

# WACKER'S POSITION ON "LABOR AND HUMAN RIGHTS"

## Declaration of Principles pursuant to Section 6, Subsection 2 of the German Act on Corporate Due Diligence Obligations in Supply Chains (LkSG)

Every company in every industry sector has a responsibility to respect human rights. For WACKER, as a responsible and globally active company, it is important that each individual site respects human rights and applies human rights and environmental due diligence along the global supply and value chain as well as in its own business operations. We also expect our partners to adhere to these principles.

### Our Commitment

We are committed to ensuring that our business activities do not violate, or have any adverse impact on human rights or the environment. We are committed to the UN Global Compact's Ten Principles and thus to protecting human rights and avoiding complicity in human rights abuses. We condemn slavery and all other forms of forced or compulsory labor. We do not use physical violence or mental intimidation and reject any type of abuse. In this area, we follow the OECD Guidelines for Multinational Enterprises, the ILO Core Labor Standards, and the UN Guiding Principles on Business and Human Rights, and statutory requirements. **i**

We are signatories of the "Diversity Charter" as well as "We Together." We have been a member of the Together for Sustainability (TfS) initiative since 2015.

### Basic Principles

Our global Code of Conduct is binding for all employees and managerial staff worldwide. The prevention of human-rights and environmental risks is embedded in all relevant departments and divisions as well as in our corporate governance and decision-making. An internal checklist helps us to identify and avoid risks. Risk management in accordance with the LkSG is summarized in an internal manual. This describes the requisite processes in detail, from risk analysis and remedial action to documentation and reporting.

### Risk Analysis

As part of our regular risk analysis, which we conduct for our own company as well as our supply chain, we identify topics and risks that we prioritize based on their potential severity and our ability to influence them. **i**

### Risk Areas With Regard to Our Business Activities

We use a general matrix to evaluate potential risk areas in our supply chain. **i**

### Our Employees

We place great emphasis on industrial, health, and workplace safety, adopt preventative measures, and implement effective emergency response programs to counter risks. We offer programs for promoting, maintaining and restoring health. Our wages and working hours comply with applicable laws and regulations. We respect the employees' right to freedom of association and condemn

discrimination, especially with respect to hiring staff, setting compensation levels, providing advanced training or making decisions regarding promotions, terminations and retirement. In social audits (Sedex, TfS), compliance with these standards is regularly checked, in particular through employee interviews.

### Our Supply Chain

We expect our suppliers to adhere to our Supplier Code of Conduct. We take into account social and ethical standards (especially human rights, working conditions, health and safety standards, mindful use of local resources such as water and energy, and environmental protection). As part of our TfS membership, we check compliance through audits and assessments of all key suppliers, as well as any suppliers identified as an increased risk by our risk analysis. In the case of direct or indirect business activities in conflict and high-risk areas (e.g., through sourcing raw materials), we conduct thorough investigations to assess and avoid the risk of contributing to or being associated with human rights abuses and environmental damage. This also applies to specific raw materials such as conflict minerals or palm oil.

### Our Sites and Neighboring Communities

We assess the impact of our business activities on the environment and invest in new technologies to avoid any potentially negative effects **i**. We encourage open dialog through information events and local hotlines. We also offer free services at many sites.

**SUSTAINABILITY FACT SHEET | EMPLOYEE AND HUMAN RIGHTS | JANUARY 2023****Our Products**

We constantly improve our products as regards EHS criteria. We continually expand our knowledge about the environmental compatibility of our products and revise our health, safety and environmental measures, taking the whole production life cycle into account.

**Due Diligence in the Group**

Respect for human rights is firmly anchored in the Group. Our CEO is responsible for human rights. He is supported by the Human Rights Officer. At HR, labor law issues are taken into account and WACKER standards are specified. The Compliance organization anticipates violations and responds to rule infringements. The Environmental Department coordinates compliance with environmental standards worldwide. The Procurement Department qualifies, reviews and evaluates suppliers with regard to human rights and environmental risks. Corporate Communication coordinates reporting. All managers, especially local Managing Directors play a central role in implementing and complying with the LkSG. Human rights due diligence is part of their job description.

**The Human Rights Committee**

The Human Rights Committee headed by the Human Rights Officer prioritizes the safeguarding of human rights at WACKER. Its tasks include prioritizing focus topics and risk areas, checking existing management approaches in terms of protective and monitoring mechanisms, identifying weak points and defining information needs in the company. Its interdisciplinary members meet at least 4 times a year.

**Whistleblower Hotline**

The Global Compliance Organization as well as the generally accessible whistleblower hotline ensure that critical questions, concerns or complaints can be expressed. If desired, communication can be anonymous.

**Remedial Action**

Should reviews of suppliers or our own sites reveal deviations or risks, our primary goal is to eliminate them or achieve improvements. We track progress and status through discussions or repeated audits with the respective suppliers or sites. Results and measures are documented and tracked on an internal WACKER dashboard.

**Training**

We offer basic training for all employees and require managers responsible for a relevant topic as well as employees to attend annual refresher training. We invite our suppliers to the TfS ACADEMY on a topic-related basis and measure their use.

**Reporting**

Every year, in addition to the report required by the LkSG, we submit a status report on WACKER's risk management in the Global Compact Progress Report and in the WACKER Group and Wacker Chemie AG's summarized non-financial report.



**“Compliance with human rights is a top priority for us as a company. We never want to be associated with human rights violations – neither as a perpetrator nor as a profiteer. We base all our business activities on this principle.”**

Dr. Christian Hartel  
President and CEO Wacker Chemie AG  
Munich, January 2023

**Links**

- [Statement Against Modern Slavery](#)
- [Global Compact Reports](#)
- [Human Rights Video](#)
- [Supplier Code of Conduct](#)
- [Whistleblower Hotline](#)
- [Conflict Minerals Fact Sheet](#)
- [TfS Academy](#)

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