

WACKER CHEMIE JOINT STATEMENT ON MODERN SLAVERY & CHILD LABOUR IN 2024

This Statement is made in accordance with Australia's Modern Slavery Act 2018 (Australian MSA), Canada's Fighting Against Forced Labour and Child Labour in Supply Chains Act 2023 (the Act), and the United Kingdom's Modern Slavery Act 2015 (UK MSA). It covers the reporting period January 1, 2024, to December 31, 2024. This is a joint Statement made on behalf of the WACKER entities listed in our [Annual Report 2024](#) report under the Australian, Canadian and UK legislation cited above. Unless expressly stated otherwise, references to 'we,' 'us' and 'our' refer to WACKER as a whole, including the reporting entities mentioned above to respecting human rights throughout our value chain in accordance with the United Nations Guiding Principles on Business and Human Rights (UNGPs) and the Organization for Economic Co-operation and Development (OECD) Guidelines for Multinational Enterprises.

Our commitment includes all internationally recognized human rights, including those contained in the International Bill of Human Rights¹ and the International Labour Organization's (ILO) core labor rights conventions. We are also signatories to the United Nations Global Compact. We publish our efforts to address modern slavery under Australian, Canadian and UK legislation, as well as report on child labor and conflict minerals in our supply chain.

Identification of the reporting entity**Our business, structure, and supply chains**

WACKER is a global company with state-of-the-art specialty chemical products and annual sales of around €5.7 billion (2024). With four business divisions (WACKER Silicones, WACKER Polymers, WACKER Biosolutions and WACKER Polysilicon) we employ around 16,600 people.

With sales sites in 31 countries, WACKER operates all over the world. Our products are found in countless everyday items, ranging from cosmetics to solar cells. Our sales organization is supplemented not only by a network of technical competence centres, where customers learn about WACKER's product portfolio, but also by WACKER Academy, where we offer technical training sessions on our product and their application fields. WACKER's integrated global production system consists of 27 production sites. Ten are located in Europe, eight in the Americas and nine in Asia. The Group's key production location is Burghausen (Germany).

In 2024, we procured more than 2,000 different raw materials as well as numerous technical goods and services for plant engineering and for maintenance. Our suppliers' number was more than 10,000. In Germany, which remains our largest procurement market, we work with more than 5,000 suppliers. Further details can be found in our [Annual Report 2024](#)

Our policies on slavery, child labour and human trafficking

We will not tolerate modern slavery, child labour or human trafficking in our supply chains or in any part of our business. We are committed to ensuring that there is transparency in our own business and to tackling any kind of slavery, child labour and human trafficking in our supply chains. We expect the same standard or comparable business practises from our suppliers, contractors and all other business partners.

We have summarized our policy in the declaration of principles according to the German Act on Corporate Due Diligence Obligations in Supply Chains ([WACKER'S POSITION ON "LABOR AND HUMAN RIGHTS"](#)). Our ethical and operational business principles are codified in a recently revised and relaunched [Code of Conduct](#) which governs how the WACKER Group conducts business and collaborates with its global stakeholders. The Code of Conduct is supplemented by a body of regulations and directives.

WACKER is a member of the [Together for Sustainability](#) (subsequent “TfS”) procurement initiative, which is based on the established principles as those subscribed to by Global Compact and Responsible Care®. The goal of TfS is to establish a standardized, global program for responsible procurement of goods and services in the chemical industry and to raise the ecological and social standards of suppliers.

In WACKER’s [EcoVadis Assessment](#) conducted in 2024, the company scored a rating of 77 points. It ranks among the top 5 percent of the assessed companies. The new scorecard for 2025 will be released in the second half of 2025.

The groupwide Human Rights Committee comprises experts in sustainability, compliance, legal, procurement and logistics, sales as well as human rights specialists. This committee is tasked with prioritizing potential impacts on human rights at WACKER and throughout the supply chain. It is also responsible for reviewing the effectiveness of existing management approaches in terms of effectiveness that fulfil a protective and monitoring function, as well as for identifying and initiating improvement measures.

Risks of modern slavery practices

We continuously examine our own business operations and our supply chain for modern slavery risks. In doing so, we start with a risk mapping based on generally accessible information and research tools, such as the Global Slavery Index (Walk Free). According to this, it can be stated that our industry does not belong to the risk industries. However, attention is paid to the fact that we conduct some of our business in a few countries that are considered high-risk areas according to the Global Slavery Index. Regarding our suppliers, we see risks in particular stemming from their sub-suppliers, especially in the areas of transportation, construction, and cleaning services.

Due diligence processes and performance indicators

To identify and mitigate modern slavery and human trafficking risks, we adopt a risk-based approach. Systematic review of supplier risks is an important tool used by WACKER for properly evaluating our supplier relationships. The “Together for Sustainability” members organize supplier evaluations using questionnaire analyses and audits, whereby the suppliers’ sustainability performance is assessed by independent auditing bodies. The aspects assessed range from environment, health and safety, labour, and human rights to ethical company management. The audits include on-site checks, particularly in high-risk regions. We sometimes attend supplier audits to monitor the quality of the auditing process and bodies. We also carry out audits within our own Group and enquire about potential risks at our locations.

By this means we

- identify and assess potential risk areas in our business and supply chains,
- monitor potential risk areas in our business and supply chains with the focus on human rights,
- initiate relevant adjustments in our procedures or the implementation of additional measures, and thereof
- mitigate the risk of modern slavery, child labour and human trafficking occurring in our business and supply chains.

In addition to the aforementioned, in our General Terms and Conditions we share the rules of the Global Compact with our suppliers. In our [Supplier Code of Conduct](#) we summarize our expectations with respect to our suppliers and business partners. With the help of the Supplier Code of Conduct, buyers can explain our expectations to our suppliers and help to create awareness for our values within the supplier organization.

Our sustainability evaluations include, in particular, detecting potential modern slavery or human trafficking issues. If compliance issues were identified, we discuss these with our supplier and expect corrective actions to be developed and implemented. We also request re-assessments or renewed audits in order to verify that corrective actions haven been implemented. Repeated serious non-compliance could lead to termination of the supplier relationship.

By end of 2024, 90% percent of our current key suppliers provided a valid assessment (reflecting more than 95% key supplier spend coverage) with an average score of 57 globally. These key suppliers cover more than 80 percent of our total purchasing volume globally. Additionally, we continuously re-evaluate assessment results and work on improvements with our suppliers.

Every year we report on the progress in our own operations as well as in our supply chain in the [Global Compact Communication on Progress](#).

Process of Consultation

WACKER is deeply involved in dialogue with its subsidiaries regarding the human rights guidelines across the Group. Legal representatives of the site (such as Managing Directors, Site Managers) participate in annual training where they are expected to submit a written report on a yearly basis. Moreover, but they are also responsible for reporting any potential risks or breaches throughout the year as they occur. The purchasing process and its safeguarding measures are generally centralized, demanding compliance with the global risk management system. Our global Business Partnering model also upholds these requirements. With globally governing Compliance- and HR departments, the implemented human rights principles are monitored and further adjusted and evolved throughout all subsidiaries.

Training measures and global whistleblowing avenues

WACKER's ethical principles of corporate management go above and beyond the legal requirements. The Compliance Management department is responsible for ensuring that these principles and all related legal provisions are observed throughout the company.

Training courses on compliance raise employees' awareness of the relevant risks and convey binding rules of behaviour for daily work routines. Employees are instructed to inform their supervisors, the compliance officers, the employee council or their designated HR contacts if they notice any risks or violations. Alternatively, they can use a professional digital whistleblowing system which provides anonymous communication and protection of the whistleblowers at any time. In 2024 the communication of the underlying whistleblower process at WACKER was updated and published in the form of a global communication concept to all employees (WACKER intranet) and business partners (WACKER homepage), amongst other global initiatives.

Wacker Chemie AG assess the effectiveness of above stated actions with the support of internal and external audits, organizational measures (such as human rights officer with his area of responsibility), conducting compliance risk assessments as well as further measures in compliance related functions (e.g. management of supply chain).

This statement was approved by the board of Wacker Chemie AG in their capacity as principle governing body of Wacker Chemie AG on 9th September 2025.

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Dr. Christian Hartel
President & CEO of Wacker Chemie AG