

# 2023



# Compensation Report of Wacker Chemie AG for 2023

The Compensation Report provides detailed, personalized information about the compensation granted and owed to active and former members of the Executive Board and the Supervisory Board of Wacker Chemie AG in 2023 and the compensation and benefits promised them for the fiscal year. The Compensation Report follows the recommendations of the German Corporate Governance Code in the amended version that entered into force on April 28, 2022, and complies with the requirements of Section 162 of the German Stock Corporation Act ("AktG"), as amended by the German Act Implementing the EU Shareholder Rights Directive II ("ARUG II") of December 12, 2019. The Compensation Report for 2023 has been formally reviewed by the auditors in accordance with Section 162 (3) sentence 2 of the German Stock Corporation Act. It has also undergone a voluntary material review by the auditors. The report on the audit of the compensation report is included herein. The Compensation Report will be submitted to the Annual Shareholders' Meeting on May 8, 2024, for approval.

## Approval of the 2022 Compensation Report by the 2023 Annual Shareholders' Meeting in Accordance with Section 120a (4) of the German Stock Corporation Act

The Compensation Report of Wacker Chemie AG for 2022 was prepared in accordance with Section 162 of the German Stock Corporation Act and was formally reviewed by the auditors in accordance with Section 162 (3) sentence 2 of the German Stock Corporation Act. The 2022 Compensation Report was approved by the Annual Shareholders' Meeting held on May 17, 2023, with 85.98 percent of the vote. Given this approval rate for the 2022 Compensation Report, there were no grounds for initiating a fundamental review of the manner of reporting. Some shareholder representatives and investors did, however, note that the report could be made clearer. That is why we have added new tables and supplementary clarifications to the 2023 Compensation Report to improve transparency and presentation.

## Brief Overview of General Business Development in the 2023 Reporting Year

In 2023, the WACKER Group generated sales of €6.40 billion, well below the prior-year level (2022: €8.21 billion). The decline was prompted especially by lower selling prices across all business divisions. Group EBITDA declined 60 percent year over year, coming in at €823.6 million (2022: €2.08 billion). The EBITDA margin of 12.9 percent was lower than in the previous year (2022: 25.4 percent). In addition to the marked drop in sales, persistently high costs for raw materials and energy, coupled with low plant-utilization rates as a result of the decline in sales, had a negative impact on EBITDA. At €1.08 billion, gross profit from sales was 50 percent lower year over year (2022: €2.16 billion). The cost of goods sold came in at €5.32 billion (2022: €6.05 billion). The gross margin was 16.9 percent (2022: 26.3 percent). Although WACKER was able to leverage efficiency gains to reduce the cost of goods sold, persistently high costs for raw materials and energy, coupled with low plant-utilization rates as a result of the decline in sales, reduced the gross margin considerably overall. The Group's cost-of-sales ratio rose from 74 percent to 83 percent year over year. Group earnings before interest and taxes (EBIT) totaled €404.9 million in the reporting period (2022: €1.68 billion), resulting in an EBIT margin of 6.3 percent (2022: 20.5 percent). In 2023, depreciation and amortization totaled €418.7 million (2022: €402.1 million). WACKER's financial result rose significantly year over year, coming in at €-17.9 million (2022: €-62.6 million). In 2023, WACKER reported tax expenses of €59.7 million (2022: €334.6 million). The Group's effective tax rate was 15.4 percent (2022: 20.7 percent). As a result of the effects mentioned, Group net income was €327.3 million, compared with €1,281.6 million in the previous year. The return on capital employed (ROCE) was 6.9 percent in the reporting year (2022: 34.7 percent). The drop was due to much lower EBIT and the increase in capital employed. Capital expenditures increased significantly in 2023 to €709.6 million (2022: €546.8 million). More than half of the capital expenditures were focused in Germany. The acquisition of ADL BioPharma S.L.U, León, Spain, involved capital expenditures (less acquired cash) of €110.4 million. Net cash flow for 2023 totaled €165.6 million (2022: €438.8 million). Net financial debt amounted to €83.7 million as of December 31, 2023 (Dec. 31, 2022: net financial assets of €409.2 million).

## **Changes in the Composition of the Executive Board and the Supervisory Board in the 2023 Reporting Year**

The composition of Wacker Chemie AG's Executive Board changed as follows in 2023: Auguste Willems left the company at his own request on April 30, 2023. The Supervisory Board appointed Dr. Christian Kirsten as his successor effective May 1, 2023. At its meeting on June 21, 2023, Wacker Chemie AG's Supervisory Board confirmed Angela Wörl's membership on the Executive Board and renewed her contract for a further five years (until April 30, 2029). Dr. Christian Hartel had already been reappointed as member of the Executive Board, president and CEO in December 2022. His new five-year term of office started on November 1, 2023.

As of January 1, 2023, Andreas Schnagl and Reinhard Spateneder joined the Supervisory Board as employee representatives to replace Peter Áldozó and Eduard-Harald Klein, who had left the Supervisory Board on December 31, 2022. At the Annual Shareholders' Meeting of 2023, the mandates of all Supervisory Board members ended as scheduled. The election of shareholder representatives to Wacker Chemie AG's Supervisory Board at the Annual Shareholders' Meeting of May 17, 2023, resulted in the following change: Prof. Dr. Patrick Cramer was elected by the Annual Shareholders' Meeting to succeed Franz-Josef Kortüm, who had not stood for re-election. All the other shareholder representatives were re-elected to the Supervisory Board. The employee representatives on the Supervisory Board had been elected by Wacker Chemie AG's employees and executives before the Annual Shareholders' Meeting. The following changes occurred: Dr. Benedikt Postberg and Stefan Entholzner replaced Dr. Birgit Schwab and Andreas Schnagl as employee representatives on the Supervisory Board. The other employee representatives were re-elected, including both IG BCE (labor union) members. The Supervisory Board confirmed Dr. Peter-Alexander Wacker as its chairman and Manfred Köppl as its deputy chairman at its inaugural meeting directly after the Annual Shareholders' Meeting.

Effective September 30, 2023, Beate Rohrig stepped down from the Supervisory Board. Harald Sikorski succeeded her as employee representative on the Supervisory Board on October 1, 2023. He was appointed at the Executive Board's request by order of the District Court of Munich dated September 13, 2023.

# A. Executive Board Compensation

## I. Approval by Shareholders of the Revised Compensation System

At its meeting held on March 2, 2023, the Supervisory Board – following the recommendation of its Executive Committee – approved a revised compensation system for the members of the Executive Board. The revised compensation system applies to the compensation years starting on January 1, 2023. It was submitted to the Annual Shareholders' Meeting on May 17, 2023, in accordance with Section 120a (1) of the German Stock Corporation Act, and approved by shareholders with 85.87 percent of the vote.

The system was revised to ensure Executive Board compensation that is in line with the market and is competitive.

## II. Executive Board Compensation Components in 2023 at a Glance

The compensation of the members of the Executive Board comprises both fixed and variable components. The fixed components include the fixed annual base salary, additional benefits and the company pension. Variable compensation is based on transparent, performance-based parameters that reflect the company's business success and sustainability goals. The portion of long-term variable compensation greatly exceeds that of short-term variable compensation, placing the emphasis on the company's long-term performance. The system of compensation for members of the Executive Board is governed by the company's size, complexity and economic situation, as well as by its future prospects. It is further aligned with the corporate strategy, creating an incentive for successful and sustainable corporate governance. The compensation system helps promote Wacker Chemie AG's business strategy. This strategy focuses on profitable growth and on holding a leading competitive position in most of the business fields where the company is active, while observing the principle of sustainable development.

### Compensation System for Compensation Years Starting on January 1, 2023

Around 55%*	STI	Target ROCE (30%)	Planned BVC (30%)	Target EBITDA margin (20%)	Planned operating NCF (20%)
	Assessment period: compensation year; payout in cash				
	LTI	Target ROCE (25%)	Planned BVC (25%)	Target EBITDA margin (20%)	Planned operating NCF (20%)
Assessment period: 3 years; SB discretionary factor of 0.7 to 1.3; payout in shares with three-year holding period					
Malus/clawbacks for LTI and STI compensation components (breaches of duty within the meaning of Section 93 of the German Stock Corporation Act, material breaches of the Code of Conduct)					
Around 45%*	Base salary	Fixed cash payment for the entire year, based on the area of responsibility of the respective Executive Board member			
	Pension plan	<ul style="list-style-type: none"> <li>– Defined contribution plan with nominal contribution guarantee</li> <li>– Pension expenses amounting to 30% of the annual base salary</li> </ul>			
	Additional benefits	Including company car, accident insurance, allowance toward health and long-term care insurance			

\* Share of the total target compensation for a compensation year

A complete description of the compensation system for the Executive Board can be found on the company's website at <https://www.wacker.com/cms/en-de/about-wacker/investor-relations/corporate-governance/compensation-system-board-of-directors.html>.

## 1. Fixed Compensation Components

### 1.1 Annual Base Salary

#### Objective and Relevance to Corporate Strategy

The annual base salary is based on the role and the area of responsibility of the respective Executive Board member and should provide an adequate basic income. It provides the basis and incentive for attracting highly qualified individuals to serve as members of the Executive Board and for retaining them over the long term.

#### Structure

The annual base salary is a fixed cash payment for the entire year and is remitted to members of the Executive Board as a salary in twelve monthly installments. It is paid pro rata in the case of an appointment beginning or ending during the year. In 2023, this applied to Mr. Willems and Dr. Kirsten, as they respectively left and joined the company during the year. The annual base salaries paid to Dr. Hartel and Dr. Ohler were also calculated on a pro-rata basis because their annual base salaries increased effective November 1, 2023.

### 1.2 Company Pension

#### Objective and Relevance to Corporate Strategy

A competitive, attractive company pension is a strategic tool used to recruit highly qualified individuals and to retain them for the long term. Incorporating such a pension plan into our compensation structure not only signals our sense of responsibility toward our Executive Board members, it also allows us to strengthen our competitive standing when it comes to competing for the best talent.

#### Structure

Executive Board members are initially entitled to a basic company pension through the pension fund (Pensionskasse der Wacker Chemie VVaG), which covers income up to the contribution assessment ceiling of the German statutory pension insurance system. For this purpose, the company and the Executive Board make monthly contributions to the pension fund.

Executive Board members also receive pension commitments under defined benefit and defined contribution plans as follows:

Until the end of 2020, retirement benefits were based on defined benefit pension plans. In a defined benefit plan, Executive Board members are entitled to the payment of an annual pension when a pension event occurs, i.e. upon reaching the agreed retirement age or in the event of permanent occupational disability. The amount of the pension is calculated on the basis of the last pensionable fixed annual salary received and the length of Executive Board membership. A percentage of the pensionable annual base salary was defined as a base amount and was adjusted by an annual percentage rate of increase for each year of service.

Effective January 1, 2021, this defined benefit pension plan was switched to a defined contribution plan as described below: The company provides a pension contribution in the amount of 30 percent of the annual base salary to be credited to a virtual cash account in twelve equal installments. Until April 2022, the cash account earned interest at 2 percent p.a. Since May 2022, the monthly contribution amounts have been paid into a group CTA (contractual trust arrangement) and invested in the capital market, with no guarantee of surpluses. The pension account balance is the respective balance of the cash account. When it is paid out, the pension account balance will amount to at least the total of the contributions paid in. When a pension event occurs, the pension account balance can be paid out in one lump sum or in ten annual installments. Other pension payments are not offset against the pension. If the pension event occurs prematurely due to the disability or death of an Executive Board member, a minimum coverage amount of 2.5 annual base salaries is granted.

The following transitional regulations were agreed for those Executive Board members who were active at the time of the switch:

No changes were made to the existing defined benefit pension plan for Dr. Staudigl (who left in May 2021) and Mr. Willems (who left in May 2023) due to the short remaining terms of their contracts. They were not switched to the defined contribution plan. As in the case of former Executive Board members who had already left at the time of the switch, they therefore receive an annual pension under the defined benefit plan described above.

The following applies for Dr. Hartel and Dr. Ohler: They keep their entitlements earned as of December 31, 2020, (derived from the value of plan assets) under the contract terms then applicable (including the provisions for disability and survivor's benefits, and including consideration of benefits under other plans such as the supplementary company pension that they had earned as employees of the company before they were appointed to the Executive Board). They have been granted a lump-sum option for the entitlements they earned under the old system. Since January 1, 2021, they have received an additional defined contribution pension commitment as described previously, with annual contributions amounting to 30 percent (Dr. Hartel) and 25 percent (Dr. Ohler), respectively, of their base salary. The annual contributions were set taking into account the respective existing entitlements under the previous benefit plan.

Any ongoing deferred compensation agreements with members of the Executive Board were terminated effective December 31, 2020. The entitlements acquired in the past by Dr. Staudigl, Dr. Ohler and Ms. Wörl remain in effect.

### **1.3 Additional Benefits**

#### **Objective and Relevance to Corporate Strategy**

Attractive additional benefits are aimed at recruiting and retaining highly qualified individuals for the Executive Board and at fostering the Executive Board members' efficiency, security and health. These compensation elements not only reflect the company's genuine interest in the well-being of its managers, but also reinforce our conviction that the long-term performance of the Executive Board feeds directly into the company's success.

#### **Structure**

One of the additional benefits granted to members of the Executive Board is a company car for private as well as business use. A driver is available when the car is used for business travel. The company additionally reimburses any taxes on non-cash fringe benefits for private use of a company car and for the commute from home to the workplace, as well as for the service of a driver. In addition, members of the Executive Board are included in an accident insurance policy covering accidents that occur both during and outside work. Moreover, Executive Board members receive health and long-term care insurance subsidies, as well as reimbursement of costs related to preventive medical checkups.

## 2. Variable Compensation Components

### 2.1 Short-Term Incentive (STI)

#### Objective and Relevance to Corporate Strategy

The STI sets incentives for a sustainable corporate policy, promotes profitable growth and enhances the company's value over the long term, while taking into account the Executive Board's overall responsibility.

In the context of value-based management, an integral part of corporate policy, the amount of the STI depends on the achievement of agreed annual WACKER Group earnings targets set by the Supervisory Board for all Executive Board members.

The first of these targets concern two measures of operating performance: operating net cash flow (op. NCF) and business value contribution (BVC). They are determined based on the outlook for the compensation year and, among other things, support the corporate goal of increasing cash inflow from operating activities. The aim of BVC at WACKER is to generate a residual profit that exceeds the cost of capital, thereby creating value within the company. Net cash flow is defined as the sum of the cash flows from operating activities and from long-term investing activities before securities. Operating net cash flow is a simplified cash flow calculation depicting only selected operating transactions. Operating net cash flow indicates whether WACKER can finance ongoing operations and necessary capital expenditures with funds from its own operating activities. The company's goal is to generate sustained positive operating net cash flow. Because both targets are set based on the planning for the compensation year, they are referred to as "planned BVC" and "planned operating NCF."

The other two STI targets concern measures of strategic performance – target EBITDA margin and return on capital employed (ROCE) – for which absolute target values are set that are derived from the overriding goal of sustainably and continuously increasing the company's value in the long term. Both are important criteria for achieving the specific strategic goals of growing faster than the chemical-sector average, achieving attractive margins with products, and earning the cost of capital. ROCE is a clear indicator of how profitably the capital required for business operations is being employed. ROCE is defined as earnings before interest and taxes divided by capital employed. The EBITDA margin performance category shows how successful the company is compared with the competition and provides incentives for enhancing that relative performance even further. Because both measures are based on absolute target values, they are referred to as "target ROCE" and "target EBITDA margin."

#### Structure

The STI is a performance-related bonus with a one-year assessment period. The assessment period is the compensation year.

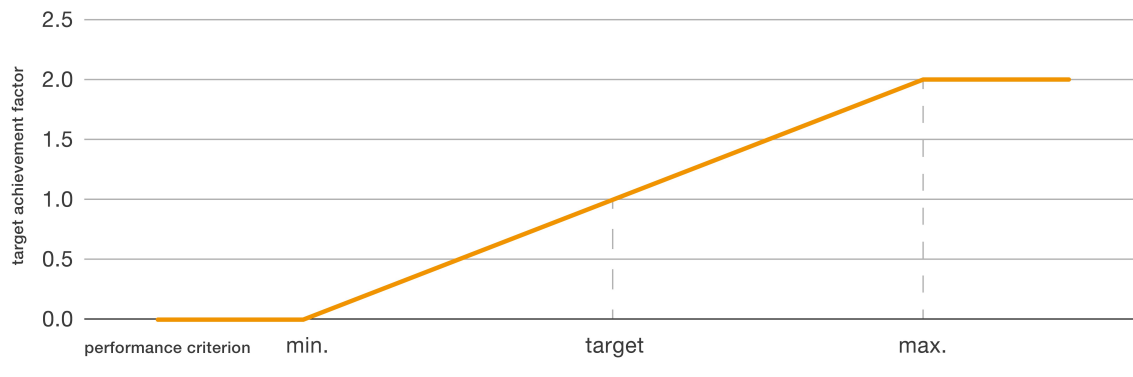
The payout under the STI amounts to 80 percent of the average annual base salary in the compensation year for 100-percent target achievement, and it is limited to a maximum of 144 percent of the average annual base salary. For initial appointments, the Supervisory Board may agree alternative arrangements, in particular by setting a minimum or maximum STI or a lower target amount for 100-percent target achievement and/or a lower maximum value. When she was initially appointed (for the period from May 12, 2021, through April 30, 2024), a target amount of 60 percent of her average annual base salary for 100-percent target achievement, and a maximum value of 108 percent, were set for her. When Dr. Kirsten was appointed, a minimum target achievement of 100 percent was set for him. for the 2023 compensation year, irrespective of the actual target achievement.

The basis for the STI is the achievement of the financial performance targets (target value, minimum value, maximum value) set by the Supervisory Board for each compensation year. The following performance criteria applied for the 2023 reporting year: target ROCE, planned BVC, target EBITDA margin and planned operating NCF.

The target value represents 100-percent achievement of each target. Target values or performance criteria cannot be changed retroactively during the compensation year.

Target achievement, i.e. the value actually achieved for each performance criterion, is ascertained by the Supervisory Board after the close of the compensation year.

Target achievement is converted into a target achievement factor ("TAF") for each performance criterion, applying the following system.



The annual overall target achievement factor corresponds to the sum of the weighted target achievement factors for the individual performance criteria. Next, the overall target achievement factor is converted by means of a formula into a bonus percentage representing the target-achievement success level on a scale from 0 percent to a maximum of 144 percent (or a lower maximum for Executive Board members appointed for the first time). Upon her initial appointment to the Executive Board, a maximum of 108 percent was set for Ms. Wörl.

The gross STI payout amount is calculated by multiplying the bonus percentage by the average annual base salary for the compensation year.

The gross STI payout amount is determined by the Supervisory Board at its first meeting of the year that follows the compensation year.

## 2.2. Long-Term Incentive (LTI)

### Objective and Relevance to Corporate Strategy

The LTI sets incentives for a sustainable corporate policy, promotes profitable growth and enhances the company's value over the long term, while taking into account the Executive Board's overall responsibility. Furthermore, this arrangement ensures that members of the Executive Board share in both positive and negative corporate trends over an extended period.

The overall target achievement factor for the LTI is based on financial and non-financial performance targets that are relevant to WACKER's strategy. In terms of the financial performance criteria, i.e. target ROCE, planned BVC, target EBITDA margin and planned operating NCF, the incentives to promote the business strategy described above for the STI also apply here. The overall target achievement factor additionally comprises non-financial strategic and ESG targets. When setting these targets, the Supervisory Board can focus in particular on key strategic topics for the compensation year in the categories of growth, competitive position, innovation, successful project completions or progress in digital transformation.

As one of the five strategic corporate goals, sustainability is a core element of WACKER's business model. When setting its targets, the Supervisory Board may especially take into account the sustainable development goals published in the non-financial report for the WACKER Group. These goals include, for example, reducing specific CO<sub>2</sub> emissions and specific energy consumption, the overall accident rate, increasing the share of sustainable products in the product portfolio and even employee and customer satisfaction.

### Structure

The LTI provides for a three-year assessment period and for a subsequent requirement to acquire shares coupled with a three-year holding period. The assessment period comprises the compensation year and the two fiscal years immediately preceding the compensation year. The three-year assessment period is thus forward-looking in relation to the compensation year and backward-looking in relation to the two preceding fiscal years.



The LTI payout amounts to 100 percent of the average annual base salary in the compensation year for 100-percent target achievement, and the calculated bonus is limited to a maximum of 180 percent of the average annual base salary. The Supervisory Board may agree alternative arrangements for newly appointed members of the Executive Board, in particular by setting a lower target amount for 100-percent target achievement and/or a lower maximum value and/or freely setting the bonus percentages for the assessment period and, for example, using the target value or a minimum and/or maximum value as the basis. When Mrs Wörl was initially appointed (for the period from May 2021 through April 2024), a target amount of 80 percent of her average annual base salary for 100 percent target achievement, and a maximum value of 144 percent, were set for her.. A transitional arrangement had to be agreed for Dr. Kirsten, who was initially appointed to the Executive Board in the 2023 reporting year, because he was not yet a member of the Executive Board in 2021 and 2022, years that are included in the LTI calculation for the 2023, 2024 and 2025 compensation years: a hypothetical target achievement of 100 percent was agreed for 2021 and 2022, and a target achievement of at least 100 percent agreed for 2023.

The basis for the LTI is the achievement of the performance criteria defined by the Supervisory Board for the compensation year and for the two other fiscal years of the assessment period. The Supervisory Board defines the performance criteria, which relate to both financial and non-financial targets, for each compensation year. Two ESG targets that are particularly important to the strategy were chosen in the reporting year as part of the non-financial targets. WACKER has set itself the goal of halving its CO<sub>2</sub> emissions (Scope 1 and 2) by 2030 compared with 2020, while safety is also a top priority for the company. Accordingly, the reduction of absolute CO<sub>2</sub> emissions (Scope 1 and 2) and the accident rate (as measured by the WACKER Process Safety Incident Rate, WPSIR<sup>1</sup>) were defined as non-financial performance criteria for 2023. The financial LTI targets for the 2023 reporting year related to the following performance criteria: target ROCE, planned BVC, target EBITDA margin and planned operating NCF.

For the compensation year, the Supervisory Board sets a target value, a minimum value and a maximum value for each financial and non-financial performance criterion. The target value represents 100-percent achievement of each target. If the achievement of a non-financial target cannot be determined and measured, the Supervisory Board defines an alternative method for measuring achievement of that non-financial target as regards the compensation year and sets a target value and, where applicable, minimum and maximum values. Target values or performance criteria cannot be changed retroactively during the compensation year.

Target achievement, that is, the value actually achieved for each performance criterion, is determined by the Supervisory Board for each fiscal year of the assessment period after the close of the respective fiscal year.

Target achievement is converted into a target achievement factor ("TAF") for each performance criterion, applying the same system as that described above for the STI and shown in the chart under A. II. 2. 1.

The annual overall target achievement factor corresponds to the sum of the weighted target achievement factors for the individual performance criteria.

Next, the overall target achievement factor (sum of the target achievement factors in the performance criteria) for the compensation year is converted by means of a formula into a bonus percentage representing the target-achievement success level on a scale from 0 percent to a maximum of 180 percent (or a lower maximum for Executive Board members appointed for the first time). Upon her initial appointment to the Executive Board, a maximum of 144 percent was set for Ms. Wörl.

The calculated bonus under the LTI is derived from the bonus percentages for the compensation year and from averages of the bonus percentages for the two years immediately preceding the compensation year. An exception to this rule was made for Dr. Kirsten in the reporting year, applying the method described above and agreeing a hypothetical bonus percentage of at least 100 percent.

The calculated bonus under the LTI is arrived at by taking the average of the bonus percentages during the assessment period and multiplying it by the average annual base salary for the compensation year.

<sup>1</sup> The number of safety-related or environmentally relevant incidents per 1 million hours worked.

The Supervisory Board has the option to increase or reduce this calculated bonus by as much as 30 percent at its own discretion, taking into account all circumstances, the Executive Board's performance and the achievement of ESG and strategic targets. This option was not applied in the reporting year. The virtual gross payout under the LTI thus obtained is determined by the Supervisory Board at its first meeting of the year that follows the compensation year. The amount of the calculated net payout is determined individually for each Executive Board member, depending on that member's personal tax situation, and invested in company stock. Any resulting fractions of shares are paid out in cash. The number of shares is governed by the Xetra closing price of WACKER shares on the first exchange trading day after the date of the Annual Shareholders' Meeting (record date). The company acquires the shares in the name and for the account of the respective Executive Board member. They are held in custody in a restricted securities account in the name of the respective Executive Board member at a bank designated by the company. The shares are subject to a vesting period of three years from the record date.

### 2.3 Joining or Leaving During the Year, Other Exceptional Incidents or Developments

If the Executive Board member has not worked for the company for twelve months in a fiscal year, the gross payout under the STI and the virtual gross payout under the LTI are prorated accordingly. In 2023, this applied to Mr. Willems and Dr. Kirsten – in the case of Mr. Willems, the (calculated) payout amounts under the STI and LTI were reduced by eight-twelfths, with a reduction by four-twelfths for Dr. Kirsten.

If the employment relationship is ended during the reporting year – as was the case for Mr. Willems in 2023 – the entitlements to the STI and the LTI nevertheless remain subject to the contract terms governing settlement and payout. In such cases, the respective vesting periods under the LTI remain in force until they expire. The vesting periods in the case of Mr. Willems are two years for those shares acquired under the previous long-term bonus up to and including 2020, based on the previous bonus rules, and three years for those shares acquired under the LTI beginning in 2021.

If the employment relationship is ended by death or permanent occupational disability, the prorated virtual gross payout for the LTI is disbursed in cash instead of shares in the month after it would be fixed under the contract. The vesting period for all shares acquired as variable compensation ends prematurely at the close of the calendar month in which the employment relationship ends. There were no such cases in the reporting year.

In the event of exceptional incidents or developments including, for example, the acquisition or disposal of an enterprise or a corporate unit, the Supervisory Board is authorized to make appropriate modifications to the plan terms of the STI and those of the LTI at its sole discretion. No such modifications were made in the reporting year.

### 3. Other

The Supervisory Board is authorized to grant additional benefits to newly appointed Executive Board members. Such benefits can be agreed for a limited time or for the full duration of the executive employment agreement. The benefits may include a sign-on bonus, reimbursements of forfeited variable compensation at a previous employer or of other financial disadvantages, as well as benefits associated with relocation (e.g. moving expenses, cost of running two households).

Benefits like these are often a prerequisite for recruiting highly qualified individuals for the Executive Board. This was the case in 2023 with Dr. Kirsten, with whom an agreement was reached on benefits including a sign-on bonus, compensatory payments for forfeited bonuses at his previous employer, and the assumption of moving and accommodation expenses (see A. III. 1). Part of the sign-on bonus and portions of the compensatory payments for forfeited bonuses at Dr. Kirsten's previous employer will not be owed and granted until 2024 and 2025.

The company also maintains a D&O insurance policy for its Executive and Supervisory Board members. The insurance covers the personal liability risk in the event that claims are asserted against these individuals for financial losses in connection with their work. The coverage for the Executive Board members has a deductible that meets the requirements set out in the German Stock Corporation Act.

Finally, members of the Executive Board may, in individual cases, be indemnified for legal expenses and attorney's fees (including any taxes imposed on the resulting in-kind benefit). Such indemnification is subject to the Supervisory Board determining, after an examination of the facts, that there are no indications of a breach of due diligence by the Executive Board member, and to agreement on a clawback clause if it is found that the Executive Board member acted in culpable breach of duty against the company. If the question of whether the Executive Board member applied the diligence of an prudent managing director is in dispute, the burden of proof is on that member (Section 93 (2) sentence 2 of the German Stock Corporation Act). No such scenario arose in 2023.

### III. Compensation of Individual Active and Former Executive Board Members in the Reporting Year

#### 1. Compensation “Granted and Owed” (Section 162 (1) Sentence 1 of the German Stock Corporation Act), Including Presentation of Relative Shares (Section 162 (1) Sentence 2 No. 1 of the German Stock Corporation Act)

In accordance with Section 162 (1) sentence 1 and sentence 2 no. 1 of the German Stock Corporation Act, all fixed and variable compensation components “granted and owed” to each member of the Executive Board must be disclosed in the Compensation Report. Compensation is classified as “granted and owed” if the activity on which compensation was based was performed in full in 2023, giving rise to a corresponding legal obligation of the company toward the Executive Board member. The amount disclosed also includes those compensation components that were fully earned in the reporting year even if – like the STI and the LTI – they will not be paid out or invested in shares until the year that follows the reporting year.

The following Executive Board members who were active for all or part of the year received compensation in 2023:

- Dr. Christian Hartel, president and CEO
- Dr. Tobias Ohler, member of the Executive Board
- Auguste Willems, member of the Executive Board until April 30, 2023
- Angela Wörl, member of the Executive Board and personnel director
- Dr. Christian Kirsten, member of the Executive Board since May 1, 2023

The individual compensation components are described above under A. II. “Executive Board Compensation Components in 2023 at a Glance”.

The compensation components and the relative shares of fixed and variable compensation components relative to total compensation are presented pro rata for the Executive Board activity performed as president and CEO or as an ordinary Executive Board member active for all or part of 2023.

#### Compensation “Granted and Owed” (Section 162 (1) Sentence 1 of the German Stock Corporation Act) in 2023, Including Presentation of Relative Shares (Section 162 (1) Sentence 2 No. 1 of the German Stock Corporation Act)

Active Executive Board members	Fixed compensation			Variable compensation			Total compensation	Share of fixed compensation relative to total compensation	Share of variable compensation relative to total compensation	
	Fixed compensation	Additional benefits	Other benefits	Total	STI	LTI				Total
<b>President &amp; CEO</b>										
Dr. Christian Hartel	€771,667	€33,543		€805,209	€293,233	€756,234	€1,049,467	€1,854,677	43%	57%
<b>Executive Board members</b>										
Auguste Willems (until April 30, 2023)	€203,333	€19,816		€223,150	€77,267	€199,266	€276,533	€499,683	45%	55%
Dr. Tobias Ohler	€623,333	€68,025		€691,358	€236,867	€610,866	€847,733	€1,539,091	45%	55%
Angela Wörl	€400,000	€33,504		€433,504	€116,000	€324,000	€440,000	€873,504	50%	50%
Dr. Christian Kirsten (from May 1, 2023)	€406,667	€33,786	€421,367	€861,820	€325,334	€406,667	€732,001	€1,593,821	54%	46%

In the reporting year, the Supervisory Board reviewed the annual base salaries paid to the president and CEO and the chief financial officer for market conformity and appropriateness and determined a need for adjustments. As a result, the annual base salaries paid to Dr. Christian Hartel and Dr. Tobias Ohler were increased to €880,000 and €690,000, respectively, effective November 1, 2023.

## 2. Target Achievement and Determination of the Bonus Percentage for 2023

### 2.1 STI Target Achievement and Determination of the Bonus Percentage for 2023

The following paragraphs describe how the STI performance criteria for 2023 were applied and the agreed targets were achieved.

At its meeting held on March 2, 2023, the Supervisory Board set target corridors and weightings for 2023 for each of the relevant performance categories:

Weighting	Measure	Unit of measurement	Minimum value	Target value	Maximum value
30%	ROCE target	%	5	10	15
30%	Planned BVC	€ (million)	-210	90	390
20%	Target EBITDA margin	%	14	20	26
20%	Planned op. NCF	€ (million)	-47	253	553

In 2023, the following values were achieved, from which the individual target achievement factors and – based on the aggregation and weighting of the individual components – the overall target achievement factor have been derived as set out below:

Measure	Unit of measurement	Actual values, 2023	Target achievement factor
ROCE target	%	<b>6.89</b>	<b>0.38</b>
Planned BVC	€ (million)	<b>-133.80</b>	<b>0.25</b>
Target EBITDA margin	%	<b>12.86</b>	<b>0.00</b>
Planned op. NCF	€ (million)	<b>382.80</b>	<b>1.43</b>
<b>Overall target achievement factor</b>			<b>0.48</b>

This overall target achievement factor produces bonus percentages for 2023 of 38 percent (Dr. Hartel and Dr. Ohler), 29 percent (Ms. Wörl) and 100 percent (Dr. Kirsten, with whom a minimum target achievement was contractually agreed when he was appointed to the Executive Board). Multiplication by the respective average annual base salary then results in the gross amounts paid out to each individual under the STI as shown in the table under A. III. 1. The amounts paid out to Mr. Willems and Dr. Kirsten were reduced pro rata as they respectively left and joined during the year.

### 2.2 LTI Target Achievement and Determination of the Bonus Percentage for 2023

The following paragraphs describe how the LTI performance criteria for 2023 were applied and the agreed targets were achieved.

The Supervisory Board set target corridors and weightings for 2023 for each of the relevant performance criteria:

Weighting	Measure	Unit of measurement	Minimum value	Target value	Maximum value
25%	ROCE target	%	5	<b>10</b>	15
25%	Planned BVC	€ (million)	-210	<b>90</b>	390
20%	Target EBITDA margin	%	14	<b>20</b>	26
20%	Planned op. NCF	€ (million)	-47	<b>253</b>	553
5%	Reduction of CO <sub>2</sub> emissions	%	10	<b>15</b>	20
5%	Relevant incidents	WPSIR	≥ 1.51	<b>0.75–1.25</b>	≤ 0.49

In 2023, the following values were achieved, from which the individual target achievement factors and – based on the aggregation and weighting of the individual components – the overall target achievement factor have been derived as set out below:

Measure	Unit of measurement	Actual values, 2023	Target achievement factor
ROCE target	%	6.89	<b>0.38</b>
Planned BVC	€ (million)	-133.80	<b>0.25</b>
Target EBITDA margin	%	12.86	<b>0.00</b>
Planned op. NCF	€ (million)	382.80	<b>1.43</b>
Reduction of CO <sub>2</sub> emissions	%	24.00	<b>2.00</b>
Relevant incidents	WPSIR	0.82	<b>1.00</b>
<b>Overall target achievement factor</b>			<b>0.59</b>

This overall target achievement factor was then converted, using the formula shown above, into the bonus percentages for 2023 of 59 percent (Dr. Hartel and Dr. Ohler), 47 percent (Ms. Wörl) and 100 percent (Dr. Kirsten, with whom a minimum target achievement was contractually agreed when he was appointed to the Executive Board).

As the calculated bonus under the LTI is based on the average bonus percentages for the current compensation year and the two preceding compensation years, the individual bonus percentages for the 2021 and 2022 compensation years were included as follows, producing the following bonus percentages to be applied for the reporting year.

Executive Board member	Bonus percentage for 2021	Bonus percentage for 2022	Bonus percentage for 2023	Bonus percentage to be applied for the reporting year
Dr. Christian Hartel	119%	116%	59%	<b>98%</b>
Auguste Willems (until April 30, 2023)	119%	116%	59%	<b>98%</b>
Dr. Tobias Ohler	119%	116%	59%	<b>98%</b>
Angela Wörl <sup>1</sup>	100%	96%	47%	<b>81%</b>
Dr. Christian Kirsten (since May 1, 2023)	100%	100%	100%	<b>100%</b>

<sup>1</sup> The respective bonus percentages were lower for Ms. Wörl because of the lower cap (due to initial appointment).

To arrive at the calculated bonus, this average bonus percentage was then multiplied by the average annual base salary in the reporting year. Corresponding pro rata reductions were applied for Mr. Willems and Dr. Kirsten as they respectively left and joined during the year.

As described above under A. II. 2. 2, the Supervisory Board may increase or reduce the calculated bonus by 30 percent, taking into account all circumstances, based on the Executive Board's performance and the achievement of ESG and strategic targets. At its meeting held on February 29, 2024, the Supervisory Board decided not to exercise this discretion for 2023.

This resulted in the individual virtual gross payout amounts shown in the table under A. III. 1. The amount of the calculated net payout is determined individually for each Executive Board member, depending on that member's personal tax situation, and must be invested in company stock by each Executive Board member. Any resulting fractions of shares are paid out in cash. The number of shares is governed by the Xetra closing price of WACKER shares on the first exchange trading day after the date of the 2024 Annual Shareholders' Meeting. Accordingly, the number of shares to be acquired by the Executive Board members under the 2023 LTI has not yet been determined. It will be stated in the compensation report for 2024.

In May 2023, the members of the Executive Board acquired the following shares as part of the LTI for the 2022 compensation year:

Executive Board member	Number of shares acquired	Vesting period
Dr. Christian Hartel	4,043	3 years
Auguste Willems	3,289	3 years
Dr. Tobias Ohler	3,063	3 years
Angela Wörl <sup>1</sup>	1,658	3 years

<sup>1</sup> The respective bonus percentages were lower for Ms. Wörl because of the lower cap (due to initial appointment).

### 3. Compliance with Maximum Compensation Limits (Section 162 (1) Sentence 2 No. 7 of the German Stock Corporation Act)

There is a limit (maximum compensation) for the total compensation to be granted to members of the Executive Board for a specific year (the sum total of all compensation amounts spent for that year, including annual base salary, variable compensation components (STI and LTI), pension expenses (service cost) and all additional benefits, including other benefits) – irrespective of whether they are paid out in that year or at a later date. The maximum compensation for the president and CEO amounts to €5,000,000 gross; for each of the ordinary members of the Executive Board, it amounts to €3,800,000 gross. As the following table shows, the maximum compensation limits were complied with in 2023. The individual amounts of Executive Board compensation and maximum compensation were calculated based on the exact number of working days due to the changes in the Executive Board described earlier.

#### Maximum Compensation Limits

Active Executive Board members	Compensation granted and owed	Pension expenses (service cost)	Total	Maximum compensation
<b>President &amp; CEO</b>				
Dr. Christian Hartel	€1,854,677	€240,339	€2,095,016	€5,000,000
<b>Executive Board members</b>				
Auguste Willems (until April 30, 2023)	€499,683	–	€499,683	€1,266,667
Dr. Tobias Ohler	€1,539,091	€165,043	€1,704,134	€3,800,000
Angela Wörl	€873,504	€125,249	€998,753	€3,800,000
Dr. Christian Kirsten (from May 1, 2023)	€1,593,821	€134,362	€1,728,183	€2,533,333

### 4. Malus and Clawback Provisions (Section 162 (1) Sentence 2 No. 4 of the German Stock Corporation Act)

The Supervisory Board is authorized to reduce (i.e. curtail or cancel entirely) or recover (claw back) all or part of the gross amount paid out under the STI and the virtual gross amount paid out under the LTI by as much as 100 percent in the event of a material breach of duty within the meaning of Section 93 of the German Stock Corporation Act, or a material breach of the company's Code of Conduct by the Executive Board member during the assessment period – i.e. the relevant one-year assessment period in the case of the STI and the relevant three-year assessment period in the case of the LTI. In the event of subsequent discovery of a breach of duty within the meaning of Section 93 of the German Stock Corporation Act, or of a material breach of the company's Code of Conduct, all or part of any gross amounts paid out under the STI and the LTI may be recovered up to two years after they were paid out. Payouts are reduced or recovered at the Supervisory Board's discretion.

The Supervisory Board did not exercise its option to withhold or recover variable compensation components for 2023.

### 5. Third-Party Compensation (Section 162 (2) No. 1 of the German Stock Corporation Act)

In 2023, no Executive Board member was promised or granted third-party compensation within the meaning of Section 162 (2) no. 1 of the German Stock Corporation Act.

### 6. Early Termination Benefits (Section 162 (2) No. 2 of the German Stock Corporation Act)

If a executive employment agreement is terminated early on grounds other than for cause, the amount of any severance payment may not exceed two annual compensation amounts nor the amount of compensation for the remaining term of the executive employment agreement (severance payment cap). The cap amount is calculated based on the total annual compensation (including additional benefits and the company pension) for the fiscal year preceding the termination and the expected total compensation for the current fiscal year. In 2023, no Executive Board member was promised or granted early termination benefits within the meaning of Section 162 (2) no. 2 of the German Stock Corporation Act. Mr. Willems' compensation entitlements ended despite him leaving the Executive Board early on April 30, 2023. He did not receive a severance payment. Mr. Willems has been receiving competitive-restriction compensation since May 2023 (see A. III. 7 and A. III. 8).

### 7. Regular Termination Benefits (Section 162 (2) No. 3 of the German Stock Corporation Act)

Members of the Executive Board are restricted by post-employment non-compete agreements from engaging in competitive activities for a period of twelve months after termination of the employment relationship. During this period, they are entitled to competitive-restriction compensation amounting to 50 percent of their most recent total annual compensation (fixed annual salary, STI and LTI), calculated based on the average of the last three years. Any benefits paid out under the defined benefit pension plan in place through December 31, 2020, are offset against that compensation. Additionally offset is any income from an activity not subject to the non-compete agreement if, through this additional income, the total annual compensation of the last full year of service as an Executive Board member is exceeded. Any severance payment is offset against the competitive-restriction compensation. Competitive-restriction compensation is paid in equal monthly installments. Mr. Willems received this sort of competitive-restriction compensation in the reporting year (for details, see below under A. III. 8).

Departing members of the Executive Board are additionally entitled to receive a company pension after they leave, for which service cost is incurred annually:

#### Pension Expenses (Service Cost) for Active Executive Board Members in 2023

	2023
<b>President &amp; CEO</b>	
Dr. Christian Hartel	€240,339
<b>Executive Board members</b>	
Dr. Tobias Ohler	€165,043
Angela Wörl	€125,249
Dr. Christian Kirsten (from May 1, 2023)	€134,362
Auguste Willems (until April 30, 2023)	–

The service cost includes the company's contributions to the basic pension provided by Pensionskasse der Wacker Chemie VVaG.

Mr. Willems is entitled to a pension that is calculated as a percentage of the pensionable annual base salary and increases for each year of service up to a maximum percentage (60 percent). The pension amount is adjusted in line with the changes in the referenced price index. Since 2016, increases in the annual base salary of Mr. Willems have taken the form of additional fixed, non-pensionable salary components and thus have no influence on the calculation of his pension. The maximum percentage had already been reached due to Mr. Willems' long-standing Executive Board membership. As a result, no further service cost was incurred for Mr. Willems in 2023.

The present values of the defined benefit obligations are shown in the table below:

**Pension Provisions for Active Executive Board Members in 2023 (Determined in Accordance with IFRS Rules)**

	2023
<b>Active Executive Board members</b>	
Dr. Christian Hartel	€3,637,338
Dr. Tobias Ohler	€6,233,230
Angela Wörl	€1,838,563
Dr. Christian Kirsten	€134,362
Auguste Willems (until April 2024)	€7,509,300

The annual pension amounts under the old defined benefit plan for Dr. Hartel and Dr. Ohler were fixed at €152,250 gross for Dr. Hartel and at €261,000 gross for Dr. Ohler at the close of 2020, when pension commitments were switched to a defined contribution plan effective from the beginning of 2021. These entitlements are vested. They will not accumulate any further, and they will not be adjusted for price increases before being paid out. For Mr. Willems, the pension obligation is based on the defined benefit plan described above under A. II. 1. 2. For Ms. Wörl and Dr. Kirsten, the obligation is based on the defined contribution plan described above under A. II. 1. 2. These pension obligations also cover periods of service at the company prior to appointment to the Executive Board, as well as employee contributions to their company pensions (including deferred compensation).

**8. Benefits Promised and Granted to Executive Board Members Who Departed in the Reporting Year (Section 162 (2) No. 4 of the German Stock Corporation Act)**

**Compensation Paid to Mr. Willems in the 2023 Reporting Year**

Since his departure from the Executive Board of the company on May 1, 2023, Mr. Willems has been entitled to compensation for restriction of competitive activities as described above. The competitive-restriction compensation is paid out in twelve monthly installments and amounts to €848,765 (gross) in total. Accordingly, competitive-restriction compensation totaling €565,843 (gross) was paid out to Mr. Willems in the reporting year.

Based on the executive employment agreement originally concluded with Mr. Willems, his entitlement to a pension would not arise until three months after his 65th birthday, i.e. on May 27, 2024. To ensure that there is no gap between the end of the competitive-restriction compensation payments and the start of his pension payments, an agreement was reached with Mr. Willems to start paying him his pension as of May 1, 2024.

**9. Compensation of Former Executive Board Members in 2023**

The table below shows the compensation granted and owed in 2023 pursuant to Section 162 of the German Stock Corporation Act to each of the former Executive Board members who left the Executive Board over the last ten fiscal years. The compensation granted and owed in 2023 to those Executive Board members who had already left the Executive Board more than ten years ago is shown as an aggregate figure.

**Compensation of Former Executive Board Members in 2023 (€):**

	2023
<b>Former Executive Board members (≤ 10 years)</b>	
Auguste Willems (departed April 30, 2023) <sup>1</sup>	€565,843
Dr. Rudolf Staudigl (departed May 12, 2021) <sup>2</sup>	€834,902
Dr. Joachim Rauhut (departed October 31, 2015) <sup>3</sup>	€193,128
<b>Former Executive Board members and managing directors and their surviving dependents (&gt; 10 years)</b>	€1,798,009

<sup>1</sup> Competitive-restriction compensation, see also III. A. 8. Compensation for his work as an active member of the Executive Board through April 30, 2023; see also A. III. 1.

<sup>2</sup> Of this amount, €286,416 is attributable to the partial payment of deferred compensation and €548,486 to the pension.

<sup>3</sup> Pension.



## B. Compensation of the Supervisory Board

### I. Ratification by Shareholders of the Compensation Provisions and Compensation System for the Supervisory Board

The Annual Shareholders' Meeting determines Supervisory Board compensation, by way of a shareholder resolution or by amending the Articles of Association, on the basis of a proposal by the Executive and Supervisory Boards.

The rules on compensation for members of the Supervisory Board applicable for 2023 were adopted by the 2022 Annual Shareholders' Meeting effective from January 1, 2022, which ratified them by a majority of 99.48 percent of the vote, and they are stipulated in Section 12 of WACKER's Articles of Association.

A complete description of the compensation system for the Supervisory Board can be found on the company's website at <https://www.wacker.com/cms/en-de/about-wacker/investor-relations/corporate-governance/compensation-system-supervisory-board.html> .

### II. Supervisory Board Compensation Components in 2023 at a Glance

#### Objective and Relevance to Corporate Strategy

Supervisory Board compensation takes into account the responsibilities assumed and the activities performed by the Supervisory Board members. It promotes the business strategy and long-term development of the company in that the nature of compensation is tailored to market needs, thereby making it possible to gain highly qualified individuals as members of the Supervisory Board.

#### Structure

Compensation for members of the Supervisory Board is set out in Section 12 of the company's Articles of Association. This section reads as follows:

#### Section 12 Compensation of the Supervisory Board

- (1) The members of the Supervisory Board shall receive fixed annual compensation payable at the end of the fiscal year amounting to €100,000 (in words: one hundred thousand euros). Members of the Supervisory Board who join or leave the Supervisory Board during a fiscal year shall receive a pro rata share of such compensation.
- (2) The compensation outlined in Subsection 1 above shall be multiplied by a factor of 3 for the chairman of the Supervisory Board, by a factor of 2 for his/her deputy or a chairman of a committee and by a factor of 1.5 for any member of a committee. Where a person serves in more than one function, his/her additional functions shall not be taken into account, i.e. the chairman and his/her deputy shall not be entitled to additional factors if they serve on multiple committees and where members of the Supervisory Board serve on multiple committees, their service shall only be taken into account once.
- (3) The Company shall reimburse the members of the Supervisory Board for their necessary expenses in the form of a flat fee. The flat fee shall be €25,000 (in words: twenty-five thousand euros) per calendar year. The Company shall reimburse the members of the Supervisory Board for value-added tax provided that they are entitled to charge the Company this tax separately and they exercise this right.
- (4) The Company shall arrange adequate insurance protection for the members of the Supervisory Board; in particular, it shall take out D&O insurance for them.

The compensation of the Supervisory Board is entirely fixed in nature: no variable compensation components are provided for. The Articles of Association define fixed annual compensation for Supervisory Board members as €100,000. Owing to the additional time and effort involved in performing certain duties and in view of Recommendation G.17 of the German Corporate Governance Code, compensation for the Supervisory Board Chairman is multiplied by a factor of 3. A factor of 2 is applied to the Chairman's deputy and to committee chairs, while compensation for committee members is multiplied by a factor of 1.5. Where a person serves in more than one function, his/her additional functions shall not be taken into account, which means that the chairman and his/her deputy shall not be entitled to additional factors if they serve on multiple committees. In instances where members of the Supervisory Board serve on multiple committees, their service shall only be taken into account once.

Supervisory Board members who join, or depart from, the Supervisory Board during a particular year receive prorated compensation.

The company additionally reimburses Supervisory Board members for their necessary expenses in the form of a flat fee of €25,000. The annual compensation and the flat reimbursement amount for expenses are paid in January of the subsequent year.

The company provides the members of the Supervisory Board with appropriate insurance coverage in the form of D&O insurance with no deductible.

The employee representatives are subject to the rules of the German Trade Union Confederation (DGB) and of the Association of Employed Academics and Executives in the Chemical Industry (VAA) concerning the transfer of supervisory board compensation.

### III. Compensation of Individual Supervisory Board Members Appointed in the 2023 Reporting Year

In accordance with Section 162 (1) sentence 1 and sentence 2 no. 1 of the German Stock Corporation Act, all compensation components "granted and owed" to each member of the Supervisory Board in 2023 must be disclosed in the Compensation Report. Compensation is classified as "granted and owed" if the activity on which compensation was based was performed in full in 2023, giving rise to a corresponding legal obligation of the company toward the Supervisory Board member. The disclosure also includes those compensation components that were earned in the reporting year but not paid out until the year that follows the reporting year.

#### Compensation Granted and Owed (Section 162 (1) Sentence 1 of the German Stock Corporation Act) to Active Members of the Supervisory Board

Supervisory Board members	Fixed compensation	Flat reimbursement amount for expenses	Variable components	Total compensation	Share of fixed compensation relative to total compensation	Share of variable compensation relative to total compensation
Dr. Peter-Alexander Wacker (Chair of the Supervisory Board)	€300,000	€25,000	–	€325,000	100%	0%
Manfred Köppl (Deputy Chair of the Supervisory Board)	€200,000	€25,000	–	€225,000	100%	0%
Prof. Andreas Biagosch (Member of the Mediation Committee from May 17, 2023)	€131,370	€25,000	–	€156,370	100%	0%
Dr. Gregor Biebl	€100,000	€25,000	–	€125,000	100%	0%
Matthias Biebl (Member of the Executive Committee from May 17, 2023)	€131,370	€25,000	–	€156,370	100%	0%
Prof. Patrick Cramer (from May 17, 2023)	€62,740	€15,685	–	€78,425	100%	0%
Stefan Entholzner (from May 17, 2023)	€62,740	€15,685	–	€78,425	100%	0%
Markus Hautmann	€100,000	€25,000	–	€125,000	100%	0%
Ingrid Heindl	€100,000	€25,000	–	€125,000	100%	0%
Barbara Kraller (Member of the Mediation Committee)	€150,000	€25,000	–	€175,000	100%	0%
Dr. Benedikt Postberg (from May 17, 2023)	€62,740	€15,685	–	€78,425	100%	0%
Harald Sikorski (from October 1, 2023)	€25,205	€6,301	–	€31,507	100%	0%
Reinhard Spateneder	€100,000	€25,000	–	€125,000	100%	0%
Ann-Sophie Wacker	€100,000	€25,000	–	€125,000	100%	0%
Prof. Anna Weber (Chair of the Audit Committee)	€200,000	€25,000	–	€225,000	100%	0%
Dr. Susanne Weiss	€100,000	€25,000	–	€125,000	100%	0%

**Compensation Granted and Owed (Section 162 (1) Sentence 1 of the German Stock Corporation Act) to Members of the Supervisory Board Who Departed in the Reporting Year**

Former Supervisory Board members	Fixed compensation	Fiat reimbursement amount for expenses	Variable components	Total compensation	Share of fixed compensation relative to total compensation	Share of variable compensation relative to total compensation
Franz-Josef Kortüm (Member of the Executive Committee and the Mediation Committee until May 17, 2023)	€56,301	€9,384	–	€65,685	100%	0%
Beate Rohrig (until September 30, 2023)	€74,795	€18,699	–	€93,493	100%	0%
Andreas Schnagl (until May 17, 2023)	€37,534	€9,384	–	€46,918	100%	0%
Dr. Birgit Schwab (until May 17, 2023)	€37,534	€9,384	–	€46,918	100%	0%

In 2023, no compensation was granted or owed (within the meaning of Section 162 (1) sentence 1 and sentence 2 no. 1 of the German Stock Corporation Act) to any former Supervisory Board member who left the Supervisory Board before the 2023 reporting year (with the exception of the fixed compensation for the 2022 compensation year, which was not paid out until January 2023).

## C. Comparative Presentation (Section 162 (1) Sentence 2 No. 2 of the German Stock Corporation Act)

The following table shows a comparison of the year-over-year change (from the respective previous year to the following reporting year) in the compensation of the members of the Executive and Supervisory Boards, in the company's earnings and in the average compensation of employees (expressed as full-time equivalents). Section 26j (2) sentence 2 of the Introductory Act to the German Stock Corporation Act is applied in that the five-year comparison of average full-time-equivalent employee compensation is built up year by year, starting with the change from 2020 to 2021.

### Comparative Presentation of Year-Over-Year Change in Compensation of Executive and Supervisory Board Members, Earnings and Average Full-Time-Equivalent Employee Compensation

Compensation of Executive and Supervisory Board members	Changes in %		
	From 2020 to 2021	From 2021 to 2022	From 2022 to 2023
<b>Active Executive Board members</b>			
Dr. Christian Hartel (president & CEO from May 2021)	58%	77%	-24%
Dr. Christian Kirsten (from May 2023)	–	–	–
Auguste Willems (until April 2023)	33%	12%	-75%
Dr. Tobias Ohler (from January 2013)	40%	12%	-23%
Angela Wörl (from May 2021)	–	76%	-23%
<b>Former Executive Board members</b>			
Auguste Willems (until April 2023)	–	–	–
Dr. Rudolf Staudigl (until May 2021)	-51%	61%	5%
Dr. Joachim Rauhut (until October 2015)	4%	8%	11%
Former Executive Board members and managing directors and their surviving dependents (> 10 years)	11%	-26%	16%
<b>Active Supervisory Board members in the reporting year</b>			
Dr. Peter-Alexander Wacker (since May 2008)	0%	12%	0%
Manfred Köppl (since April 2003)	0%	13%	0%
Prof. Andreas H. Biagosch (since January 2015, member of the Mediation Committee since May 2023)	0%	14%	25%
Dr. Gregor Biebl (since May 2013)	0%	14%	0%
Matthias Biebl (since May 2008, member of the Executive Committee since May 2023)	0%	14%	25%
Prof. Patrick Cramer (since May 2023)	–	–	–
Stefan Entholzner (since May 2023)	–	–	–
Markus Hautmann (since January 2021)	–	14%	0%
Ingrid Heindl (since May 2018)	0%	14%	0%
Franz-Josef Kortüm (April 2001 through May 2023, chair of the Audit Committee until May 2022)	0%	-3%	-66%
Barbara Kraller (since April 2017, member of the Mediation Committee since January 2023)	0%	14%	40%
Dr. Benedikt Postberg (since May 2023)	–	–	–
Beate Rohrig (July 2019 through September 2023)	0%	14%	-25%
Andreas Schnagl (January through May 2023)	–	–	–
Dr. Birgit Schwab (October 2020 through May 2023)	298%	14%	-62%
Harald Sikorski (since October 2023)	–	–	–
Reinhard Spateneder (since January 2023)	–	–	–
Ann-Sophie Wacker (since May 2018)	0%	14%	0%
Prof. Anna Weber (since May 2022)	–	–	62%
Dr. Susanne Weiss (since May 2008)	0%	14%	0%

Compensation of Executive and Supervisory Board members	Changes in %		
	From 2020 to 2021	From 2021 to 2022	From 2022 to 2023
<b>Earnings</b>			
Net income of Wacker Chemie AG (HGB)	726%	9%	-91%
EBIT of the WACKER Group (IFRS)	332%	48%	-76%
Average employee compensation	14%	7%	-15%

The disclosures for former Executive Board members include one-time capital payouts of deferred compensation.

The change in earnings presented reflects the change in the net result for the year of Wacker Chemie AG in accordance with Section 275 (2) no. 17 of the German Commercial Code (HGB). Because the compensation of members of the Executive Board depends largely on the development of Group performance indicators, the change in adjusted EBIT reported in the consolidated financial statements of the WACKER Group is also shown.

The change in average employee compensation is determined based on the average compensation of the workforce of Wacker Chemie AG. Because the employee and compensation structures vary across the subsidiaries, only the workforce of Wacker Chemie AG in Germany is considered for comparison here. The comparison includes the compensation of all employees, including those who are management employees ("leitende Angestellte") as defined in Section 5 (3) of the Works Constitution Act (BetrVG) governing industrial relations in Germany. In the case of employees who simultaneously receive compensation as members of the Supervisory Board of Wacker Chemie AG, such compensation is excluded. To ensure comparability, the compensation of part-time workers is converted into full-time equivalents.

Munich, February 29, 2024

The Executive Board  
of Wacker Chemie AG

The Supervisory Board  
of Wacker Chemie AG

## Disclaimer

The Compensation Report was published on March 21, 2024. It is available online in English and German.

• <https://www.wacker.com/cms/en-de/about-wacker/investor-relations/corporate-governance/overview.html>

# Independent Auditor's Report

To Wacker Chemie AG, Munich,

## Report on the audit of the remuneration report

We have audited the attached remuneration report of Wacker Chemie AG, Munich, for the financial year from 1 January to 31 December 2023, including the related disclosures, prepared to meet the requirements of Section 162 AktG [Aktiengesetz: German Stock Corporation Act].

### Responsibilities of Management and the Supervisory Board

The management and the Supervisory Board of Wacker Chemie AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of Section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the remuneration report. The procedures selected depend on the auditor's professional judgement. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from 1 January to 31 December 2023, including the related disclosures, complies in all material respects with the financial reporting requirements of Section 162 AktG.

Other matter – formal examination of the remuneration report

The substantive audit of the remuneration report described in this independent auditor's report includes the formal examination of the remuneration report required by Section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the remuneration report, this opinion includes the conclusion that the disclosures pursuant to Section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report.

### Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services to Wacker Chemie AG, are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2017. By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Munich, 29 February 2024

KPMG AG

Wirtschaftsprüfungsgesellschaft

[Original German version signed by:]

Huber-Straßer  
Wirtschaftsprüferin  
[German Public Auditor]

Prof. Dr. Grottel  
Wirtschaftsprüfer  
[German Public Auditor]

