plant level once a year by using technical equipment data of the circulation pumps and their running time. Other recycled/reused water is determined by metering or calculation once a year. The recycled/reused water at the site is calculated once a year from the above inputs and recorded using the group's KURT database
The provision of fully-functioning, safely managed	100%	Yearly	The WASH principles have to be evaluated and re-assessed	WACKER has Group health standards covering risk assessment,

<p>WASH services to all workers</p>			<p>annually at each site, if necessary.</p>	<p>occupational hygiene, occupational health examinations, protection of pregnant women, vaccinations, travel medicine, first aid and emergency management, workplace health promotion, pandemic preparedness, etc. As part of these standards, WACKER provides its employees with clean drinking water and sanitary facilities group-wide. In 2022, in addition to the customary and legal regulations at all sites, we will introduce a group-wide Water Stewardship program including the WASH principles. The WASH principles have to be evaluated and re-assessed annually at each site by means of a predefined questionnaire / checklist. A specialist committee at the site discusses and describes the</p>
-------------------------------------	--	--	---	---



				<p>conditions at the site regarding WASH and can seek advice from the specialist departments in Burghausen. Deviations or gaps arising from the WASH assessment are examined annually during the water stewardship process, evaluated and remedied if necessary.</p>
--	--	--	--	--

## W1.2b

**(W1.2b) What are the total volumes of water withdrawn, discharged, and consumed across all your operations, how do they compare to the previous reporting year, and how are they forecasted to change?**

	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Please explain
Total withdrawals	246,583	About the same	Increase/decrease in business activity	Lower	Investment in water-smart technology/process	The "water withdrawal" in 2022 has been collected for the entire WACKER group with our SAP-based environmental database "KURT". The values are mostly based on flow meter readings or 3rd party billings. We generally

						<p>observe a certain fluctuation of water withdrawal quantities from year to year. This can be attributed to operational changes, production rate variations, seasonal influences and metering deviations. From 2021 to 2022 we see a small increase of total withdrawal volumes of +2% which is within the fluctuation range. We therefore can state that total water withdrawal approximately stayed the same.</p> <p>The difference between the total water withdrawals (W) and the sum of total discharges (D) and total consumption</p>
--	--	--	--	--	--	--

						<p>(C) is only 2% (with respect to total withdrawals) and is caused mainly by the inaccuracy of the complex measurement and data acquisition systems. Balance differences of lower than 5% are generally accepted by the external auditor.</p> <p>We anticipate that our future total water withdrawals will increase due to the acquisition of new production sites and expansion of production capacity at existing sites. However, we will limit the necessary total water withdrawal volumes by following our energy efficiency programs in order to reduce the</p>
--	--	--	--	--	--	---

						heat loads that need to be dissipated and by the water stewardship methodologies and criteria. And we assess the impacts of climate change and regulatory requirements on the water we use, preparing to make adjustments where necessary. Overall, it is our defined group goal to decrease the specific water withdrawal volumes by - 15% by 2030 compared to 2020.
Total discharges	245,969	About the same	Increase/decrease in business activity	Lower	Investment in water-smart technology/process	Sum of KURT parameters "wastewater without cooling water" (12685), "cooling water" (228084) and since 2021 also the wastewater from 3rd

						<p>parties (5200 megaliters/year). In 2022 the total discharges are 1.5 % higher than in 2021 because of operational variations. The difference between the total water withdrawals (W) and the sum of total discharges (D) and total consumption (C) is only 2 % and is caused mainly by inaccuracy of the complex measurement and data acquisition systems. Balance differences of lower than 5 % are generally accepted by the external auditor.</p> <p>In line with our total water withdrawal volumes, we anticipate that our future total discharges will increase</p>
--	--	--	--	--	--	--

						<p>due to the acquisition of new production sites and expansion of production capacity at existing sites. However, we will limit the necessary total water withdrawal volumes by following our energy efficiency programs in order to reduce the heat loads that need to be dissipated and by the water stewardship methodologies and criteria. And we assess the impacts of climate change and regulatory requirements on the water we use, preparing to make adjustments where necessary. Overall, it is our defined group goal to</p>
--	--	--	--	--	--	--

						<p>decrease the specific water withdrawal volumes by - 15% by 2030 compared to 2020.</p> <p>The decrease in water withdrawal volumes will have a direct effect on our specific (per produced ton) water discharges which will decrease accordingly.</p>
Total consumption	5,209	About the same	Increase/decrease in efficiency	Lower	Investment in water-smart technology/process	<p>The water consumption (C) is collected on plant level for water in products, water in waste, and water evaporated (data collected by a combination of measurement, modeling, calculation and estimation) and aggregated to site level data.</p> <p>The difference</p>

						<p>between the total water withdrawals (W) and the sum of total discharges (D) and total consumption (C) is only 2% and is caused mainly by the inaccuracy of the complex measurement and data acquisition systems. Balance differences of lower than 5% are generally accepted by the external auditor.</p> <p>This data is then aggregated to a corporate value. Total water consumption fluctuates on a year-to-year basis. The decrease by -3% compared to 2021 can be attributed to this observed fluctuation. This fluctuation can be attributed partly</p>
--	--	--	--	--	--	---



						<p>seasonal influences but is mainly an effect of the data acquisition and calculation uncertainties. The consumption is monitored and evaluated by the group database KURT. Water consumption from other companies located at our sites is NOT included. In line with our total water withdrawal volumes, we anticipate that our future total water consumption will increase due to the acquisition of new production sites and expansion of production capacity at existing sites. However, we will limit the necessary total water withdrawal volumes by</p>
--	--	--	--	--	--	--

						<p>following our energy efficiency programs in order to reduce the heat loads that need to be dissipated and by the water stewardship methodologies and criteria. And we assess the impacts of climate change and regulatory requirements on the water we use, preparing to make adjustments where necessary. Overall, it is our defined group goal to decrease the specific water withdrawal volumes by -15% by 2030 compared to 2020. The decrease in specific water withdrawal volumes will also affect our specific (per produced ton) water</p>
--	--	--	--	--	--	--

						consumption rates.
--	--	--	--	--	--	--------------------

## W1.2d

(W1.2d) Indicate whether water is withdrawn from areas with water stress, provide the proportion, how it compares with the previous reporting year, and how it is forecasted to change.

	Withdrawals are from areas with water stress	% withdrawn from areas with water stress	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Five-year forecast	Primary reason for forecast	Identification tool	Please explain
Row 1	Yes	1-10	About the same	Increase/decrease in business activity	About the same	Facility expansion	WWF Water Risk Filter	In order to identify whether water withdrawals are located in water stressed areas, WACKER uses the WWF Water risk filter which map commonly accepted global risk indicators and allows to assess areas as water stressed. As per CDP definition, we used the "Water

								<p>Scarcity" as a risk indicator. Out of our 27 production facilities, only three plants show a water scarcity risk value greater than &gt; 3 and are therefore accounted in this question. The water demand and withdrawal of these sites, compared to the overall group-wide water withdrawal, is only marginal. Nevertheless, we use the results of the Water Risk Filter in our Water Stewardship System to deduct site specific targets to</p>
--	--	--	--	--	--	--	--	---

								counteract the increasing risks of waterstress (e.g. drought) in the identified areas.
--	--	--	--	--	--	--	--	--

## W1.2h

(W1.2h) Provide total water withdrawal data by source.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water, including rainwater, water from wetlands, rivers, and lakes	Relevant	203,488	About the same	Increase/decrease in business activity	Fresh surface water accounts to 83% of our total water withdrawal. It is mainly used as process cooling water or at a lower extent as demineralized water which stays in our products or is used for cleaning purposes. The volumes from all our production sites are mainly sourced from direct measurements (flow metering) and billed by 3rd parties. The freshwater withdrawal is about the same as

					<p>in 2021 (+1.4%). Year to year fluctuations are observed, therefore <math>\pm 5\%</math> are classified "about the same" (Note: for internal monitoring purposes we use a three-year average). The small difference in volume can partly be attributed to higher production loads, changed operating conditions but also uncertainties in data acquisition and seasonal climatic influences.</p>
Brackish surface water/Seawater	Relevant	15,330	About the same	Increase/decrease in business activity	<p>Brackish surface water accounts for approx. 6 % of our total water withdrawal. The volumes from all our production sites are mainly sourced from direct measurements (flow metering). The brackish surface and seawater withdrawal is about the same as in 2021 (+2.9%). Year to year fluctuations can observed,</p>

					therefore $\pm 5\%$ are classified "about the same" (Note: for internal monitoring purposes of total water withdrawal we use a three-year average). The difference in volume can partly be attributed to the increasing of production in our silicon furnace at our site in Holla, which is a main user of our brackish surface water.
Groundwater – renewable	Relevant	5,491	Lower	Increase/decrease in business activity	Groundwater amounts to approx. 2.2% of our total water withdrawal. It is used for process cooling water circuits or demineralized to stay in our products and as potable water. The groundwater withdrawal is lower as in 2021 (-5.8%). Year to year fluctuations can be observed, therefore more than $\pm 5\%$ are classified "lower" (Note: for internal monitoring purposes we use a three-year

					average of our total water withdrawal). The small difference in volume can partly be attributed to higher production loads, changed operating conditions but also uncertainties in data acquisition and seasonal climatic influences.
Groundwater – non-renewable	Relevant	246	About the same	Increase/decrease in business activity	Withdrawal of non-renewable groundwater only amounts to 0.1% of our total water withdrawal. It is used as process cooling water and demineralized water which among others stays in the product. Non-renewable groundwater is only used at two of our production sites located in Korea and India. The volumes are sourced from direct measurements (flow metering). On a year-to-year basis, we saw an increase of +7%. This increase is due to higher



					production rates and expansion activities at the relevant sites in 2022.
Produced/Entrained water	Not relevant				We do not have relevant amounts of water (compared to other sources) that enter our site as part of a substance/material and which is then extracted/separated from the material in the process.
Third party sources	Relevant	22,028	About the same	Increase/decrease in business activity	Third party sources account for 8.9% of our total water withdrawal. It is used as process cooling water, demineralized water which stays in our products and as potable water. The withdrawal from third party is approximately the same as last year (+3.7%). Year to year fluctuations can be observed, therefore $\pm 5\%$ are classified "about the same" (Note: for internal monitoring purposes we use a three-year average of our

					total water withdrawal). The small difference in volume can partly be attributed to higher production loads, changed operating conditions and expansion projects. Considering this amount of 3rd party water is in line with the management boundary definition of the CDP.
--	--	--	--	--	---

## W1.2i

(W1.2i) Provide total water discharge data by destination.

	Relevance	Volume (megaliters/year)	Comparison with previous reporting year	Primary reason for comparison with previous reporting year	Please explain
Fresh surface water	Relevant	214,878	About the same	Increase/decrease in business activity	Data for water discharge into fresh surface water in 2022 was collected and monitored in our group database KURT for all sites and is mainly based on flow metering measurements. In total 87 % of our water discharge returns to surface water

					<p>and is mainly returned cooling water.</p> <p>In 2022 the discharge to surface water increased by 1.3% compared to 2021. This increase can be explained by seasonal influences and therefore fluctuations in cooling water demand are influential.</p>
Brackish surface water/seawater	Relevant	15,368	About the same	Increase/decrease in business activity	<p>Data for water discharge into brackish surface water in 2022 was collected and monitored in the group database KURT for all sites and is mainly based on flow metering readings. In total 6.2 % of our water discharge returns to seawater.</p> <p>This metric is approx. +2.9 % higher than in 2021 and can be explained by the stabilization and good performance of</p>

					<p>the silicon furnace at our site in Holla, Norway and the higher production amount. However, year-to-year fluctuations are generally observed and therefore we rated this reduction as about the same (&lt; 5%).</p>
Groundwater	Relevant	431	About the same	Increase/decrease in business activity	<p>Data for water discharge into groundwater in 2022 was collected and monitored in the group database KURT and is based on flow metering readings. Approx. 0.2 % of total water discharge returns to groundwater. The discharged water to groundwater is mainly cooling water return. This metric is only relevant for three WACKER sites.</p> <p>The water discharge to groundwater is</p>

					about the same with +0.5 % compared to 2021 and can be attributed to cooling water demand in our headquarter and research and development center in Munich, Germany, which is highly dependent.
Third-party destinations	Relevant	15,293	About the same	Increase/decrease in business activity	<p>Data for water discharge to 3rd parties in 2022 was collected and monitored in the group database KURT for all sites. It is mainly based on flow metering readings. Approx. 6.2 % of our total water discharge returns to 3rd party destinations.</p> <p>The year-to-year discharge to 3rd parties fluctuates to a certain extent (inaccuracy of metering readings and seasonal influences). In 2022 the discharge to 3rd party destination increased by</p>

					approx. +3.5% compared to 2021. This is within the normal yearly fluctuations, therefore, the discharge to 3rd party destination is about the same (< 5%).
--	--	--	--	--	--

## W1.2j

**(W1.2j) Within your direct operations, indicate the highest level(s) to which you treat your discharge.**

	Relevance of treatment level to discharge	Volume (megaliters/year)	Comparison of treated volume with previous reporting year	Primary reason for comparison with previous reporting year	% of your sites/facilities/operations this volume applies to	Please explain
Tertiary treatment	Relevant	1,510	About the same	Increase/decrease in business activity	Less than 1%	Approx. 0.6% of our total discharge is treated by tertiary treatment. This volume decreased by approx. -2.5% compared to 2021 and is mainly due to the production rates at the relevant sites. However, year-to-year fluctuations are generally observed and

						<p>therefore variations of &lt; 5% are rated as “about the same” in this context.</p> <p>Included in the tertiary treatment is ozonation which is carried out at one of our sites and treatment with activated carbon. These two processes are state-of-the-art technologies, and we fulfill regional legal and production plant specific permitting requirements with these treatment methods. The ozonation process at our production site in Nünchritz, Germany, is required due to the special chemistry of the wastewater (removal of suspended, colloidal and dissolved constituents) to achieve compliance</p>
--	--	--	--	--	--	---

						with regulatory and permitting requirements.
Secondary treatment	Relevant	14,934	About the same	Increase/decrease in business activity	1-10	<p>Approx. 6% of our total discharge is treated by secondary treatment.</p> <p>We now included wastewater which we receive from 3rd parties in this metric in line with CDP definition. The 3rd party wastewater is treated in our biological/chemical wastewater treatment facilities. Our wastewater at most of our production sites can be treated very well and sufficiently by secondary treatment (degradation of organic matter and reduction of solids through biological treatment and removal of nutrients, e.g. N and P, by combined</p>



						<p>chemical and biological treatment).</p> <p>The decrease of wastewater treated by secondary treatment from 2021 to 2022 calculates to - 2.8% and therefore variations of &lt; 5% are rated as "about the same" in this context.</p> <p>With our secondary treatment facilities (biological/chemical) we use state-of-the-art processes and equipment and adhere to all legal local and state requirements. In addition, we fully fulfill production site-specific permitting requirements stipulated by the local permitting authorities.</p>
Primary treatment only	Relevant	35	Lower	Increase/decrease in efficiency	Less than 1%	Less than 0.01% of our total discharge

						<p>is treated by primary discharge ONLY and is exclusively relevant for our silicon metal production site in Holla, Norway. The silicon production process in Holla does not produce chemically contaminated wastewater which would need to be treated in a secondary stage. The only wastewater discharge is from sedimentation basins (for brackish water withdrawal) and rainwater runoffs to the ocean as well as some workshop wastewater which can sufficiently be treated by mechanical means (oil-separators, filters, and sedimentation basins).</p>
--	--	--	--	--	--	---

						<p>The decrease from 2021 to 2022 by -5.4% is due to the stabilized performance of the furnace at our site in Holla.</p> <p>This mechanical procedure we use corresponds to state-of-the-art technologies and we fulfill all regulatory requirements and regulatory standards. In addition, we fully fulfill production site-specific permitting requirements stipulated by the local permitting authorities.</p>
Discharge to the natural environment without treatment	Relevant	213,838	About the same	Increase/decrease in business activity	81-90	<p>Approx. 87% of our total discharge of water is discharged to the natural environment without treatment.</p> <p>The water accounted for here is mainly</p>

						<p>cooling water used for our chemical production processes. This cooling water is not in contact with our products, and it is of utmost importance to WACKER that no contamination of this cooling water occurs in our production processes. Effective technical and organizational measures are in place at WACKER to avoid cooling water contamination at any time.</p> <p>The increase in this metric from 2021 to 2022 is approx. +2% and is due to the increased production rates and seasonal influences and therefore variations of &lt; 5% are rated as “about the same” in this context.</p>
--	--	--	--	--	--	--

						<p>We use our cooling water responsibly and fulfil all regulatory and permit requirements at all our sites. In addition, we implement and follow state-of-the-art technical rules such as the German TRwS 779 as a minimum requirement for protecting our cooling water discharge at our production site in Burghausen, Germany. These technical standards are seen a minimum requirement where WACKER might define more stringent criteria for especially hazardous substances.</p>
Discharge to a third party without treatment	Relevant	15,097	About the same	Increase/decrease in business activity	1-10	Approx. 6% of our total discharged water goes to 3rd parties without any prior treatment.

						<p>This is mainly relevant for production sites in industrial areas which have central wastewater treatment facilities which are either run by the municipal or by the industrial park management corporation.</p> <p>The discharged volumes fluctuate from year-to-year due to production adjustment and 3rd party billing practices and flow meter inaccuracies. In 2022 we added a new site to our group. At hand, the increase from 2021 to 2022 by +3.4% (&lt; 5%) is within the average fluctuation and therefore we stated that these discharge volumes are "about the same".</p>
--	--	--	--	--	--	--

						<p>When discharging water to 3rd parties without treatment, we ensure to fulfill all specified water relevant parameters. The water discharge parameters are often defined in contractual agreements or permit documents (for instance, with local municipal wastewater treatment plants). We are obliged to fulfill these requirements at any time and monitor the relevant parameters.</p>
Other	Relevant	190	Higher	Increase/decrease in business activity	Less than 1%	<p>"Other" water discharge, in this case, is all the water which goes through our secondary treatment facilities but is then discharged to 3rd party for additional or further treatment.</p>

						<p>This metric amounts to less than 0.1% of our total discharge and is only relevant at three of our Asian production sites which are embedded in industrial complexes.</p> <p>The increase from 2021 to 2022 by +15.2% is due to increased production rates and expansion projects at these sites.</p> <p>When discharging water to 3rd parties without further treatment after our secondary treatment stage, we ensure to fulfill all specified water relevant parameters and regulatory standards. The water discharge parameters are often defined in contractual agreements.</p>
--	--	--	--	--	--	--



						We are obliged to fulfill these requirements at any time and monitor the relevant parameters if required.
--	--	--	--	--	--	---

## W1.2k

**(W1.2k) Provide details of your organization’s emissions of nitrates, phosphates, pesticides, and other priority substances to water in the reporting year.**

	Emissions to water in the reporting year (metric tonnes)	Category(ies) of substances included	List the specific substances included	Please explain
Row 1	210	Nitrates Phosphates Priority substances listed under the EU Water Framework Directive	Total Nitrogen Total Phosphorus Nickel and Nickel compounds	Total nitrogen (203 ton) and total phosphorus (7 ton) are measured at all our sites, but we would like to point out that municipal waste water is also included at the Burghausen site. Priority substances listed under the EU Water Framework Directive are of very low importance in our production processes and have nearly no significant effect on our wastewater streams. The only measurable emission in 2022 was Nickel (0,06 ton at the Burghausen site). Certain substances are part of our groundwater monitoring and remediation measures.

## W1.3

**(W1.3) Provide a figure for your organization’s total water withdrawal efficiency.**

	Revenue	Total water withdrawal volume (megaliters)	Total water withdrawal efficiency	Anticipated forward trend
Row 1	8,209,300,000	246,583	33,292.2383132657	In the future, we expect revenues to increase while total water withdrawals will decrease. Hence the water withdrawal efficiency will rise. This is

				<p>reinforced by our corporate, regional and local goals to reduce total water withdrawals.</p> <p>The goal will be achieved through the implementation of multiple projects globally. Monitoring systems are in place to evaluate the progress WACKER achieves annually.</p>
--	--	--	--	---

### W-CH1.3

**(W-CH1.3) Do you calculate water intensity for your activities in the chemical sector?**

Yes

### W-CH1.3a

**(W-CH1.3a) For your top five products by production weight/volume, provide the following water intensity information associated with your activities in the chemical sector.**

**Product type**

Other, please specify

WACKER's average / cross sectional product

**Product name**

WACKER is a technological leader in the chemical industry. We are active in the silicone, polymer, life sciences and polysilicon markets (cosmetic powders to solar cells). Our portfolio includes over 3,200 products. Most products are based on inorganic starting materials. Silicon-based products account for about 70 % of WACKER sales, and products that are primarily ethylene-related for 30 %. The data provided here is for a calculated "average" WACKER product.

**Water intensity value (m3/denominator)**

103.8

**Numerator: water aspect**

Total water withdrawals

**Denominator**

Ton

**Comparison with previous reporting year**

Higher

**Please explain**

Compared to the previous year (2021) the water intensity value has increased. The production volume of our products increased in 2022.

WACKER does calculate water intensity data for selected products and product groups. This detailed information, however, is part of our life cycle analyses and is not disclosed externally.

WACKER is working on efficient water use by means of our "WACKER Water Stewardship" strategy. As a corporate goal, water intensity (=specific water withdrawal) is an important parameter for us which is also reflected in our corporate goal setting. It is one of our environmental targets to decrease water intensity by 15% by 2030 (relative to 2020). Details of any water intensity reduction strategies have been or will be developed at our production sites since 2022 and be implemented and tracked starting 2023 as part of our Water Stewardship Program.

Based on these corporate global goals and the measures which will be introduced at our production sites, we anticipate that the water intensity will decrease in the medium term.

## W1.4

**(W1.4) Do any of your products contain substances classified as hazardous by a regulatory authority?**

Products contain hazardous substances	
Row 1	Yes

## W1.4a

**(W1.4a) What percentage of your company's revenue is associated with products containing substances classified as hazardous by a regulatory authority?**

Regulatory classification of hazardous substances	% of revenue associated with products containing substances in this list	Please explain
Candidate List of Substances of Very High Concern for Authorisation above 0.1% by weight (EU Regulation)	10-20	About 5% of WACKER's products contain hazardous substances that fall within the scope of the regulations of "Candidate List of Substances of Very High Concern for Authorisation above 0.1% by weight (EU Regulation)" The cyclic siloxanes D4 (Octamethylcyclotetrasiloxane), D5 (Decamethylcyclopentasiloxane) and D6 (Dodecamethylcyclohexasiloxane) are listed as SVHC candidates and are present in some of our products in limits exceeding 1000 ppm. These cyclics are generally formed during hydrolysis of Dimethyldichlorosilane but can also be generated as a side product of equilibration

		<p>reactions during reaction sequences. Depending on their composition and storage conditions selected product may also form cyclics over time.</p> <p>However, it is also important to note that the cyclic siloxane may also be utilized as a feedstock and WACKER tries keeping them in the production loop, wherever possible. WACKER is also in the process of implementing a vast array of measures across our production plants with the goal of reducing the content of cyclics in our products below the 1000 ppm threshold.”</p>
--	--	--

## W1.5

**(W1.5) Do you engage with your value chain on water-related issues?**

	Engagement
Suppliers	Yes
Other value chain partners (e.g., customers)	Yes

## W1.5a

**(W1.5a) Do you assess your suppliers according to their impact on water security?**

Row 1

### Assessment of supplier impact

Yes, we assess the impact of our suppliers

### Considered in assessment

Basin status (e.g., water stress or access to WASH services)  
 Supplier impacts on water availability  
 Supplier impacts on water quality  
 Procurement spend

### Number of suppliers identified as having a substantive impact

599

### % of total suppliers identified as having a substantive impact

1-25

### Please explain

The number of suppliers having a substantive impact refers to the end of 2022. The approach to identify suppliers having a substantive impact is in the first instance to cover over 80 % of our procurement volume. This typically includes all important suppliers considering Water Security aspects.

The threshold to identify suppliers having a substantive impact is essentially based on purchasing volume and strategic viewpoints, WACKER dependency as well as

professional judgement. These suppliers are Key Suppliers . According to the size and industry sector (ISIC category), the supplier gets a number of questions in the Ecovadis questionnaire. The questions range from water management to water quality as well as measures on reduction of water usage. The questionnaire looks into policies, actions and coverage.

## W1.5b

**(W1.5b) Do your suppliers have to meet water-related requirements as part of your organization’s purchasing process?**

Suppliers have to meet specific water-related requirements	
Row 1	Yes, suppliers have to meet water-related requirements, but they are not included in our supplier contracts

## W1.5c

**(W1.5c) Provide details of the water-related requirements that suppliers have to meet as part of your organization’s purchasing process, and the compliance measures in place.**

### Water-related requirement

Reducing total water withdrawal volumes

### % of suppliers with a substantive impact required to comply with this water-related requirement

100%

### % of suppliers with a substantive impact in compliance with this water-related requirement

51-75

### Mechanisms for monitoring compliance with this water-related requirement

Grievance mechanism/Whistleblowing hotline

Off-site third-party audit

### Response to supplier non-compliance with this water-related requirement

Retain and engage

### Comment

We also integrated Water Security aspects in our Supplier Code of Conduct (SCoC) which is integrated in our general Terms and Conditions and additionally countersigned/requested to be countersigned by our Key Suppliers.

In case of bad news out of EcoVadis or Whistleblowing hotline the supplier is put on our Watchlist and action of the supplier will be required to remedying the non-compliance situation and preventing it in the future.

The share of suppliers which were compliant with sustainability aspects including water (TfS Audit and Ecovadis) were 72 %.

---

**Water-related requirement**

Complying with going beyond water-related regulatory requirements

**% of suppliers with a substantive impact required to comply with this water-related requirement**

100%

**% of suppliers with a substantive impact in compliance with this water-related requirement**

51-75

**Mechanisms for monitoring compliance with this water-related requirement**

Grievance mechanism/Whistleblowing hotline

Off-site third-party audit

**Response to supplier non-compliance with this water-related requirement**

Retain and engage

**Comment**

In the WACKER Supplier Code of Conduct (SCoC) several environmental protection aspects (including water) going beyond regulatory requirements are integrated such as using environmentally friendly technologies and ensuring an environmentally sound development, sourcing, manufacturing, transport, distribution, use and disposal of products.

The SCoC s integrated in our general Terms and Conditions and additionally countersigned/requested to be countersigned by our Key Suppliers.

In case of bad news out of EcoVadis or Whistleblowing hotline the supplier is put on our Watchlist and action of the supplier will be required to remedying the non-compliance situation and preventing it in the future.

The share of suppliers which were compliant with sustainability aspects including water (TfS Audit and Ecovadis) were 72 %.

## W1.5d

**(W1.5d) Provide details of any other water-related supplier engagement activity.**

---

**Type of engagement**

Innovation & collaboration

**Details of engagement**

Engage with suppliers to advocate for policy or regulatory change to address water availability and pollution challenges

### **% of suppliers by number**

1-25

### **% of suppliers with a substantive impact**

76-99

### **Rationale for your engagement**

As Member of the TfS Initiative Wacker is committed to UN Global Compact and Responsible Care. We also integrated this in our Supplier Code of Conduct (SCoC).

Furthermore, part of the strategic approach to reducing risks in the value chain is to address water related topics in the supply chain.

With round about 10.000 tier 1 suppliers focusing on the Key Suppliers is crucial. This means, that the engagement covers over 80 % of the total global procurement volume.

### **Impact of the engagement and measures of success**

Impact of the engagement:

All Key Suppliers are assessed bei EcoVadis/TfS Audits on a 1-3 year basis typically including water policy, employee awareness as well as data collection and technologies for reclaim, reduce and use of water. Also, wastewater amount and pollutant levels are part of the assessment. Not only there is a minimum score in the assessment but many measures like different EcoVadis Awards based on the score and a Wacker Sustainability Award engages suppliers also to improve their environmental/water security performance. This approach enables all key suppliers to improve simultaneously and effectively.

Measures of success:

We consider it as a success, when the assessments of our suppliers improved on a year-to-year basis. By the end of 2022, a total of 992 valid assessments were available, with suppliers having improved by 64 percent. This is also a KPI that we report to the TfS initiative.

Furthermore, the questionnaire of a supplier, which is based on company size and sector, includes specific water related questions. Within an action priority dashboard on the Ecovadis platform we can see the aggregated results of all our suppliers to identify the main improvement areas of high priority topics, including water management.

Actions can be started immediately towards the low performing suppliers, e.g. by inviting them to the TfS or Ecovadis Academy. Success can be seen by lowering the number of suppliers with a low assessment score. This number is also monitored on the level of the TfS initiative.

### **Comment**

## **W1.5e**

**(W1.5e) Provide details of any water-related engagement activity with customers or other value chain partners.**

---

### **Type of stakeholder**

Customers

### **Type of engagement**

Innovation & collaboration

### **Details of engagement**

Collaborate with stakeholders on innovations to reduce water impacts in products and services

### **Rationale for your engagement**

We have a sustainable business model, which strives to enable our customers in the value chain to create sustainable solutions, also regarding water aspects. For instance, with our wide range of silicone-based defoamers we enable our customers and partners to save water in their end-users' applications. Generally, we aim to develop products with lowest impact during our production and additionally help to reduce the consumption of water during use and application at our customers and partners.

Through life cycle assessment (in accordance with applicable standards such as ISO 14040 and ISO 14044), we aim to anchor life cycle thinking more deeply at WACKER. We are looking for meaningful data from suppliers, customers and end users, so that we can expand our life cycle assessments across the entire life cycle – stretching from cradle to grave or from cradle to cradle.

WACKER lists the results of its life cycle assessments in standardized impact categories. These categories include:

- global warming potential (the one most frequently requested by customers),
- resource consumption,
- ozone depletion potential and
- acidification potential.

WACKER conducts its life cycle assessments with the GaBi® software which also allows for evaluating the achieved success per impact category.

### **Impact of the engagement and measures of success**

Impact of the engagement:

The results of the life cycle assessment are used, for example, to provide data for EPDs (environmental product declarations) or for PEF (product environmental footprint) methodology, so that our customers can launch end products on the market.

Furthermore, the results are applied to optimize processes and compare existing products with newly developed ones, or as a basis for calculating WACKER data, e.g. CO<sub>2</sub>e emissions due to bough-in raw materials.

Measures of success:

We consider it a success, if our customers are able to introduce such products to the market and make the improvement transparent.



Example: Water savings by defoamers were calculated based on customer data. Specifically in SEA SILFOAM® is used by a large number of end users of our customer products doing hand-wash as their laundry chores having a specific line of products with '1 rinse' claim on the pack. As the claim suggests, consumer can complete the rinse off stage with just 1 bucket of rinse water, instead of the usual 3 rinses at least.

## W2. Business impacts

### W2.1

**(W2.1) Has your organization experienced any detrimental water-related impacts?**

No

### W2.2

**(W2.2) In the reporting year, was your organization subject to any fines, enforcement orders, and/or other penalties for water-related regulatory violations?**

	Water-related regulatory violations	Fines, enforcement orders, and/or other penalties	Comment
Row 1	Yes	Enforcement orders or other penalties but none that are considered as significant	In 2022 an enforcement order was published by authorities for our Nünchritz plant after a silicon oil spill which resulted in a non-toxic visible oil film on the river Elbe. There was no risk of environmental damage at any time. In close cooperation with local authorities abatement measures were worked out during 2021. The agreed measures will exceed legal requirements and will be enforced and implemented in 2022/2023. The technical measures include but are not limited to (1) optimization of the site's sewer systems, (2) expansion of the site's dedicated catchment basin, (3) installation of highly reliable online detection devices to detect any abnormalities in sewer system. On a corporate level, WACKER set up a group wide program to evaluate the relevance of this incident for other production plants. Sites will implement technical and organizational measures to prevent a similar incident. As a result water security will further improve at all major production sites.

## W3. Procedures

### W3.1

**(W3.1) Does your organization identify and classify potential water pollutants associated with its activities that could have a detrimental impact on water ecosystems or human health?**

	Identification and classification of potential water pollutants	How potential water pollutants are identified and classified
Row 1	Yes, we identify and classify our potential water pollutants	<p>WACKER is part of the initiative Responsible Care® and enforces standards to identify, classify, monitor water pollutants beyond legal requirements. As such, we have a Group Toxicology Competence Center addressing eco-toxicology. It cooperates with business divisions on all toxicological issues. It is involved in innovation processes by risk assessments. By committee work, it provides early information on new developments. Key services are monitoring tests, evaluating data regarding hazard/risk, collaborating on toxicological projects (bio-monitoring). In addition to prohibited/restricted chemicals (as per REACH), we maintain a list of substances that are undesired by our stakeholders. We avoid substances on the EU Chemicals Agency's List of Substances of Very High Concern. We provide support in the form of our "Identifying Substances &amp; Mixtures of Concern" (ISC) database and use it to improve our portfolio regarding environmental compatibility. Our relevant production sites are ISO 14001 certified. Our products are classified acc. to REACH /GHS. We continuously discuss upcoming changes on legal requirements as members of industrial assoc. (German Chem. Ind. Assoc., EU Chem. Ind. Council, American Chem. Council). Finally, our Water Stewardship Program based on "European Water Stewardship" and "Alliance for Water Stewardship" addresses water quality aspects &amp; measures to achieve and maintain good water status regarding chemical quality, biological elements, and thermal load.</p>

### W3.1a

**(W3.1a) Describe how your organization minimizes the adverse impacts of potential water pollutants on water ecosystems or human health associated with your activities.**

---

**Water pollutant category**

Other nutrients and oxygen demanding pollutants

### **Description of water pollutant and potential impacts**

The chemical oxygen demand (COD) is a metric for waste water quality used to determine the effect the effluent has on the receiving water by quantifying the amount of oxidizable pollutants present. Organic substances in the waste water may reduce the oxygen content in the receiving water which in return could cause the death of aquatic live like fish.

NOTE: Evaluation of the COD is the standard method for indirect measurement of the amount of pollution (that cannot be oxidized biologically) in a sample of water. The chemical oxygen demand test procedure is based on the chemical decomposition of organic and inorganic contaminants, dissolved, or suspended in water. The result of a chemical oxygen demand test indicates the amount of water-dissolved oxygen (expressed as parts per million or milligrams per liter of water) consumed by the contaminants, during two hours of decomposition from a solution of boiling potassium dichromate. The higher the chemical oxygen demand, the higher the amount of pollution in the test sample.

### **Value chain stage**

Direct operations

### **Actions and procedures to minimize adverse impacts**

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

Resource recovery

Beyond compliance with regulatory requirements

Industrial and chemical accidents prevention, preparedness, and response

Water recycling

Reduction or phase out of hazardous substances

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Upgrading of process equipment/methods

### **Please explain**

Our compliance with the local effluent quality standards at each site and the strong operational procedures in effluent treatment plants guarantees that the COD in our treated waste water, which is discharged into the surface water, is not affecting the environment . We actively compare and evaluate our measurement results with local permits to check whether thresholds are successfully met, including detailed active reporting to local authorities. This is conducted for all relevant production sites. Residual organics (COD) have been significantly reduced over the long term at Wacker. The excellent performance of our wastewater treatment plant at our biggest production site in Burghausen, Germany, in which we recorded a decrease of 21% in the COD load in 2022 was a highlight in this regard.

Frequent self-monitoring, site walks, technical inspections (also by third party) and maintenance programs ensure that the critical infrastructure such as containment areas,

overflow protection, storage areas, sewer systems, etc. are in good condition. First response training in case of accidents and spills is mandatory for operating personal. Our bigger sites have their own fire brigades and especially trained environmental experts. Our waste-water treatment plants ensure compliance with regulatory threshold limits. Our strong process development departments continuously support our production plants to limit the discharge of any of aforementioned pollutants.

---

### **Water pollutant category**

Other synthetic organic compounds

### **Description of water pollutant and potential impacts**

These substances could contaminate drinking water and affect human health if it is withdrawn further downstream.

NOTE: AOX stands for 'Absorbable Organically bound halogens' and is determined by a European Standard method. AOX are substances that are adsorbed from water onto activated carbon. They may be volatile substances like trichloromethane (chloroform), chlorophenols and chlorobenzenes or complex organic molecules like dioxins and furans. Most AOX are chlorine-containing molecules, but bromo- and iodine-AOXs may also occur.

### **Value chain stage**

Direct operations

### **Actions and procedures to minimize adverse impacts**

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

Resource recovery

Beyond compliance with regulatory requirements

Industrial and chemical accidents prevention, preparedness, and response

Water recycling

Reduction or phase out of hazardous substances

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Upgrading of process equipment/methods

### **Please explain**

Our compliance with the local effluent quality standards at each site and the strong operational procedures in effluent treatment plants guarantees that the AOX in our treated waste water, which is discharged into the surface water is not affecting human live by downstream drinking water withdrawal. We actively compare and evaluate our measurement results with local permits to check whether thresholds are successfully met, including detailed active reporting to local authorities. This is conducted for all relevant production sites.

In addition, frequent self-monitoring, site walks, technical inspections (also by third

party) and maintenance programs ensure that the critical infrastructure such as containment areas, overfill protection, storage areas, sewer systems, etc. are in good condition. First response training in case of accidents and spills is mandatory for operating personal. Our bigger sites have their own fire brigades and especially trained environmental experts. Our waste-water treatment plants ensure compliance with regulatory threshold limits. Our strong process development departments continuously support our production plants to limit the discharge of any of aforementioned pollutants.

---

### **Water pollutant category**

Nitrates

### **Description of water pollutant and potential impacts**

Total nitrogen (as N) is an indicator of waste water quality. Inorganic nitrogen compounds cause eutrophication in freshwater systems. For instance, algae are growing dramatically by this fertilizer with the effect of reduced oxygen concentration in the water which could lead to death of aquatic live like fish. Total nitrogen content (N) is typically expressed in mg/L and is a measure of the complete nitrogen content in the wastewater.

### **Value chain stage**

Direct operations

### **Actions and procedures to minimize adverse impacts**

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience  
Resource recovery  
Beyond compliance with regulatory requirements  
Industrial and chemical accidents prevention, preparedness, and response  
Water recycling  
Reduction or phase out of hazardous substances  
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements  
Upgrading of process equipment/methods

### **Please explain**

Our compliance with the local effluent quality standards at each site and the strong operational procedures in effluent treatment plants guarantees that the total nitrogen in our treated waste water, which is discharged into the surface water is not leading to eutrophication in freshwater systems which in the worst case would lead to death of aquatic live like fish. We prove and check our successful compliance to regulatory and internal effluent quality standards by self-monitoring and 3rd party measurements. The measurement results are evaluated and reported to relevant authorities (if required). Strict adherence to our self-monitoring regime helps us to manage the risks of the potential negative impacts.

In addition, frequent self-monitoring, site walks, technical inspections (also by third

party) and maintenance programs ensure that the critical infrastructure such as containment areas, overflow protection, storage areas, sewer systems, etc. are in good condition. First response training in case of accidents and spills is mandatory for operating personal. Our bigger sites have their own fire brigades and especially trained environmental experts. Our waste-water treatment plants ensure compliance with regulatory threshold limits. Our strong process development departments continuously support our production plants to limit the discharge of any of aforementioned pollutants.

---

### **Water pollutant category**

Phosphates

### **Description of water pollutant and potential impacts**

Total phosphorous (as P) is an indicator of waste water quality. Phosphorous causes eutrophication in freshwater systems. For instance, algae are growing dramatically by this fertilizer with the effect of reduced oxygen concentration in the water which could lead to death of aquatic live like fish. The parameter total phosphorous (P) defines the sum of all phosphorus compounds that occur in various forms.

### **Value chain stage**

Direct operations

### **Actions and procedures to minimize adverse impacts**

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience

Resource recovery

Beyond compliance with regulatory requirements

Industrial and chemical accidents prevention, preparedness, and response

Water recycling

Reduction or phase out of hazardous substances

Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements

Upgrading of process equipment/methods

### **Please explain**

Our compliance with the local effluent quality standards at each site and the strong operational procedures in effluent treatment plants guarantees that the total phosphorous in our treated wastewater, which is discharged into the surface water is not leading to eutrophication in freshwater systems which in the worst case would lead to death of aquatic live like fish. We prove and check our successful compliance to regulatory and internal effluent quality standards by self-monitoring and 3rd party measurements. The measurement results are evaluated and reported to relevant authorities (if required). Strict adherence to our self-monitoring regime helps us to manage the risks of the potential negative impacts.

In addition, frequent self-monitoring, site walks, technical inspections (also by third party) and maintenance programs ensure that the critical infrastructure such as

containment areas, overfill protection, storage areas, sewer systems, etc. are in good condition. First response training in case of accidents and spills is mandatory for operating personal. Our bigger sites have their own fire brigades and especially trained environmental experts. Our waste-water treatment plants ensure compliance with regulatory threshold limits. Our strong process development departments continuously support our production plants to limit the discharge of any of aforementioned pollutants.

---

### **Water pollutant category**

Other nutrients and oxygen demanding pollutants

### **Description of water pollutant and potential impacts**

Total Organic Carbon (TOC) is an indicator of impurities in waste water, especially storm water. Measurement of this metric helps to avoid any effect to the environment and downstream population. Substances in the waste water which contain organic carbon may reduce the oxygen content in the receiving water which could cause the death of aquatic live like fish.

### **Value chain stage**

Direct operations

### **Actions and procedures to minimize adverse impacts**

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience  
Beyond compliance with regulatory requirements  
Industrial and chemical accidents prevention, preparedness, and response  
Reduction or phase out of hazardous substances  
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements  
Upgrading of process equipment/methods

### **Please explain**

It is WACKER policy not to affect the environment by unintended substance releases. At all major sites the storm water drain is therefore checked and evaluated by continuous TOC monitoring for unintended impurities caused by spillage or leakages. If unusual TOC values are detected the storm water is retained in retention basins and potential impacts are successfully mitigated. This is regulated in our risk management procedures. Thus, we prevent the risk of reducing the oxygen content in the receiving water.

In addition, frequent self-monitoring, site walks, technical inspections (also by third party) and maintenance programs ensure that the critical infrastructure such as containment areas, overfill protection, storage areas, sewer systems, etc. are in good condition. First response training in case of accidents and spills is mandatory for operating personal. Our bigger sites have their own fire brigades and especially trained environmental experts. Our waste-water treatment plants ensure compliance with

regulatory threshold limits. Our strong process development departments continuously support our production plants to limit the discharge of any of aforementioned pollutants.

---

### **Water pollutant category**

Other physical pollutants

### **Description of water pollutant and potential impacts**

Any substances hazardous to water in cooling water discharge lines. Relevant substances may generate changes in water conductivity, pH-value or turbidity. Organic substances can be detected by purge with FID (flame ionization detection) or total organic carbon (TOC) measurements. Substances hazardous to water is a general term for any substance which has a detrimental effect on water and water life. Measurements for and detection of unwanted impurities categorized as substances hazardous to water in the cooling water are vital in order to avoid any harm to the water, aquatic life and downstream population.

### **Value chain stage**

Direct operations

### **Actions and procedures to minimize adverse impacts**

Assessment of critical infrastructure and storage condition (leakages, spillages, pipe erosion etc.) and their resilience  
Beyond compliance with regulatory requirements  
Industrial and chemical accidents prevention, preparedness, and response  
Water recycling  
Reduction or phase out of hazardous substances  
Discharge treatment using sector-specific processes to ensure compliance with regulatory requirements  
Upgrading of process equipment/methods

### **Please explain**

Cooling water shall only be used for thermal purposes. Any release of chemicals with the cooling water into the receiving waters has to be avoided at all times. At sites where open circuit cooling water systems (i.e. systems in which the cooling water discharges directly back into the receiving water) are used, the cooling water quality is monitored continuously. This is carried out especially stringently if the process pressure can be higher than the cooling water pressure and the risk of product entrainment into the cooling water stream is high. The chosen analytical method is adopted to the individual process at the plant and the substances which could be released. Often safety heat exchangers or heat exchanger with an internal secondary closed cooling water circuit are being used.

For our largest production site in Burghausen, Germany, we have even developed an extensive Cooling Water Protection Guideline which aims to effectively prevent the discharge of environmentally hazardous substances into the environment with cooling water or steam condensate. It stipulates technical measures which exceed the



requirements from local legal standards and provides guidance on risk assessments, suitable detection devices and required documentation.

In order to improve and measure our success in spill prevention, we use a software called SPIRIT (by ENABLON) in which the reported incidents are evaluated and in which corrective and preventive actions can be defined and follow-up.

## W3.3

### (W3.3) Does your organization undertake a water-related risk assessment?

Yes, water-related risks are assessed

## W3.3a

### (W3.3a) Select the options that best describe your procedures for identifying and assessing water-related risks.

---

#### Value chain stage

Direct operations

#### Coverage

Full

#### Risk assessment procedure

Water risks are assessed as part of other company-wide risk assessment system

#### Frequency of assessment

Annually

#### How far into the future are risks considered?

More than 6 years

#### Type of tools and methods used

Tools on the market

International methodologies and standards

Other

#### Tools and methods used

EcoVadis

SEDEX

WWF Water Risk Filter

Alliance for Water Stewardship Standard

Environmental Impact Assessment

Life Cycle Assessment

ISO 14001 Environmental Management Standard

Internal company methods

External consultants

Other, please specify

WACKER Environmental Standards (Company Directive), WACKER Health and Safety Standards (Company Directives)

### Contextual issues considered

Water availability at a basin/catchment level  
Water quality at a basin/catchment level  
Stakeholder conflicts concerning water resources at a basin/catchment level  
Impact on human health  
Implications of water on your key commodities/raw materials  
Water regulatory frameworks  
Status of ecosystems and habitats  
Access to fully-functioning, safely managed WASH services for all employees

### Stakeholders considered

Customers  
Employees  
Local communities  
NGOs  
Regulators  
Suppliers  
Water utilities at a local level  
Other water users at the basin/catchment level

### Comment

Other Tools and Methods:

- Environmental risk assessments are conducted for new sites: a management of change procedure is put into place. It facilitates whether a plant modification has a water impact or not.
- The WACKER Environmental Standards are self-assessed by the production sites and by Group Coordination Environment.
- A risk prevention concept for the discharge of cooling water is in place and compulsory for our biggest site in Burghausen, Germany.
- Assessment and measures to protect surface waters against hazardous chemical spills from safety outlets and cooling systems are required at all production sites as integral part of our WACKER Environmental Standards
- Production sites conduct self-assessments based on our WaWaS-Tool. Water relevant risks and opportunities are identified on a production site level. The assessed criteria are based on the AWS and EWS standards. Human health context is considered in the assessment of Flood Protection at the production site which might pose risks not only to our facilities but also our employees and other third party peoples health.

Life cycle assessments at WACKER:

Through life cycle assessment, we aim to anchor life cycle thinking more deeply at WACKER. We are looking for meaningful data from suppliers, customers and end users, so that we can expand our life cycle assessments across the entire life cycle – stretching from cradle to grave or from cradle to cradle. Our approach is in line with

applicable standards (ISO 14040 and ISO 14044), life cycle assessment includes: (1) Material and energy flows (raw materials, auxiliaries, electricity, heat, operating media, water, products, waste, emissions), (2) Transportation and packaging (3) Impacts on soil, air and water.

**SEDEX:**

Our customers want to include evaluating us as suppliers in their risk management framework. As a result, social and environmental aspects are becoming significant elements of continuous improvement processes and customers are encouraging us to conduct social audits at selected sites. SMETA, the “Sedex Members Ethical Trade Audit,” is one of the world's most widely used procedures for ethical audits. The SMETA methodology uses the ETI code and national legislation as a measurement tool. It comprises four modules: Health and safety, Labor standards, Environment, Business ethics; The results of the audit are stored in a secure online database (SEDEX). This provides transparency and ensures that the available data can be reused.

---

**Value chain stage**

Supply chain

**Coverage**

Partial

**Risk assessment procedure**

Water risks are assessed as part of an established enterprise risk management framework

**Frequency of assessment**

Annually

**How far into the future are risks considered?**

1 to 3 years

**Type of tools and methods used**

Tools on the market  
International methodologies and standards  
Other

**Tools and methods used**

EcoVadis  
ISO 14001 Environmental Management Standard  
Internal company methods  
Other, please specify  
Watchlist to assess and monitor sustainability aspects from suppliers not compliant with our requirements including water.

**Contextual issues considered**

Water regulatory frameworks

Other, please specify

Supplier awareness on water related aspects (use, reduce etc.).

**Stakeholders considered**

Suppliers

**Comment**

WACKER supports the UN Global Compact initiative for responsible company management and the principles of the chemical industry's global Responsible Care initiative. And we expect our suppliers also to observe these principles. We joined the "Together for Sustainability " (TfS) initiative in 2015. TfS has developed and implemented together with EcoVadis a global program for assessing, testing and improving sustainability practices in the chemical industry's supply chains including TfS audits.

**W3.3b**

**(W3.3b) Describe your organization’s process for identifying, assessing, and responding to water-related risks within your direct operations and other stages of your value chain.**

	Rationale for approach to risk assessment	Explanation of contextual issues considered	Explanation of stakeholders considered	Decision-making process for risk response
Row 1	<p>DIRECT OPERATION</p> <p>For WACKER it is of utmost importance to reduce potential environmental, regulatory and financial risks in its direct operation. Therefore, our water stewardship program, applying Alliance for Water stewardship standards and using tools such as WWF Water Risk Filter, plus our EIA and LCA aims at:</p> <ul style="list-style-type: none"> <li>- Supplying our production processes with the quantity and quality of water</li> </ul>	<p>DIRECT OPERATIONS</p> <p>The core principles of our Water Management System are based on international standards (incl. AWS Alliance for Water Stewardship Standard). Every production site systematically assesses the local situation by the outlined criteria and evaluates their importance, identifies risks and derives local water targets. The six essential principles are:</p>	<p>DIRECT OPERATIONS</p> <p>It is our understanding that Sustainable Water Management shall be achieved by internal and external transparency and raising awareness. For instance, production sites are encouraged to issue reports on local water basin activities. Also, direct operations shall be aware of other relevant stakeholders in the local water basin. Inter-dependencies between the water use</p>	<p>DIRECT OPERATIONS</p> <p>Most of our production sites and technical centers are ISO 14001 certified. Our corporate directive "Assessing environmental aspects - setting environmental objectives" implements a uniform group-wide approach for identifying and evaluating water-related risks / aspects and for deriving specific water related targets in line with the essential</p>

<p>needed</p> <ul style="list-style-type: none"> <li>- Treating wastewater safely and protecting water bodies</li> <li>- Meeting legal requirements and our responsibilities to society</li> <li>- Making certain our production sites can be adapted to changes in the physical and regulatory environments</li> <li>- Making our product portfolio more sustainable</li> <li>- Using water responsibly within our supply chains</li> </ul> <p><b>SUPPLY CHAIN</b> We need to focus on Key Suppl. which cover &gt;80 % of the global procurement spend as we have &gt;10.000 tier 1 suppl. The Key suppl. are chosen from all our suppl. according to purchasing volume, strategic viewpoints and professional judgement. In certain cases, also smaller suppl. are added to our Watchlist and we require EcoVadis assmt. /TfS audit. As member of TfS it was crucial to choose EcoVadis assmt. and its resulting scorecard as it includes a</p>	<ol style="list-style-type: none"> <li>1. Good water governance</li> <li>2. Sustainable basin water balance</li> <li>3. Good water quality</li> <li>4. Protection of important water-related areas</li> <li>5. Flood protection</li> <li>6. WASH (Safe water, sanitation and hygiene)</li> </ol> <p>We use the WWF Water Risk Filter to assess and respond to water risks groupwide. All 27 production sites are assessed annually. The operational risks and the overall basin risks (physical, regulatory, and reputational) are identified. Risk scenarios for the future, i.e. 2030 and 2050, are established. The results are taken into account when setting new environmental goals. Also, before purchasing or developing production sites, specific water related risks are identified and assessed by "Environmental risk assessments". We commission expert external consultants with local knowledge and vast technical capabilities to conduct due diligence studies, site investigations and</p>	<p>of WACKER and of other interested parties (authorities, customers, communities, employees, investors, neighborhoods, regulators, stakeholders in the water basin...), are described and the potential for conflicting use and risks / opportunities are evaluated. Production sites are encouraged to support initiatives, programs and partnerships to collaborate with stakeholders in the water basin on water topics. The socio-economic impact (e.g. water shortage, interruptions of water supply, restrictions, etc.) and the regional population potentially affected downstream by water withdrawal and discharge (flooding) needs to be accounted for. Lastly, not only our employees but also all third party and associated personnel shall have access to safe water, sanitation and hygiene.</p> <p><b>SUPPLY CHAIN</b> The suppliers are the most crucial part of the supply chain</p>	<p>requirements of the ISO 14001 standard. Site specific assessments are conducted annually. Water related risks and opportunities are identified, action plans are created and followed up.</p> <p><b>SUPPLY CHAIN</b> WACKER is informed by EcoVadis about bad news or Whistle Blower system about supplier related issues and dedicated employees assess the content. Decision is made within procurement including management on escalation process and measures at the supplier. That could result in requirement of immediate action from the supplier or cancellation of business relation.</p>
---	--	--	--

<p>holistic approach for sustainability aspects including water. Also ,the fulfilling of the ISO 14001 provides internationally recognized requirements for essential environmental aspects. The Watchlist provides a tool to additionally monitor and track defined measures regarding KPI and bad news at suppl.</p>	<p>risk assessments.  <b>SUPPLY CHAIN</b>                  All of the chosen tools and methods include water regulatory framework aspects. Furthermore through the EcoVadis Assessment strengthens the awareness on water related aspects which is also an risk indicator in the value chain.</p>	<p>considering water related risks.</p>	
--	---	---	--

## W4. Risks and opportunities

### W4.1

**(W4.1) Have you identified any inherent water-related risks with the potential to have a substantive financial or strategic impact on your business?**

Yes, both in direct operations and the rest of our value chain

#### W4.1a

**(W4.1a) How does your organization define substantive financial or strategic impact on your business?**

Risk and compliance management are an integral part of corporate management. As a global company, WACKER is 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.

The goal of risk management is to identify risks as early as possible, to evaluate them adequately and to take appropriate steps to reduce them.

WACKER defines „substantive financial or strategic impact“ risks as internal and external events that may have a negative effect on the attainment of targets and forecasts – both financial and non-financial targets, such as achievement of the water-related targets. These are: 15% reduction in water intensity by 2030 and Zero Environmental incidents.

Reporting is mandatory for individual substantive financial risks where the effect on earnings would exceed € 5 million. For non-financial risks, reporting is contingent upon the expected impact of event. Thresholds and metrics apply to both direct operations and supply chain.

Financial, quantitative risks are categorized into the following:

- Low: up to € 25 million
- Medium: up to € 100 million
- High: over € 100 million

Strategic, qualitative risks which could affect stakeholder perception of WACKER and could be detrimental to the attainment of corporate targets are categorized into five environmental levels and continuously monitored and reported annually to the board:

- Level 5: Exceedance of prescriptive limits (air, water) or substance release and need for authority notification
- Level 4: Environmental effect due to visible perception, significant smell, considerable noise or detection in offsite air or receiving water or need for remediation or environmental cost
- Level 3: Potential for harming the environment due to concentrations in offsite air or in receiving water or need for remediation or environmental cost
- Level 2: Harmful impact to the environment due to concentrations in offsite air or in receiving water or need for remediation or environmental cost
- Level 1: Severe damage to the environment due to concentrations in offsite air or significant dieback of flora/fauna in impacted ecosystems, deterioration of ecosystems or loss of public water supply or need for remediation or groundwater treatment or environmental cost

## W4.1b

**(W4.1b) What is the total number of facilities exposed to water risks with the potential to have a substantive financial or strategic impact on your business, and what proportion of your company-wide facilities does this represent?**

	Total number of facilities exposed to water risk	% company-wide facilities this represents	Comment
Row 1	2	1-25	<p>Based on the WWF Water Risk Filter 2022 we evaluated our 27 production sites. A total amount of 9 production sites are subjected to High Physical Basin risks &gt; 3,4. A total of 4 production sites a subjected to a very High Basin Reputational risk &gt; 4,2. Regulatory risks are very low to medium.</p> <p>Looking at the operational risk, a total of 12 of our production sites are subjected to very high Operational Physical Risks &gt; 4,2. A total number of 3 production sites are subjected to either high or very high Operational Reputational Risk &gt; 3,4. The Operational Regulatory Risks are very low to medium.</p> <p>From the WWF Water Risk Filter risk analysis and</p>

			<p>considering the potential financial and strategic impacts, we conclude that two of our production sites are subjected to “substantive financial or strategic risks”. These two production sites are our major production facilities located in Burghausen and Nünchritz. Germany.</p> <p>These two sites represent 7 % of our sites by number</p>
--	--	--	--

## W4.1c

**(W4.1c) By river basin, what is the number and proportion of facilities exposed to water risks that could have a substantive financial or strategic impact on your business, and what is the potential business impact associated with those facilities?**

---

### Country/Area & River basin

Germany  
Danube

### Number of facilities exposed to water risk

1

### % company-wide facilities this represents

1-25

### % company’s total global revenue that could be affected

61-70

### Comment

This site has a "very high risk" rating regarding to the operational risks. In addition, the high business importance of this production site, plus the overall dependency on water for the production processes subject this site to a substantive financial / strategic risk for our business in regards to water risks. The relevant river basin according to the WWF Water Risk Filter is the river Inn. However, other rivers (e.g. Alz, Salzach, Danube) are in direct or downstream connection with the operation at this site.

---

### Country/Area & River basin

Germany  
Elbe River

### Number of facilities exposed to water risk

1

### % company-wide facilities this represents

1-25



### **% company's total global revenue that could be affected**

21-30

#### **Comment**

This site has a "very high risk" rating regarding to the operational risks. In addition, the high business importance of this production site, plus the overall dependency on water for the production processes subject this site to a substantive financial / strategic risk for our business in regards to water risks.

## **W4.2**

**(W4.2) Provide details of identified risks in your direct operations with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

---

#### **Country/Area & River basin**

Germany  
Danube

#### **Type of risk & Primary risk driver**

Acute physical  
Drought

#### **Primary potential impact**

Reduction or disruption in production capacity

#### **Company-specific description**

The Burghausen site sources water from the Alz canal for hydroelectricity production and cooling water purposes. A drought could impact electricity production as well as cooling water facilities.

#### **POTENTIAL IMPACT ON DIRECT OPERATIONS:**

##### **Electricity production:**

Reduced hydroelectric operations would result in WACKER increasing external electricity purchases from the national grid. This would come at a much higher cost than internally generated from own hydro power plant and have a higher CO2 backpack.

##### **Cooling water:**

A drought would lead to an increase in water temperatures and required additional water withdrawals for cooling purposes. Depending on the severity of drought and water temperature, the capacity utilization of the facilities may need to be reduced to ensure the water temperatures in the river downstream of chemical plant do not exceed thresholds in operating permits.

#### **Timeframe**

1-3 years

**Magnitude of potential impact**

Low

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

19,900,000

**Potential financial impact figure - minimum (currency)**

**Potential financial impact figure - maximum (currency)**

**Explanation of financial impact**

Average annual electricity production from the hydroelectric plant Burghausen is 265 GWh.

Reduced hydroelectric operations would result in WACKER increasing external electricity purchases from the national grid.

The potential financial impact ranges up to €19.9 million.

This figure is calculated assuming an up to 50% reduction in hydroelectric generation for the 6 month period between April and September and multiplying this figure by the average German electricity spot price of 150€/MWh (April-September 2022).

CALCULATION:

Cost equals = 265,000 MWH \* 0.5 \* 150 € / MWh = €19.9 million

**Primary response to risk**

Increase supplier diversification

**Description of response**

In the event of reduced hydroelectric power generation, WACKER plans to cover its power requirements from the national grid.

In 2016, hydroelectric operations were terminated while renovation work on the Alz canal was completed.

PRIMARY RESPONSE TO MITIGATE RISK:

For strategic raw materials and energy, we already started to continuously prepare systematic annual procurement plans, which include an evaluation of the procurement risk.

For any procurement risk that is classed as relevant, we take appropriate countermeasures where possible.

There is no immediate supply risk for electricity, as missing volumes are provided immediately through the national grid. In the very hypothetical case of a sudden drop in water levels, replacement volumes would be priced at intraday or spot price levels. In reality, low water levels usually build up over time, are constantly monitored and respective lower hydro production levels are forecasted through internal planning processes. Therefore, the corresponding increase in electricity purchase demand from the grid will be known in advance, allowing for immediate mitigation of financial risks through forward purchases according to internal hedging strategies.

#### **Cost of response**

300,000

#### **Explanation of cost of response**

Costs primarily stem from the compensation of WACKER's internal energy trading department.

In total ~2 FTEs (Full Time Equivalent) with average costs of 150 k€ p.a. are needed to manage energy trading.

As the timing of this risk is not predictable, the employees need to access this risk on a weekly basis.

WACKER's longstanding power hedging is our primary mechanism to mitigate this risk.

C ALCULATION:

150,000 €/year \* 2 = 300,000 € costs per year.

## **W4.2a**

**(W4.2a) Provide details of risks identified within your value chain (beyond direct operations) with the potential to have a substantive financial or strategic impact on your business, and your response to those risks.**

---

#### **Country/Area & River basin**

Brazil

Amazonas

**Stage of value chain**

Supply chain

**Type of risk & Primary risk driver**

Acute physical

Drought

**Primary potential impact**

Increased production costs due to changing input prices from supplier

**Company-specific description**

Over 70% of group sales at WACKER are from products starting with silicon metal (abbreviated as Si). Si is a global commodity with the main production countries being China, Brazil, Iceland, Norway.

The production of Si is energy intensive, and facilities are typically located in areas with low power costs.

Changing levels of precipitation in Brazil has at times led to high energy costs due to insufficient rainfall for the country's hydropower generation.

As high energy costs make Si production unviable, producers reduce or stop production.

This in turn, tightens the global markets for Si.

**Timeframe**

1-3 years

**Magnitude of potential impact**

Medium

**Likelihood**

About as likely as not

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

60,000,000

**Potential financial impact figure - minimum (currency)**

**Potential financial impact figure - maximum (currency)**

**Explanation of financial impact**

WACKER is one of the largest buyers of silicon metal world-wide. WACKER's annual purchase volumes from external supplier totals above 150,000 ton annually.

Over the past 2 years, Silicon metal prices have traded in the range of between \$3,000 and \$5,000 per ton with a mid-point of \$4,000 (=~€4000).

Using this mid-point figure and multiplying by approximate purchase volume per annum yields total silicon-metal purchase of approximately €600 million per year.

Changes in silicon-metal output due to low precipitation in key regions may affect global price by approximately 10%.

C ALCULATION:

10% higher average silicon metal prices (400€) x total purchases (150,000 t) = €60m

### Primary response to risk

Upstream  
Increase supplier diversification

### Description of response

Silicon-metal is a strategic raw material for WACKER.

In 2017-19, WACKER expanded its own silicon metal production capacities in Holla Norway. Investments totaled approximately €85m. Currently, the silicon metal produced in Holla covers around one-third of demand at WACKER's sites in Germany.

Prices for silicon metal have increased rapidly in the past 24 months due to record high energy prices in key producing regions.

In response WACKER is examining the potential to increase its internal silicon metal production in Norway, thus lowering the risk by reducing the volume to be purchased from Brazil. A feasibility study is underway to increase our production capacities in Norway by 50%. This study is expected to be finished in 2023.

By having a higher level of backward integration, WACKER will have less exposure to market prices which may fluctuate in response to the level of hydroelectric production in key producing regions.

### Cost of response

900,000

### Explanation of cost of response

Cost of the feasibility study primarily stems from the compensation of WACKER's internal infrastructure and planning department.

In total ~6 FTEs (Full Time Equivalent) with average costs of 150 k€ p.a.  
Expected time to complete the study is 12 months.

C ALCULATION:

150,000 €/year \* 6 = €900,000

Total CapEx for the silicon metal smelter is likely to be in excess of the previous investment, which totaled some €85m. An investment decision is targeted for 2023 with expansion completed by end of 2025.

## W4.3

**(W4.3) Have you identified any water-related opportunities with the potential to have a substantive financial or strategic impact on your business?**

Yes, we have identified opportunities, and some/all are being realized

## W4.3a

**(W4.3a) Provide details of opportunities currently being realized that could have a substantive financial or strategic impact on your business.**

---

### Type of opportunity

Products and services

### Primary water-related opportunity

Increased sales of existing products/services

### Company-specific description & strategy to realize opportunity

EXPLANATION OF STRATEGIC OPPORTUNITY:

Situation:

Climate change will increase water scarcity in all regions of the world. Therefore, a responsible and efficient use of water resources will be crucial to secure water availability in the future. Thus, there is an increasing need of products supporting an efficient use of water resources.

Task:

Develop products which address water scarcity.

WACKER offers customized silicone materials as defoamers (e.g. SILFOAM©) for various industries and applications, such as for household (detergents, cleaning agents), environmentally friendly pulping, textile production, agriculture, food and beverages, life science and water treatment, leading to effective foam control and thus reduced water consumption and minimized energy consumption.

Action:

Extend activities to market WACKER defoamer solutions to water intense industries.  
Develop further products for new applications.

Result:

In 2021, WACKER set up a development platform to force the development of new materials for existing and new applications. There are clear responsibilities at each part of the world to consider regional specifics. The goal is to significantly extend the WACKER defoamer business within the next 5-10 years.

**Estimated timeframe for realization**

1 to 3 years

**Magnitude of potential financial impact**

Low

**Are you able to provide a potential financial impact figure?**

Yes, a single figure estimate

**Potential financial impact figure (currency)**

10,000,000

**Potential financial impact figure – minimum (currency)**

**Potential financial impact figure – maximum (currency)**

**Explanation of financial impact**

Today, the global market for silicone defoamers is about €500 m. Assuming a 5% annual growth within the next five years will lead to an additional sales volume of approx. €140m globally. Assuming 7% of these new sales opportunities assigned to WACKER, this will lead to an opportunity of €140m x 7% = €10m.

## W5. Facility-level water accounting

### W5.1

**(W5.1) For each facility referenced in W4.1c, provide coordinates, water accounting data, and a comparison with the previous reporting year.**

---

**Facility reference number**

Facility 1

**Facility name (optional)**

Burghausen

**Country/Area & River basin**

Germany

Danube

**Latitude**

48.1769

**Longitude**

12.84045

**Located in area with water stress**

No

**Total water withdrawals at this facility (megaliters/year)**

202,278

**Comparison of total withdrawals with previous reporting year**

About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

201,256

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

773

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

249

**Total water discharges at this facility (megaliters/year)**

206,221

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water**

206,221



**Discharges to brackish surface water/seawater**

0

**Discharges to groundwater**

0

**Discharges to third party destinations**

0

**Total water consumption at this facility (megaliters/year)**

1,463

**Comparison of total consumption with previous reporting year**

Much lower

**Please explain**

All freshwater withdrawals are conducted from the Alz Canal, the Salzach River, and the Mühlbach River; all discharges are to the Salzach River. This disclosure shows water withdrawals for WACKER's own use. The reported value is calculated from total water withdrawal (measured) minus water sold to third parties (measured). The reported discharges originate from WACKER's own production and infrastructure facilities. The value is calculated from the total discharge (calculated for cooling water, measured for wastewater) minus the water discharge for third parties (calculated for cooling water, measured or calculated for wastewater treatment).

The input-output balance is dominated by water for cooling purposes (about 95%). Since the meters for this large amount have an accuracy of about 5% and there are some calculations for individual partial flows, the balance has a deviation of 5406 megaliters, which is about 2.7% of the total withdrawal. Water consumption is recorded at the plant level for water contained in products (236.2), water contained in waste (23.5) and evaporated water (1203). Data are obtained through a combination of measurement, calculation, and estimation) and aggregated to site-level data. Total water consumption in 2022 is much lower than in 2021 due to the decreased volumes of water-intensive products.

---

**Facility reference number**

Facility 2

**Facility name (optional)**

Nünchritz

**Country/Area & River basin**

Germany

Elbe River

**Latitude**

51.29794

**Longitude**

13.39649

**Located in area with water stress**

No

**Total water withdrawals at this facility (megaliters/year)**

3,975

**Comparison of total withdrawals with previous reporting year**

About the same

**Withdrawals from fresh surface water, including rainwater, water from wetlands, rivers and lakes**

0

**Withdrawals from brackish surface water/seawater**

0

**Withdrawals from groundwater - renewable**

3,949

**Withdrawals from groundwater - non-renewable**

0

**Withdrawals from produced/entrained water**

0

**Withdrawals from third party sources**

26

**Total water discharges at this facility (megaliters/year)**

3,118

**Comparison of total discharges with previous reporting year**

About the same

**Discharges to fresh surface water**

3,118

**Discharges to brackish surface water/seawater**

0

**Discharges to groundwater**

0

**Discharges to third party destinations**

0

**Total water consumption at this facility (megaliters/year)**

922

## Comparison of total consumption with previous reporting year

Lower

### Please explain

All freshwater withdrawals are from wells near the Elbe using bank filtrate; discharges are into the river Elbe. The withdrawal and discharge figures given are based on measurements.

Water consumption is recorded at plant level for water contained in products (31.4), wastewater (6.1), evaporated water (881.5), and water for other purposes (2.8). Data are obtained through a combination of measurements, calculations, and estimates and aggregated at the site level.

The discrepancy in the input-output balance is 65 megaliters/year, which is 1.6% of the total withdrawal. This discrepancy is due to a lack of accuracy in the cooling water and wastewater meters. The total water consumption in 2022 is lower (14%) than in 2021, mainly due to the lower amount of evaporated water. About 96% of the water consumed is lost through evaporation of cooling water.

## W5.1a

**(W5.1a) For the facilities referenced in W5.1, what proportion of water accounting data has been third party verified?**

### Water withdrawals – total volumes

---

#### % verified

76-100

#### Verification standard used

International Standard on Assurance Engagements (ISAE) 3000 was applied in WACKER's verification of non-financial disclosure based on the mandatory CSR reporting. Please see W10.1 for the attached statement.

### Water withdrawals – volume by source

---

#### % verified

Not verified

#### Please explain

This water accounting data is not verified since it is not part of our annual report 2022. Also, there is no regulatory requirement to consider this metric. In the medium-term (2-3 years) we do not plan to include this accounting data for verification.

### Water withdrawals – quality by standard water quality parameters

---

#### % verified

Not verified

**Please explain**

This water accounting data is not verified since it is not part of our annual report 2022. Also, there is no regulatory requirement to consider this metric. In the medium-term (2-3 years) we do not plan to include this accounting data for verification.

**Water discharges – total volumes**

---

**% verified**

76-100

**Verification standard used**

International Standard on Assurance Engagements (ISAE) 3000 was applied in WACKER's verification of non-financial disclosure based on the mandatory CSR reporting. Please see W10.1 for the attached statement.

**Water discharges – volume by destination**

---

**% verified**

Not verified

**Please explain**

This water accounting data is not verified since it is not part of our annual report 2022. Also, there is no regulatory requirement to consider this metric. In the medium-term (2-3 years) we do not plan to include this accounting data for verification.

**Water discharges – volume by final treatment level**

---

**% verified**

Not verified

**Please explain**

This water accounting data is not verified since it is not part of our annual report 2022. Also, there is no regulatory requirement to consider this metric. In the medium-term (2-3 years) we do not plan to include this accounting data for verification.

**Water discharges – quality by standard water quality parameters**

---

**% verified**

Not verified

**Please explain**

This water accounting data is not verified since it is not part of our annual report 2022. Also, there is no regulatory requirement to consider this metric. In the medium-term (2-3 years) we do not plan to include this accounting data for verification.

**Water consumption – total volume**

---

**% verified**

Not verified

**Please explain**

This water accounting data is not verified since it is not part of our annual report 2022. Also, there is no regulatory requirement to consider this metric. In the medium-term (2-3 years) we do not plan to include this accounting data for verification.

## W6. Governance

### W6.1

**(W6.1) Does your organization have a water policy?**

Yes, we have a documented water policy that is publicly available

### W6.1a

**(W6.1a) Select the options that best describe the scope and content of your water policy.**

	Scope	Content	Please explain
Row 1	Company-wide	Description of the scope (including value chain stages) covered by the policy Description of business dependency on water Description of business impact on water Commitment to align with international frameworks, standards, and widely-recognized water initiatives Commitment to prevent, minimize, and control pollution Commitment to reduce or phase-out hazardous substances Commitment to reduce water withdrawal and/or consumption volumes in direct operations Commitment to reduce water withdrawal and/or	<b>SCOPE</b> WACKER's groupwide water stewardship program (WaWaS) takes a systematic approach to water management. WACKER is committed to responsible use of water resources throughout the entire supply chain.  Water management based on 6 principles: good water governance, sustainable basin water balance, good water quality, protection of important water-related areas, flood protection, safe water, sanitation and hygiene (WASH)  <b>DEPENDENCY / IMPACT ON WATER / POLLUTION COMMITMENT / HAZARDOUS SUBSTANCES</b>  WACKER is highly dependent on access to clean, cool water for its chemical production processes. The primary use of water was for cooling purposes, which is later discharged within tight parameters.  We reduce water impact by modifying our processes, taking pretreatment measures, identifying critical environmental conditions in our waterways (water flow, temperature, etc.) and preparing the necessary adjustments.

		<p>consumption volumes in supply chain</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in the workplace</p> <p>Commitment to safely managed Water, Sanitation and Hygiene (WASH) in local communities</p> <p>Commitment to water stewardship and/or collective action</p> <p>Commitment to the conservation of freshwater ecosystems</p> <p>Commitments beyond regulatory compliance</p> <p>Reference to company water-related targets</p> <p>Acknowledgement of the human right to water and sanitation</p> <p>Recognition of environmental linkages, for example, due to climate change</p>	<p>WACKER's Environmental Standards (directive) often exceed local legal / regulatory requirements in regards to groundwater protection.</p> <p>INTERNATIONAL STANDARDS</p> <p>The Group is aligning its water stewardship with international standards for analyzing and controlling measures.</p> <p>WACKER uses an aspect identification and assessment tool, based on the AWS- and EWS- Standards, for all production sites. It helps production plants to determine how to improve water footprint and contribution towards company goals.</p> <p>SUPPLY CHAIN COMMITMENT / WATER WITHDRAWAL</p> <p>WACKER's suppliers fulfill generally accepted sustainability principles (e.g. working conditions, ethical standards, safety standards and the management of local resources (water use, energy consumption)).</p> <p>WACKER's Supplier Code of Conduct requires suppliers to: comply with all applicable environmental regulations and laws, minimize emissions and waste, adhere to international environmental, social and corporate governance standards, not cause an environmental change or excessive water consumption that may have adverse human rights consequences.</p> <p>TARGETS / GOALS</p> <ul style="list-style-type: none"> <li>• Target: Reduce specific water withdrawal by 15% by 2030 (2022: +2%).</li> <li>• Goal "No incidents with relevant environmental inputs"</li> </ul> <p>HUMAN RIGHT TO WATER AND SANITATION:</p> <p>As a member of the UN Global Compact and the</p>
--	--	--	---

			Responsible Care® initiative, it is vital that our operations and those of our suppliers fulfill sustainability principles, including the management of local resources (ie. water quality and use).
--	--	--	--

## W6.2

**(W6.2) Is there board level oversight of water-related issues within your organization?**

Yes

## W6.2a

**(W6.2a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for water-related issues.**

Position of individual or committee	Responsibilities for water-related issues
Chief Executive Officer (CEO)	<p>1) DESCRIPTION OF POSITION / LEVEL OF RESPONSIBILITY TOWARDS WATER-RELATED ISSUES: The CEO of WACKER has the highest level of responsibility for Sustainability (including water-related issues). The Sustainability Department is held within the Group Corporate Development Department which reports directly to the CEO. Headed by the CEO, WACKER's four-member Executive Board oversees the Group's Sustainability Strategy, including water strategy.</p> <p>2) WATER-RELATED DECISION: The board, headed by the CEO established new water targets for 2030 in 2021. The new targets were presented to investors at the Sustainability Capital Market Day in 2021. WACKER has committed itself to reduce specific water consumption by 15% by 2030.</p> <p>With this newly established Group water target, a team of experts at WACKER began investigating the potential for even more efficient use of cooling water. For example, the decentralized use of heat pumps is being examined, which would enable residual heat to be used even more efficiently and further reduce heat loss into the cooling water. This would reduce the quantity of cooling water needed by unit of production.</p> <p>In 2021, the CEO and entire board authorized a separate budget for sustainability-related investments needed to reach its newly formulated 2030 sustainability targets. An interdisciplinary team consisting of members from Engineering, Corporate Development, and Controlling apply defined criteria to assess projects. The aim is to implement projects which reduce emissions into air and water, lower water consumption and promote a circular economy.</p>

Board-level committee	<p><b>DESCRIPTION OF CORPORATE STRUCTURE / LEVEL OF RESPONSIBILITY:</b> The Sustainability Council is the highest cross-functional committee on sustainability at WACKER. Two members of the Executive Board, including the CEO, as well as high-level representatives from each business division, corporate development, environmental division, corporate sustainability, engineering, procurement and research and development are discussing and aligning on Group’s sustainability topics, including water related topics.</p> <p><b>CLIMATE-RELATED RESPONSIBILITY:</b> The Sustainability Council is steering the WACKER Sustainability Program, build up on four pillars (sustainable processes, sustainable products, feedstock &amp; value chain, circular economy). The progress of each pillar is regularly reported to the Sustainability Council and decisions are made. The Sustainability Council meets every two months.</p> <p><b>CLIMATE-RELATED DECISION:</b> In 2021, the Sustainability Council decided to analyse water risks in our procurement categories.</p>
-----------------------	--

## W6.2b

**(W6.2b) Provide further details on the board’s oversight of water-related issues.**

	Frequency that water-related issues are a scheduled agenda item	Governance mechanisms into which water-related issues are integrated	Please explain
Row 1	Scheduled - some meetings	<p>Monitoring progress towards corporate targets</p> <p>Overseeing major capital expenditures</p> <p>Overseeing the setting of corporate targets</p> <p>Reviewing and guiding annual budgets</p> <p>Reviewing and guiding corporate responsibility strategy</p> <p>Reviewing and guiding major plans of action</p>	<p><b>CAPITAL EXPENDITURES / ANNUAL BUDGETS</b> The planning of capital expenditures, including major water-related investments is an essential part of WACKER’s annual planning and investment process. The results are finally approved by the Strategy Conference. In 2021, the Executive Board decided to introduce a separate budget for sustainability measures, e.g. for CO2 or water reduction. The budget is managed by a cross-divisional budget committee, which regularly reports to the Sustainability Council (every 2 months).</p> <p><b>MAJOR PLANS OF ACTION</b> In 2021, WACKER’s Executive Board decided to set new sustainability targets (including a water target), backed with specific projects to achieve these targets. The initial project setup as well as the project progress (presented by the project lead) is regularly reviewed (1-2x per year) by the Executive Board.</p>



		<p>Reviewing and guiding risk management policies</p> <p>Reviewing and guiding strategy</p> <p>Setting performance objectives</p>	<p><b>RISK MANAGEMENT POLICIES</b></p> <p>The CFO has overall responsibility for the risk management. The Executive and Supervisory Boards are regularly informed about the current risk status in the Group. The goal of risk management is to identify risks as early as possible, to evaluate them adequately and to take appropriate steps to reduce them.</p> <p><b>STRATEGY &amp; TARGETS</b></p> <p>Headed by the CEO, WACKER's Executive Board oversees the Sustainability Strategy, which is an integral part of the Group strategy. Strategic risks and opportunities related to climate change and water security are analysed and monitored during the annual strategy process and presented to the Executive (by the corporate sustainability department) and the Supervisory Boards. In 2021, WACKER's sustainability strategy was adjusted and new targets, including a water target were set.</p> <p>The Executive Board has convened a Sustainability Council, headed by the CEO to monitor and coordinate the sustainability strategy, including the water stewardship program. The Sustainability Council meets every two months and coordinates interdepartmental measures and reviews the progress made by the program.</p> <p><b>SETTING PERFORMANCE OBJECTIVES</b></p> <p>WACKER has committed itself reduce specific water consumption by 15% by 2030. Additionally, WACKER has the goal of "No incidents with relevant environmental inputs" since 2017/18. These goals are also considered by the Supervisory Board for the CEO and entire Board of Management target setting. Headed by the CEO, WACKER's Executive Board oversees the Group's Sustainability Strategy. The Executive Board convened a Sustainability Council, headed by the CEO, to monitor and coordinate the WACKER Sustainability Program. The Sustainability Council measures the progress towards and recommends actions needed to achieve Group Sustainability and Water-related targets.</p>
--	--	---	---

## W6.2d

**(W6.2d) Does your organization have at least one board member with competence on water-related issues?**

	Board member(s) have competence on water-related issues	Criteria used to assess competence of board member(s) on water-related issues
Row 1	Yes	<p>Sustainability has been firmly rooted in WACKER’s business processes for many years. Thus, the Board of Management must have wide ranging expertise knowledge in the fields of Environment, Health, Safety (EHS), Sustainable Production, Product Safety and Supply Chain to oversee the Groups Sustainability initiatives.</p> <p>In 2022, one of WACKER’s board members has been responsible for EHS including water-related issues for more than 10 years now. He is also heading the committee for technology and environment of the German Chemical Association.</p> <p>The Board of Management has gained considerable experience in the field implementing and managing sustainability-related initiatives dating back to 1991, when WACKER joined the Responsible Care® initiative. Until today, WACKER has consistently improved its sustainability efforts, level of disclosure and support for global voluntary initiatives.</p> <p>Key dates and milestones:</p> <ul style="list-style-type: none"> <li>• WACKER has been an active member of the Responsible Care® initiative since 1991</li> <li>• WACKER has adhered to the UN Global Compacts ten principles since 2006 and has published annual progress reports since 2010.</li> <li>• WACKER has published a comprehensive Sustainability report since 2007/2008</li> <li>• WACKER has set specific CO2 reduction targets since 2013</li> <li>• WACKER joined the “Together for Sustainability” (TfS) initiative in 2015</li> <li>• WACKER Executive Board convened a Sustainability Council to monitor and coordinate its Sustainable Solutions Program in 2018</li> <li>• WACKER set the target to achieve 15% water reduction by 2030 in 2021</li> <li>• Board of Management remuneration tied to reaching of Sustainability targets in 2021.</li> </ul>

## W6.3

**(W6.3) Provide the highest management-level position(s) or committee(s) with responsibility for water-related issues (do not include the names of individuals).**

---

**Name of the position(s) and/or committee(s)**

Chief Executive Officer (CEO)

**Water-related responsibilities of this position**

Setting water-related corporate targets  
Monitoring progress against water-related corporate targets  
Integrating water-related issues into business strategy  
Managing annual budgets relating to water security

**Frequency of reporting to the board on water-related issues**

More frequently than quarterly

**Please explain**

The CEO of WACKER has the highest level of responsibility for Sustainability and ensures that the entire Board of Management is informed on all Sustainability developments including water-related issues. The Sustainability Department is held within the Group Corporate Development Department which reports directly to the CEO. As an integral part of WACKER's corporate strategy, sustainability and thus also water-related topics are naturally assigned to the CEO.

Headed by the CEO, the Executive Board has convened a Sustainability Council, to monitor and coordinate the sustainability strategy, including the water stewardship program. The Sustainability Council meets every two months and coordinates interdepartmental measures, reviews the progress made by the program and monitors the progress against corporate targets (including water).

---

**Name of the position(s) and/or committee(s)**

Chief Financial Officer (CFO)

**Water-related responsibilities of this position**

Assessing water-related risks and opportunities  
Managing water-related risks and opportunities  
Managing annual budgets relating to water security

**Frequency of reporting to the board on water-related issues**

Annually

**Please explain**

The CFO has overall responsibility for the risk management systems and investment decisions – including climate- and water-related capital expenditure: The goal of risk management is to identify risks as early as possible, to evaluate them adequately and to take appropriate steps to reduce them. The CFO participates on target setting and monitors the target attainment for energy, emission reductions and water. The CFO oversees climate- and water-related capital expenditure. WACKER authorized a separate budget for climate- and water-related investments needed to reach its 2030 sustainability targets.

**Name of the position(s) and/or committee(s)**

Other C-Suite Officer, please specify  
Group coordinator environment

**Water-related responsibilities of this position**

Assessing water-related risks and opportunities  
Managing water-related risks and opportunities

**Frequency of reporting to the board on water-related issues**

Annually

**Please explain**

As part of the annual Group EHS Meeting water strategy and progress of the WACKER water stewardship program is reported to the board member responsible for environment topics, including current risk assessment and target achievement status.

**W6.4**

**(W6.4) Do you provide incentives to C-suite employees or board members for the management of water-related issues?**

	<b>Provide incentives for management of water-related issues</b>	<b>Comment</b>
Row 1	No, and we do not plan to introduce them in the next two years	

**W6.5**

**(W6.5) Do you engage in activities that could either directly or indirectly influence public policy on water through any of the following?**

Yes, trade associations

**W6.5a**

**(W6.5a) What processes do you have in place to ensure that all of your direct and indirect activities seeking to influence policy are consistent with your water policy/water commitments?**

WACKER maintains an active, open and transparent dialogue with political decision-makers, representatives of trade unions, associations and non-governmental organizations. The aim is to help constructively and transparently shape the political framework for our business activities in a highly and complexly regulated environment. We do this through industry associations, cross-industry business alliances or by directly contributing to the political dialogue with the expertise of our own advocacy experts.

Our corporate departments Gov. Relations, Sustainability, Environment, Communication, Procurement & Logistics and Corp. Development work together closely with the business divisions to ensure consistent external communication. Corporate

positions are discussed on an expert level before they are presented to the Sustainability Council, where senior representatives of all relevant business divisions and aforementioned corp. departments are present. Water issues are company-wide steered by the Environmental division in close collaboration with the Corporate Sustainability Department.

By close collaboration of all relevant functions, inconsistencies are discovered at an early stage. If unsolvable at an expert level, they will be escalated to senior management, providing different options to solve the inconsistencies. The Sustainability Council, which takes place every two months, is the relevant committee for these kind of discussions.

## W6.6

**(W6.6) Did your organization include information about its response to water-related risks in its most recent mainstream financial report?**

Yes (you may attach the report - this is optional)

## W7. Business strategy

### W7.1

**(W7.1) Are water-related issues integrated into any aspects of your long-term strategic business plan, and if so how?**

	Are water-related issues integrated?	Long-term time horizon (years)	Please explain
Long-term business objectives	Yes, water-related issues are integrated	21-30	In 2021, WACKER has committed to achieve 100% of its products fulfilling defined sustainability criteria in 2030. The portfolio analysis behind this target (WACKER Sustainable Solutions) includes all three dimensions of sustainability, i.e. also water-related aspects. In 2021, the Sustainability Council decided to lay a focus on first the analysis of water impact of our products and second to force the development of water saving products. WACKER already produces lots of products, such as silicone defoamers that help their customer to reduce water consumption. The topic was further integrated in the Group-wide innovation system to drive the development of water-saving products. To achieve WACKER's long-term goal "Net Zero in 2045", keeping

			100% products fulfilling sustainability criteria, thus also considering water-related issues is inevitable.
Strategy for achieving long-term objectives	Yes, water-related issues are integrated	21-30	<p>The availability of water is crucial for future business. For our chemical production processes water is either needed as cooling water or as process water. With the group-wide integration of our water stewardship processes, we ensure that long-term objectives can be formulated by our businesses – even extending beyond our medium-term group goal of reducing water withdrawal by 15% until 2030. By means of an annual and continuous assessment procedure, we enable our businesses to assess water-related risks and opportunities, and to set appropriate water-related objectives. If required, also beyond the next decade. This approach is supported by scenario risk analysis (WWF Water Risk Filter) of all our production sites with risk projections into the year 2050. Applying the WWF Water Risk Filter for the first time in 2021 resulted in two of our main production sites located in basins with “substantive financial or strategic risk”. Therefore, a target for the specific reduction of water withdrawals by 15% until 2030 was set in 2021</p>
Financial planning	Yes, water-related issues are integrated	21-30	<p>During WACKER’s annual investment process water-related topics are included. In 2021, the Executive Board decided to introduce a separate budget for sustainability measures, e.g. for CO2 or water reduction. The budget is managed by a cross-divisional budget committee, which regularly reports to the Sustainability Council (every 2 months).</p> <p>In 2016, we cleaned up and repaired the roughly 17-kilometer Alz canal at the Burghausen site. Its water is used to generate power as well as to supply cooling and process water for the Burghausen site. By this measure water losses are minimized, and water can now be used more efficiently than before. For WACKER, own generation of electricity by hydropower is an important source of clean and affordable energy. The last refurbishment took place in 1998.</p>

## W7.2

**(W7.2) What is the trend in your organization’s water-related capital expenditure (CAPEX) and operating expenditure (OPEX) for the reporting year, and the anticipated trend for the next reporting year?**

**Row 1**

**Water-related CAPEX (+/- % change)**

200

**Anticipated forward trend for CAPEX (+/- % change)**

33

**Water-related OPEX (+/- % change)**

16

**Anticipated forward trend for OPEX (+/- % change)**

5

**Please explain**

In 2022 total CAPEX for environmental protection was ~ 8 Mio €. CAPEX related to water protection increased to ~ 3 Mio € (2021: ~ 1 Mio. €). We invested in the upgrade of measurement devices at our chemical wastewater treatment plant (WWTP) in Burghausen (Germany). Plus, we started a project to extend our WWTP capacities in Burghausen. One major investment was at our production plant in Zhangjiagang (China): installation of emulsion treatment, scrubber system, improved discharge system for on-site WWTP. Total OPEX for environmental protection increased to ~89 Mio € (2021: ~78 Mio €). OPEX related to water protection increased to ~36 Mio € (2021: ~31 Mio €). We still use a groundwater stripping plant to treat localized groundwater contamination east of Burghausen site. This remediation ensures drastic reduction of contamination in the affected area. The results of our annual fish contaminant survey are still inconspicuous (fish from the Salzach river are safe to eat).

**W7.3**

**(W7.3) Does your organization use scenario analysis to inform its business strategy?**

	<b>Use of scenario analysis</b>	<b>Comment</b>
Row 1	Yes	<p>WACKER uses climate-related scenario analysis to support its business decisions (cf. Climate Change 3.1d). We also use scenario analysis to inform business strategy for a water secure future.</p> <p>We use the WWF Water Risk Filter which combines different climate scenarios to explore future water risks. The Water Risk Filter allows us to cover physical risks such as scarcity, flooding, water quality and also regulatory and reputational aspects, which can be projected into the future (e.g. 2030 or 2050).</p> <p>For 2022 we achieved an average overall basin risk score of 3 (medium risk) across our production sites. Currently we see no immediate significant risks in connection with the basin bodies used. Nevertheless, the use of future scenarios</p>

		allows us to mitigate risks and build up resilience in areas with increasing risk forecasts. Our Water Stewardship Program allows us to develop and follow up on identified water related aspects on a regional (production site) level.
--	--	--

## W7.3a

**(W7.3a) Provide details of the scenario analysis, what water-related outcomes were identified, and how they have influenced your organization’s business strategy.**

	Type of scenario analysis used	Parameters, assumptions, analytical choices	Description of possible water-related outcomes	Influence on business strategy
Row 1	Water-related	<p>WACKER uses the WWF Water Risk Filter to create scenarios for water risk.</p> <p>The Water Risk Filter scenarios dataset builds on the framework of the tool’s current basin risk assessment, but integrates 2030 and 2050 quantitative projections of water risks.</p> <p>In line with the Task Force on Climate-related Financial Disclosure (TCFD) recommendations, the scenarios dataset is based on a combination of the most relevant climate scenarios (IPCC CMIP5 Representative Concentration Pathways – RCP) and socio-economic scenarios (IIASA Shared Socioeconomic Pathways – SSP). More specifically, the risk scores of the year 2020 (baseline) are added with projected changes based on climate impact ensemble projections that account for climate (e.g., temperature, precipitation, wind) and</p>	<p>In the WWF Water Risk Filter, we achieved a current average Overall Basin Risk rating of approx. 3 (medium risk) with the maximum basin risk rating of 3.8 in one of our production sites in South Asia.</p> <p>We are able to identify regions and individual production sites which are forecast to be exposed to increased water related risks in the future. These include risks on a physical / regulatory / reputational scale.</p> <p>According to climate-related risk scenarios (i.e. RCP 8.5), temperature will increase globally in all areas with presence of WACKER production sites. Increase of water temperature will follow as well as periods with high precipitation on</p>	<p>In 2021 we created our corporate Water Stewardship Standard. This standard was rolled out globally to all regions and production sites in 2022. The data provided through the WWF Water Risk Filter and also the scenario analysis builds an integral part of our Water Stewardship Standard allowing regions and production sites to individually assess their water related risks, define countermeasures, and build up resilience.</p> <p>Ongoing investments (CapEx) also aim to save water-volumes in production processes within WACKER’s productivity program (WOS). We anticipate higher water-related investments (CapEx and OpEx) in the upcoming years.</p> <p>The importance of water related impacts on our business is also reflected in</p>



	<p>socio-economic variables (e.g., population, GDP, technological developments), and represent the consequences and effects of climate and socio-economic changes on water resources.</p> <p>We use a tailored Basin Risk vs. Operational Risk Matrix depicting the future scenarios (2030 and 2050) for optimistic, current trend and pessimistic pathways to identify regional and production site specific water risks.</p>	<p>one side and draughts with water shortages on the other side. Water will become an increasingly valuable commodity and has to be saved.</p> <p>This is also reflected in our evaluation of the scenario analysis in the WWF Water Risk Filter which shows increased basin risk trends for current or pessimistic pathways until 2050, especially for some of our production sites located in Asia.</p> <p>This led us to our target of 15% less withdrawal of water for the whole company until 2030.</p>	<p>our corporate goal settings. Until 2030 WACKER will reduce the specific water withdrawal group-wide by 15% per ton of net production.</p> <p>To achieve this target, for example, over the next 10 years we will make all of our process chains more energy efficient in order to reduce the heat loads that need to be dissipated and we will identify relevant wastewater sources and reduce substance loads by modifying our processes and/or taking appropriate pretreatment measures.</p>
--	--	--	---

## W7.4

### (W7.4) Does your company use an internal price on water?

#### Row 1

#### Does your company use an internal price on water?

Yes

#### Please explain

WACKER uses internal prices for various types of water from various resources to fulfill internal demands. Each price is calculated to cover our internal and all external costs. Water types are e.g., cooling water, which comes from Alz canal as well as a base for deionized water, used for cleaning processes of finished goods or as an integral part of our chemical products. In addition, we use drinking water, warm water and we deal with wastewater in some clarification plants. Prices are included in investment calculations to ensure that relevant factors relating to water are reflected in the decision-making process. This mechanism also promotes process transformations and projects aimed at reducing water consumption. One current project is concerned with expanding water

management at the site in Nünchritz. By optimizing the use of well water, for example, annual savings of ~400 km<sup>3</sup> can be realized.

## W7.5

**(W7.5) Do you classify any of your current products and/or services as low water impact?**

	Products and/or services classified as low water impact	Definition used to classify low water impact	Please explain
Row 1	Yes	<p>General approach: Our portfolio analysis instrument (WACKER Sustainable Solutions) includes all three dimensions of sustainability, i.e. also water-related aspects. Within the analysis we run a comparison to selected reference systems allowing us to identify products, which save water during the use phase.</p> <p>Specific example: PULPSIL® silicone defoamers allow foam control in industrial processing (more details see explanation). The performance of PULPSIL® products is tested in our application technology laboratories by defined experiments, which measure physical properties such as drainage rates or deaeration. As these are directly related to water saving, we can support our customers in selecting the most efficient product for their production process.</p>	<p>WACKER has various products enabling our customer to save the amount of water needed. WACKER offers customized silicone fluids, silicone rubbers, high-performance polymer binders and process additives as well as application-specific support and services, thus providing the optimum basis for economical and environmentally friendly pulping, paper finishing, paper and paperboard coating, and printing without problems.</p> <p>Strategy to realize opportunity: PULPSIL® silicone defoamers are specifically tailored to the pulp industry. They enable the operator to control foaming during foam intensive production steps. Benefits include efficient processes, effective foam control, better washing results, reduced water consumption, and minimized energy consumption.</p>

## W8. Targets

### W8.1

**(W8.1) Do you have any water-related targets?**

Yes

## W8.1a

**(W8.1a) Indicate whether you have targets relating to water pollution, water withdrawals, WASH, or other water-related categories.**

	Target set in this category
Water pollution	Yes
Water withdrawals	Yes
Water, Sanitation, and Hygiene (WASH) services	Yes
Other	Yes

## W8.1b

**(W8.1b) Provide details of your water-related targets and the progress made.**

**Target reference number**

Target 1

**Category of target**

Monitoring of water use

**Target coverage**

Site/facility

**Quantitative metric**

Other, please specify

Full water balance for every production site incl. (1) water withdrawal by source (2) water circulation (3) water discharge (wastewater, cooling water) (4) water consumption (evaporation, products) (5) delivery/receipt of water to/from 3rd parties

**Year target was set**

2020

**Base year**

2020

**Base year figure**

0

**Target year**

2023

**Target year figure**

27

**Reporting year figure**

25

**% of target achieved relative to base year**

92.5925925926

**Target status in reporting year**

Underway

**Please explain**

Until the end of 2023 we will introduce a local Water Stewardship Program at all our 27 Production Sites including:

- Determination and monitoring of local factors of water supply, usage, and discharge (= site specific water balance)
- Assessment of local risks and opportunities according to WACKER Standard Method including the WWF Water Risk Filter
- Development of site related objectives and measures

We are currently in the progress to implement the management process to supervise and monitor these parameters at our production sites. We request a full water mass balance from all our production sites. Until the reporting year 2022 a total of 25 out of 27 productions sites submitted their detailed water balances, therefore contributing to the Water Stewardship strategy and gaining internal transparency on their water withdrawal, usage and discharge.

---

**Target reference number**

Target 2

**Category of target**

Water withdrawals

**Target coverage**

Company-wide (direct operations only)

**Quantitative metric**

Reduction in withdrawals per unit of production

**Year target was set**

2021

**Base year**

2020

**Base year figure**

97.9

**Target year**

2030

**Target year figure**

83.2

**Reporting year figure**

100.1

**% of target achieved relative to base year**

-14.9659863946

**Target status in reporting year**

Underway

**Please explain**

The production site specific measures in reducing the water withdrawal by implementing a group wide Water Stewardship Program are aggregated to an overall group metric. The baseline for the target is the specific water withdrawal of the group, calculated as an average over the years 2018 - 2020 to eliminate any temperature peaks in one year. This is because our processes are very cooling water intensive and water withdrawal is largely dependent on summer temperatures.

The specific water withdrawal rate in 2020 (baseline) amounted to 97.9 Mio. m<sup>3</sup>/t net production. The target is to achieve 83.2 m<sup>3</sup>/t by 2030 (target year).

In 2021 we achieved a specific water withdrawal rate of 96.3 Mio. m<sup>3</sup>/t net production. Which amounted to 11% of the aimed target.

Unfortunately, in the reporting year 2022 we had an increase in specific water withdrawal by 2% to 100, 1 Mio. m<sup>3</sup>/t net production. The rise can be attributed to the to the weather-related increase in the use of cooling water at our Burghausen (Germany) site which is very cooling water intensive.

---

**Target reference number**

Target 3

**Category of target**

Water pollution

**Target coverage**

Company-wide (direct operations only)

**Quantitative metric**

Other, please specify

Zero environmental impacts (equals to a Target Year Figure of 100) with environmental harm due to incidents

**Year target was set**

2021

**Base year**

2021

**Base year figure**

0

**Target year**

2022

**Target year figure**

100

**Reporting year figure**

100

**% of target achieved relative to base year**

100

**Target status in reporting year**

Achieved

**Please explain**

It's of utmost importance that our sites and plants do not generate any harmful environmental impact – neither by intended plant operation nor by incidents. Hence it is our goal to reduce frequency and severity of incidents to a level that they do not impose a potential hazard to environment.

This target does not have a baseline as such since the zero incident target is set out for each calendar year. For reporting purposes we set the baseline to 2021.

In 2022 we did not have any incidents which resulted in any environmental harm due to water pollution. The environment was never detrimentally affected. In this regard (=water pollution reduction) the goal of 0 incidents was achieved to 100%. However, based on the more stringent definition (visible perception outside of production facility) we were not able to achieve this strict internal goal (see W2-2).

---

**Target reference number**

Target 4

**Category of target**

Water, Sanitation and Hygiene (WASH) services

**Target coverage**

Company-wide (direct operations only)

**Quantitative metric**

Other, please specify

Production sites fulfilling the WASH standards (based on self-assessment with WASH Self-assessment tool for businesses)

**Year target was set**

2021

**Base year**

2021

**Base year figure**

0

**Target year**

2023

**Target year figure**

27

**Reporting year figure**

21

**% of target achieved relative to base year**

77.7777777778

**Target status in reporting year**

Underway

**Please explain**

Within the framework of our WATER STEWARDSHIP program, we aim to implement the WASH (safe water, sanitation and hygiene) standards at our sites, group wide. All WACKER employees shall have secure access to water, sanitation facilities and hygiene standards. Access to safe drinking water and sanitation is a human right and key to the UN SDG which are fully supported by WACKER in regard to our own employees but of course also across our value chain.

We introduced the WASH self-assessment tool for business at all our production sites and aim for regular re-assessments. By the end of 2023 all sites will evaluate their sites according to the WASH standards and start to implement improvement measures if required. Using the WASH Self-assessment tool for businesses we aim to follow the suggested steps in implementing WASH at the workplace (establish base line, perform self-assessment, prioritize gaps, develop and implement an improvement plan, disclose and communicate). Disclosure and communication pathways on a group-wide level about the developed implementation plans will allow us to gauge the progress and success.

Based on the review of our production sites WASH self-assessments, a total of 6 production sites noted that they detected gaps to fully comply with the WASH standards. They implement corrective actions and monitor the implementation. All other production sites could confirm the fulfillment of the WASH standards by working through the WASH Self-assessment tool for businesses.

## W9. Verification

### W9.1

**(W9.1) Do you verify any other water information reported in your CDP disclosure (not already covered by W5.1a)?**

Yes

 nfs-non-financial-statement-wacker-ar22.pdf

### W9.1a

**(W9.1a) Which data points within your CDP disclosure have been verified, and which standards were used?**

Disclosure module	Data verified	Verification standard	Please explain
W1 Current state	Water withdrawal	ISAE 3000	Data reported in the Annual Business Report and verified by the external auditor referring to Non-Financial Statement. For details, please see attached document on page 215.
W3 Procedures	Potential water pollutants COD, AOX	Other, please specify Local authorities	At the major sites authorities are performing spot checks by own measurement for verifying WACKER's own measurements
W3 Procedures	Potential water pollutants COD	ISAE 3000	Data reported in the Annual Business Report and verified by the external auditor referring to Non-Financial Statement. For details, please see attached document on page 215.

## W10. Plastics

### W10.1

**(W10.1) Have you mapped where in your value chain plastics are used and/or produced?**

	Plastics mapping	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain	WACKER has mapped its complete value chain with regard to plastic materials. The own production and commercialization of silicones and vinyl acetate (co)polymers as well as the procurement and usage of packaging material turned out to be relevant.



		Product use phase	WACKER silicones and vinyl acetate (co)-polymers are not produced for the end-consumer market. In most cases, they are permanently incorporated as component, additive or binder in solid and durable matrices by our (B2B) customers. Typical applications are sealants, coatings, insulators, adhesives and concrete.
--	--	-------------------	---

## W10.2

**(W10.2) Across your value chain, have you assessed the potential environmental and human health impacts of your use and/or production of plastics?**

	Impact assessment	Value chain stage	Please explain
Row 1	Yes	Direct operations Supply chain Product use phase	<p>Impacts on the environment and human health have been assessed along all relevant stages of the value chain and for all of our business activities worldwide. Direct operations and product use phase turned out to be most impactful. Positive impacts outweigh negative impacts by far, as our polymer products are mostly permanently incorporated in solid matrices ending up in durable applications, thus avoiding a long-term release to the environment.</p> <p><b>DIRECT OPERATIONS</b> As a chemical company we have very high standards for safety and environmental protection. Risk assessments are conducted for all of our processes and safety concepts are developed for all of our sites. Leak detection systems and wastewater measurements help to prevent substances from being discharged into the environment. Safety concepts including personal protective equipment ensure safe handling and transport of substances within our company.</p> <p><b>PRODUCT USE PHASE</b> Impacts on the environment and human health are assessed for all of our products by our expert group for toxicology and ecotoxicology and made available to our customers in the safety data sheets, providing clear rules for safe handling and transport of our materials. Products of WACKER are only sold to other companies (B2B), being experienced with the handling of our products. In most cases polymer products of WACKER (silicones or polyvinyl acetate) are permanently incorporated in a solid and durable matrix by our customers, thus avoiding long-term release. Most of our products end up in durable applications, supporting the transformation towards climate neutrality: e.g. polymers for e-mobility, construction or heat insulation. In addition, we have the</p>

			clear goal to reduce the environmental impact from packaging of our products by applying recycling material and circular solutions.
--	--	--	---

### W10.3

**(W10.3) Across your value chain, are you exposed to plastics-related risks with the potential to have a substantive financial or strategic impact on your business? If so, provide details.**

	Risk exposure	Please explain
Row 1	No, risks assessed, and none considered as substantive	<p>Risk and compliance management are an integral part of corporate management. As a global company, WACKER is 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.</p> <p>The goal of risk management is to identify risks, including plastic-related risks as early as possible, to evaluate them adequately and to take appropriate steps to reduce them.</p> <p>WACKER defines „substantive financial or strategic impact“ risks as internal and external events that may have a negative effect on the attainment of targets and forecasts – both financial and non-financial targets, such as achievement of the water-related targets. These are: 15% reduction in water intensity by 2030 and Zero Environmental incidents.</p> <p>Reporting is mandatory for individual financial risks where the effect on earnings would exceed € 5 million. For non-financial risks, reporting is contingent upon the expected impact of event. Thresholds and metrics apply to both direct operations and supply chain.</p>

### W10.4

**(W10.4) Do you have plastics-related targets, and if so what type?**

	Targets in place	Please explain
Row 1	No – but we plan to within the next two years	We are planning to introduce a target to reduce the environmental impact of our packaging material.

### W10.5

**(W10.5) Indicate whether your organization engages in the following activities.**

	Activity applies	Comment
Production of plastic polymers	Yes	WACKER is producing silicones and vinyl acetate (co)polymers.
Production of durable plastic components	No	

Production / commercialization of durable plastic goods (including mixed materials)	No	
Production / commercialization of plastic packaging	No	
Production of goods packaged in plastics	Yes	
Provision / commercialization of services or goods that use plastic packaging (e.g., retail and food services)	No	

## W10.6

**(W10.6) Provide the total weight of plastic polymers sold and indicate the raw material content.**

Row 1

**Total weight of plastic polymers sold during the reporting year (Metric tonnes)**

**Raw material content percentages available to report**

**Please explain**

WACKER does not provide information on specific production volumes.

## W10.8

**(W10.8) Provide the total weight of plastic packaging sold and/or used, and indicate the raw material content.**

	Total weight of plastic packaging sold / used during the reporting year (Metric tonnes)	Raw material content percentages available to report	Please explain
Plastic packaging used		None	WACKER does not provide information on specific volumes of plastic packaging for 2022.

## W10.8a

**(W10.8a) Indicate the circularity potential of the plastic packaging you sold and/or used.**

	Percentages available to report for circularity potential	Please explain
Plastic packaging used	None	

## W11. Sign off

### W-FI

(W-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

### W11.1

(W11.1) Provide details for the person that has signed off (approved) your CDP water response.

	Job title	Corresponding job category
Row 1	Chief Executive Officer (CEO)	Chief Executive Officer (CEO)

## SW. Supply chain module

### SW0.1

(SW0.1) What is your organization's annual revenue for the reporting period?

	Annual revenue
Row 1	8,209,300,000

### SW1.1

(SW1.1) Could any of your facilities reported in W5.1 have an impact on a requesting CDP supply chain member?

Yes, CDP supply chain members buy goods or services from facilities listed in W5.1

### SW1.1a

(SW1.1a) Indicate which of the facilities referenced in W5.1 could impact a requesting CDP supply chain member.

---

**Facility reference number**

Facility 1

**Facility name**

Burghausen

**Requesting member**

Beiersdorf AG

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 1

**Facility name**

Burghausen

**Requesting member**

Givaudan SA

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 1

**Facility name**

Burghausen

**Requesting member**

Grupo Boticário

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot

rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 1

**Facility name**

Burghausen

**Requesting member**

International Flavors & Fragrances Inc.

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 1

**Facility name**

Burghausen

**Requesting member**

Koninklijke Philips NV

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 1

**Facility name**

Burghausen

**Requesting member**

L'Oréal

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 1

**Facility name**

Burghausen

**Requesting member**

Unilever plc

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

**Facility reference number**

Facility 1

**Facility name**

Burghausen

**Requesting member**

Xylem Inc

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 2

**Facility name**

Nünchritz

**Requesting member**

Beiersdorf AG

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 2

**Facility name**

Nünchritz



**Requesting member**

Givaudan SA

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 2

**Facility name**

Nünchritz

**Requesting member**

Grupo Boticário

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 2

**Facility name**

Nünchritz

**Requesting member**

International Flavors & Fragrances Inc.

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot

rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 2

**Facility name**

Nünchritz

**Requesting member**

Koninklijke Philips NV

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 2

**Facility name**

Nünchritz

**Requesting member**

L'Oréal

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 2

**Facility name**

Nünchritz

**Requesting member**

Unilever plc

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

---

**Facility reference number**

Facility 2

**Facility name**

Nünchritz

**Requesting member**

Xylem Inc

**Description of potential impact on member**

In the unlikely event of a total production stop at this site, WACKER is able to produce various major products at other sites to supply our customers. We note that we cannot rule out any delays in our deliveries by switching the order to a different site. We cover this type of incident in our business continuity plans.

**Comment**

This site was selected as the analysis by the WWF Water Risk Filter identified a high operational risk, mainly due to the size of the site in comparison to other WACKER sites. We note that this site has only a medium basin risk.

## SW1.2

**(SW1.2) Are you able to provide geolocation data for your facilities?**

	Are you able to provide geolocation data for your facilities?	Comment
Row 1	Yes, for all facilities	

## SW1.2a

**(SW1.2a) Please provide all available geolocation data for your facilities.**

Identifier	Latitude	Longitude	Comment
Kolkata	22.48485	88.34601	WACKER provides geolocations for its major production sites.
Burghausen	48.1769	12.84045	WACKER provides geolocations for its major production sites.
Nünchritz	51.29794	13.39649	WACKER provides geolocations for its major production sites.
Holla	63.29057	9.08909	WACKER provides geolocations for its major production sites.
Charleston	35.1926	-84.85175	WACKER provides geolocations for its major production sites.
Adrian	41.948349	-83.950967	WACKER provides geolocations for its major production sites.
Calvert City	37.044722	-88.351989	WACKER provides geolocations for its major production sites.
Jandira	-23.521133	-46.92637	WACKER provides geolocations for its major production sites.
Zhangjiagang	31.874495	120.560638	WACKER provides geolocations for its major production sites.
Nanjing	32.254965	118.827941	WACKER provides geolocations for its major production sites.
Ulsan	35.485828	129.355823	WACKER provides geolocations for its major production sites.
Jincheon	36.902587	127.496812	WACKER provides geolocations for its major production sites.
Tsukuba	36.211145	140.043347	WACKER provides geolocations for its major production sites.

Allentown	40.61929	-75.43984	WACKER provides geolocations for its major production sites.
Chino	34.00053	-117.67719	WACKER provides geolocations for its major production sites.
Consortium	48.10331	11.52989	WACKER provides geolocations for its major production sites.
Eddyville	41.16056	-92.6313	WACKER provides geolocations for its major production sites.
Halle	51.49316	11.93707	WACKER provides geolocations for its major production sites.
Jena	50.91026	11.56847	WACKER provides geolocations for its major production sites.
Köln	51.02221	6.95048	WACKER provides geolocations for its major production sites.
North Canton	40.916	-81.45663	WACKER provides geolocations for its major production sites.
Pilsen	49.728	13.31722	WACKER provides geolocations for its major production sites.
Stetten	48.35271	8.80948	WACKER provides geolocations for its major production sites.
Amsterdam	52.296	4.953	WACKER provides geolocations for its major production sites.
Leon	42.577137	-5.582531	WACKER provides geolocations for its major production sites.
San Diego	32.906264	-117.189286	WACKER provides geolocations for its major production sites.
Panagarh	23.46663	87.46055	WACKER provides geolocations for its major production sites.

## SW2.1

**(SW2.1) Please propose any mutually beneficial water-related projects you could collaborate on with specific CDP supply chain members.**

**Requesting member**

Beiersdorf AG

**Category of project**

**Type of project**

## **Motivation**

## **Estimated timeframe for achieving project**

## **Details of project**

## **Projected outcome**

Our Purpose: Our solutions make a better world for generations As an innovative chemical company, WACKER makes a vital contribution to improving the quality of life 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 are focused on sustainability as a powerful driver of future growth. With WACKER Sustainable Solutions we conduct product portfolio sustainability assessments in line with the standards set by the World Business Council for Sustainable Development (WBCSD). Our new target, set in 2021 aims 100% of WACKER products meeting sustainability criteria in 2030. Please feel free to approach your local WACKER sales representative to discuss any mutual opportunities to reduce water impact.

---

## **Requesting member**

Givaudan SA

## **Category of project**

## **Type of project**

## **Motivation**

## **Estimated timeframe for achieving project**

## **Details of project**

## **Projected outcome**

Our Purpose: Our solutions make a better world for generations As an innovative chemical company, WACKER makes a vital contribution to improving the quality of life 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 are focused on sustainability as a powerful driver of

future growth. With WACKER Sustainable Solutions we conduct product portfolio sustainability assessments in line with the standards set by the World Business Council for Sustainable Development (WBCSD). Our new target, set in 2021 aims 100% of WACKER products meeting sustainability criteria in 2030. Please feel free to approach your local WACKER sales representative to discuss any mutual opportunities to reduce water impact.

---

**Requesting member**

Grupo Boticário

**Category of project**

**Type of project**

**Motivation**

**Estimated timeframe for achieving project**

**Details of project**

**Projected outcome**

Our Purpose: Our solutions make a better world for generations As an innovative chemical company, WACKER makes a vital contribution to improving the quality of life 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 are focused on sustainability as a powerful driver of future growth. With WACKER Sustainable Solutions we conduct product portfolio sustainability assessments in line with the standards set by the World Business Council for Sustainable Development (WBCSD). Our new target, set in 2021 aims 100% of WACKER products meeting sustainability criteria in 2030. Please feel free to approach your local WACKER sales representative to discuss any mutual opportunities to reduce water impact.

---

**Requesting member**

International Flavors & Fragrances Inc.

**Category of project**

**Type of project**

## **Motivation**

## **Estimated timeframe for achieving project**

## **Details of project**

## **Projected outcome**

Our Purpose: Our solutions make a better world for generations As an innovative chemical company, WACKER makes a vital contribution to improving the quality of life 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 are focused on sustainability as a powerful driver of future growth. With WACKER Sustainable Solutions we conduct product portfolio sustainability assessments in line with the standards set by the World Business Council for Sustainable Development (WBCSD). Our new target, set in 2021 aims 100% of WACKER products meeting sustainability criteria in 2030. Please feel free to approach your local WACKER sales representative to discuss any mutual opportunities to reduce water impact.

---

## **Requesting member**

Koninklijke Philips NV

## **Category of project**

## **Type of project**

## **Motivation**

## **Estimated timeframe for achieving project**

## **Details of project**

## **Projected outcome**

Our Purpose: Our solutions make a better world for generations As an innovative chemical company, WACKER makes a vital contribution to improving the quality of life 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 are focused on sustainability as a powerful driver of future growth. With WACKER Sustainable Solutions we conduct product portfolio



sustainability assessments in line with the standards set by the World Business Council for Sustainable Development (WBCSD). Our new target, set in 2021 aims 100% of WACKER products meeting sustainability criteria in 2030. Please feel free to approach your local WACKER sales representative to discuss any mutual opportunities to reduce water impact.

---

**Requesting member**

L'Oréal

**Category of project**

**Type of project**

**Motivation**

**Estimated timeframe for achieving project**

**Details of project**

**Projected outcome**

Our Purpose: Our solutions make a better world for generations As an innovative chemical company, WACKER makes a vital contribution to improving the quality of life 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 are focused on sustainability as a powerful driver of future growth. With WACKER Sustainable Solutions we conduct product portfolio sustainability assessments in line with the standards set by the World Business Council for Sustainable Development (WBCSD). Our new target, set in 2021 aims 100% of WACKER products meeting sustainability criteria in 2030. Please feel free to approach your local WACKER sales representative to discuss any mutual opportunities to reduce water impact.

---

**Requesting member**

Unilever plc

**Category of project**

**Type of project**

## **Motivation**

## **Estimated timeframe for achieving project**

## **Details of project**

## **Projected outcome**

Our Purpose: Our solutions make a better world for generations As an innovative chemical company, WACKER makes a vital contribution to improving the quality of life 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 are focused on sustainability as a powerful driver of future growth. With WACKER Sustainable Solutions we conduct product portfolio sustainability assessments in line with the standards set by the World Business Council for Sustainable Development (WBCSD). Our new target, set in 2021 aims 100% of WACKER products meeting sustainability criteria in 2030. Please feel free to approach your local WACKER sales representative to discuss any mutual opportunities to reduce water impact.

---

## **Requesting member**

Xylem Inc

## **Category of project**

## **Type of project**

## **Motivation**

## **Estimated timeframe for achieving project**

## **Details of project**

## **Projected outcome**

Our Purpose: Our solutions make a better world for generations As an innovative chemical company, WACKER makes a vital contribution to improving the quality of life 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 are focused on sustainability as a powerful driver of future growth. With WACKER Sustainable Solutions we conduct product portfolio

sustainability assessments in line with the standards set by the World Business Council for Sustainable Development (WBCSD). Our new target, set in 2021 aims 100% of WACKER products meeting sustainability criteria in 2030. Please feel free to approach your local WACKER sales representative to discuss any mutual opportunities to reduce water impact.

## SW2.2

**(SW2.2) Have any water projects been implemented due to CDP supply chain member engagement?**

No

## SW3.1

**(SW3.1) Provide any available water intensity values for your organization's products or services.**

---

### Product name

WACKER is a technological leader in the chemical industry. We are active in the silicone, polymer, life sciences and polysilicon markets (cosmetic powders to solar cells). Our portfolio includes over 3,200 products . Most products are based on inorganic starting materials. Silicon-based products account for about 70 % of WACKER sales, and products that are primarily ethylene-related for 30 %. The data provided here is for a calculated "average" WACKER product.

### Water intensity value

103.8

### Numerator: Water aspect

Water withdrawn

### Denominator

metric tons of product

### Comment

Compared to the previous year (2021) the water intensity value has increased. However, the value is hardly comparable because the water balance boundaries conditions for water withdrawal were revised according to CDP definitions (e.g. consideration of 3rd party wastewater).

WACKER calculates water intensity data for selected products & product groups. The production volume of all products decreased in 2022. WACKER is working on efficient water use with the help of our newly developed "WACKER Water Stewardship" strategy. As corporate goal, water intensity (=specific water withdrawal) is an important parameter for us which is also reflected in our corporate goal setting. It is one of our environmental targets to decrease water intensity by 15% by 2030 (relative to 2020).

Regarding data on individual products, water information is part of our life cycle analyses and not disclosed publicly. If customers require such data we kindly ask them to approach their responsible sales manager.

## Submit your response

**In which language are you submitting your response?**

**Please confirm how your response should be handled by CDP**

	<b>I understand that my response will be shared with all requesting stakeholders</b>	<b>Response permission</b>
Please select your submission options		Public

**Please indicate your consent for CDP to share contact details with the Pacific Institute to support content for its Water Action Hub website.**

**Please confirm below**