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PRESS RELEASE

Number 21

WACKER to Expand Semiconductor-Grade Polysilicon Production Capacity in Burghausen

- NEW PRODUCTION LINE FOR CLEANING SEMICONDUCTOR-GRADE POLYSILICON PLANNED AT THE BURGHAUSEN SITE
- PROJECT TO INCREASE EXISTING CLEANING CAPACITY BY WELL OVER 50 PERCENT FROM EARLY 2025
- INVESTMENT IN PLANT AND INFRASTRUCTURE EXCEEDING €300 MILLION CREATES MORE THAN 100 NEW JOBS
- FUNDING APPLICATION FOR INVESTMENTS IN RESEARCH AND INNOVATION SUBMITTED TO THE GERMAN MINISTRY FOR ECONOMIC AFFAIRS
- CEO CHRISTIAN HARTEL: “WITH THIS EXPANSION PROJECT, WE ARE SETTING A FURTHER BENCHMARK IN THE PURITY OF POLYSILICON, THEREBY MAKING AN IMPORTANT CONTRIBUTION TO OUR CUSTOMERS' TECHNOLOGY ROADMAPS”

Munich / Burghausen, June 12, 2023 – Munich-based Wacker Chemie AG announced its intention today to expand its capacity for cleaning semiconductor-grade polysilicon. Accordingly, there are plans to set up a new production line at the company’s Burghausen site by early 2025. The new plant will increase existing capacity at the site by well over 50 percent. The etching of polysilicon chips is the crucial step in production to ensure the material surface purity required for semiconductor applications. Capital expenditures for the project are expected to exceed €300 million. This will create not only more than 100 new jobs at WACKER’s Burghausen site but also additional jobs at partner companies.

As well as expanding capacity, the project includes substantial capital expenditures for research and innovation. The aim here is to further increase the purity of polysilicon by means of new, highly automated processes, thus enabling semiconductors to meet even smaller design rules and making chips even more powerful. WACKER applied for funding for this part of the overall project under the EU's Important Projects of Common European Interest (IPCEI) program. In this regard, the European Commission granted the necessary approval under state aid law on June 8, 2023. If the application is now approved by the German Ministry of Economic Affairs and Climate Protection, WACKER expects to receive funding of up to €46 million.

"As the only European producer of ultrapure polysilicon, we are proud to be making an important contribution to strengthening Europe's microelectronics supply chain with this project," explained WACKER CEO Christian Hartel. He went on to say that, at the same time, this investment project was an important part of WACKER's strategy to intensify its focus on polysilicon for applications that demand extremely high quality. "By expanding our surface-cleaning capacity, we are creating the necessary conditions for meeting the continued fast-growing demand of our semiconductor customers. Thanks to this investment, we are also able to take the quality of our material to the next level so as to support the semiconductor sector's latest technologies," he added.

When the company introduced its new growth targets in March of last year, it announced that, in addition to producing material for solar cells with a particularly high efficiency, it would, going forward, expand its polysilicon capacity for semiconductor applications. WACKER POLYSILICON plans to double its sales with semi-conductor-sector customers by 2030. It has earmarked investment of some €100 million for each of the next few years.

Cleaning the surface of the polysilicon chunks used as a starting material for making semiconductor wafers is a complex and technically very demanding process. Strong acids are used in an etching process to remove the uppermost layer from the surface of the polysilicon. The polysilicon is then packaged under cleanroom conditions for shipment to customers. The use of state-of-the-art technologies and a high degree of automation means that the new facilities achieve a surface purity that already meets the ever-greater demands required for future generations of semiconductor wafers.

Polysilicon used in the manufacture of semiconductor wafers requires an extremely high surface purity. WACKER is now expanding its capacity for cleaning semiconductor-grade polysilicon at its Burghausen site. (Photo: Wacker Chemie AG)

This press release contains forward-looking statements based on assumptions and estimates of WACKER's Executive Board. Although we assume the expectations in these forward-looking statements are realistic, we cannot guarantee they will prove to be correct. The assumptions may harbor risks and uncertainties that may cause the actual figures to differ considerably from the forward-looking statements. Factors that may cause such discrepancies include, among other things, changes in the economic and business environment, variations in exchange and interest rates, the introduction of competing products, lack of acceptance for new products or services, and changes in corporate strategy. WACKER does not plan to update its forward-looking statements, nor does it assume the obligation to do so.

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The Company in Brief:
WACKER is a global chemical company with some 15,700 employees and annual sales of around €8.21 billion (2022).
WACKER has a global network of 27 production sites, 26 technical competence centers and 50 sales offices.

WACKER SILICONES
Silicone fluids, emulsions, rubber grades and resins; silanes; pyrogenic silicas; thermoplastic silicone elastomers

WACKER POLYMERS
Polyvinyl acetates and vinyl acetate copolymers and terpolymers in the form of dispersible polymer powders, dispersions, solid resins and solutions

WACKER BIOSOLUTIONS
Biotech products such as cyclodextrins, cysteine and biologics, as well as fine chemicals and PVAc solid resins

WACKER POLYSILICON
Polysilicon for the semiconductor and photovoltaic industries