

increase, a reallocation for 2021 to 2025 is highly probable in principle. However, it is unclear how many emission allowances will be allocated and when this will take place.

18 Other disclosures

Social benefits comprise in particular the employer's share of social insurance contributions as well as contributions to the employers' liability insurance association. Pension expenses consist mainly of contributions to the statutory pension system and allocations to pension provisions. Related interest is shown in the financial result.

€ million	2025	2024
Depreciation/amortization	-606.4	-472.7
Cost of materials	-2,467.7	-2,884.1
Personnel expenses		
Wages and salaries	-1,249.6	-1,277.2
Social benefits and expenses for aid	-234.1	-226.0
State pension contributions	80.8	76.6
Social security contributions	-153.3	-149.4
Pension expenses	-77.1	-76.6
Contributions to state pensions	-80.8	-76.6
Pension expenses	-157.9	-153.2
Total personnel expenses	-1,560.8	-1,579.8

The auditors' fee in the amount of €1.3 million relates to PricewaterhouseCoopers GmbH Wirtschaftsprüfungsgesellschaft (prior year: €1.3 million). Of this amount, €1.1 million (prior year: €1.1 million) relates to services for the statutory audits of the consolidated financial statements of the WACKER Group and of the annual financial statements of Wacker Chemie AG, as well as for the audit review of the interim consolidated financial statements. An amount of €0.2 million (prior year: €0.2 million) is attributable to other assurance services. These include the review of the Group sustainability statement.

€ million	2025	2024
Expenses for auditors' fees		
Audit services	1.1	1.1
Other attestation services	0.2	0.2
Tax consultation services	-	-
Other services	-	-
Total	1.3	1.3

19 Earnings per share / dividend

The diluted earnings per share were identical to the basic earnings in both the year under review and the previous year.

The dividend distribution for 2024 amounted to €124.2 million, or €2.50 per dividend-bearing share. No allocations to retained earnings were made at Wacker Chemie AG for fiscal .

The Executive Board of Wacker Chemie AG proposes that no dividend be distributed for the fiscal year 2025, as the company posted a loss for the year. Responsibility for accepting or rejecting this proposal rests with the Annual Shareholders' Meeting of Wacker Chemie AG.

	2025	2024
Average number of outstanding common shares (units)	49,677,983	49,677,983
Number of common shares outstanding at the end of the year (units)	49,677,983	49,677,983
Dividend per dividend-bearing common share (€)	0.00	2.50
Distribution per dividend-bearing common share (€)	0.00	2.50
Net result for the year attributable to Wacker Chemie AG shareholders (€ million)	-821.1	241.0
Earnings due to common shares (€ million)	-821.1	241.0
Earnings per common share (average, €)	-16.53	4.85
Earnings per common share (as of reporting date, €)	-16.53	4.85

20 Financial instruments

The following table shows financial assets and liabilities by measurement category and class. Lease liabilities and derivatives that qualify for hedge accounting are also shown even though they do not belong to any of the IFRS 9 measurement categories. WACKER has not pledged any financial assets as security.

The fair value of financial instruments measured at amortized cost is determined by means of discounting, taking into account market interest rates that are adequate to the inherent risk and correspond to the relevant maturity. The fair value of current items in the statement of financial position is their carrying amount, as there is no material difference between the two values.

Financial assets and liabilities by measurement category and class as of Dec. 31, 2025

€ million				Measurement	Measurement		
	Carrying amount Dec. 31, 2025	(Amortized) cost	Fair value through profit or loss	pursuant to IFRS 9	pursuant to IFRS 16	Fair value as of Dec. 31, 2025	
Trade receivables	689.0	689.0	–	–	–	689.0	
Other financial assets	155.0	68.9	33.8	52.3	–	155.0	
Loans and other financial assets, measured at amortized cost	–	68.9	–	–	–	68.9	
Investments in equity instruments (FVPL)	–	–	27.2	–	–	27.2	
Derivatives that do not qualify for hedge accounting (FVPL)	–	–	6.6	–	–	6.6	
Derivatives that qualify for hedge accounting ¹	–	–	–	52.3	–	52.3	
Securities and fixed-term deposits	379.2	339.9	–	39.3	–	379.2	
Securities and fixed-term deposits (measured at amortized cost)	–	339.9	–	–	–	339.9	
Securities (FVPL)	–	–	–	–	–	–	
Securities (FVOCI)	–	–	–	39.3	–	39.3	
Cash and cash equivalents (measured at amortized cost)	1,103.7	1,103.7	–	–	–	1,103.7	
Total financial assets	2,326.9	–	–	–	–	2,326.9	
Financing liabilities	2,368.6	2,041.4	4.2	–	323.0	2,047.5	
Financing liabilities (measured at amortized cost)	–	2,041.4	–	–	–	2,043.3	
Financial liabilities measured at fair value	–	–	4.2	–	–	4.2	
Liabilities from lease obligations	–	–	–	–	323.0	–	
Trade payables (measured at amortized cost)	692.3	692.3	–	–	–	692.3	
Other financial liabilities	58.2	50.9	7.0	0.3	–	58.2	
Financial liabilities measured at amortized cost	–	50.9	–	–	–	50.9	
Derivatives that do not qualify for hedge accounting (FVPL) ²	–	–	7.0	–	–	7.0	
Derivatives that qualify for hedge accounting ¹	–	–	–	0.3	–	0.3	
Total financial liabilities	3,119.1	–	–	–	–	2,798.0	

¹ Derivatives with on-balance sheet hedging relationship are not subject to IFRS 9, but are reported under this measurement in order to reconcile to the total of the statement of financial position.

² Derivatives not designated as hedging instruments include the difference from the initial measurement of the physical PPA in the amount of €3.4 million.

Financial assets and liabilities by measurement category and class as of Dec. 31, 2024

€ million			Measurement pursuant to IFRS 9	Measurement pursuant to IFRS 16		
	Carrying amount Dec. 31, 2024	(Amortized) cost	Fair value through profit or loss	Fair value through other comprehensive income	(Amortized) cost	Fair value as of Dec. 31, 2024
Trade receivables	764.6	764.6	–	–	–	764.6
Other financial assets	123.0	52.9	33.2	36.9	–	123.0
Loans and other financial assets, measured at amortized cost	–	52.9	–	–	–	52.9
Investments in equity instruments (FVPL)	–	–	26.5	–	–	26.5
Derivatives that do not qualify for hedge accounting (FVPL)	–	–	6.7	–	–	6.7
Derivatives that qualify for hedge accounting ¹	–	–	–	36.9	–	36.9
Securities and fixed-term deposits	209.4	75.2	73.8	60.4	–	209.4
Securities and fixed-term deposits (measured at amortized cost)	–	75.2	–	–	–	75.2
Securities (FVPL)	–	–	73.8	–	–	73.8
Securities (FVOCI)	–	–	–	60.4	–	60.4
Cash and cash equivalents (measured at amortized cost)	1,046.7	1,046.7	–	–	–	1,046.7
Total financial assets	2,143.7	–	–	–	–	2,143.7
Financing liabilities	1,946.7	1,611.3	4.7	–	330.7	1,627.0
Financing liabilities (measured at amortized cost)	–	1,611.3	–	–	–	1,622.3
Financial liabilities measured at fair value	–	–	4.7	–	–	4.7
Liabilities from lease obligations	–	–	–	–	330.7	–
Trade payables (measured at amortized cost)	851.5	851.5	–	–	–	851.5
Other financial liabilities	63.9	45.4	14.3	4.2	–	63.9
Financial liabilities measured at amortized cost	–	45.4	–	–	–	45.4
Derivatives that do not qualify for hedge accounting (FVPL) ²	–	–	14.3	–	–	14.3
Derivatives that qualify for hedge accounting ¹	–	–	–	4.2	–	4.2
Total financial liabilities	2,862.1	–	–	–	–	2,542.4

¹ Derivatives with on-balance sheet hedging relationship are not subject to IFRS 9, but are reported under this measurement in order to reconcile to the total of the statement of financial position.

² Derivatives not designated as hedging instruments include the difference from the initial measurement of the physical PPA in the amount of €5.2 million.

Trade receivables, other loans and fixed-term deposits, as well as cash and cash equivalents, are recognized at amortized cost. Cash and cash equivalents in foreign currency are measured at the conversion rate prevailing on the reporting date. Their carrying amounts correspond to their fair values. The fair value of loans and borrowings corresponds to their present value, i.e. the present value of the expected future cash flows. Discounting is carried out on the basis of the interest rates applicable as of the reporting date. Certain securities (funds) and investments in equity instruments are classified as fair value through profit or loss (FVPL). Securities measured at amortized cost are recognized using the effective interest method. Investments in equity instruments are recognized at fair value, the best approximation of which is their historical cost, as no observable prices on active markets are available.

The carrying amount of trade payables and other financial liabilities corresponds to their fair value. The fair value of financing liabilities is calculated as the present value of the expected future cash flows. Discounting is carried out on the basis of the interest rates applicable as of the reporting date. Liabilities measured at fair value chiefly comprise future payments in

connection with business combinations. All other financial liabilities are measured at cost, as no observable prices are available for them.

The following table shows the net gains and losses from financial instruments:

€ million	2025	2024
Net gains/losses from financial instruments		
Financial assets measured at amortized cost	-5.4	66.4
Assets/liabilities measured at fair value through profit or loss (FVPL)	12.5	5.1
Assets measured at fair value through OCI (FVOCI)	-	-0.1
Financial liabilities measured at amortized cost	-52.9	-61.8
Total	-45.8	9.6

The net result of the category “Financial assets measured at amortized cost” primarily comprises net losses/gains from foreign currency translation, interest income from financial assets, fixed-term deposits and bank deposits, and loss allowances on receivables.

The gains and losses from changes in the fair value of foreign-exchange, interest-rate and commodity derivatives that do not fulfill the requirements of IAS 39 for hedge accounting are posted in the category “Assets/liabilities measured at fair value through profit or loss”. This item also contains distributions stemming from funds as well as fair value changes in investments in equity instruments.

Interest income from financial assets that are not recognized at fair value through profit or loss amounted to €28.5 million (prior year: €41.4 million). This income mainly comprised interest on bank deposits, fixed-term deposits and loans.

Interest expense from financial liabilities that are not recognized at fair value through profit or loss amounted to €56.9 million (prior year: €48.4 million) and was mainly attributable to financing liabilities.

The net losses in the category “Financial liabilities measured at amortized cost” primarily comprise interest expenses on bank liabilities and other financing liabilities, as well as net losses/gains from foreign currency translation.

Neither in the year under review nor in the previous year were there any reclassifications of financial assets between those recognized at amortized cost and those recognized at market value or vice versa.

The derecognition of financial assets measured at cost did not result in any material gains or losses.

The financial assets and liabilities measured at fair value in the financial statements were allocated to one of three categories in accordance with the fair value hierarchy described in IFRS 13. Allocation to these categories reveals which of the fair values reported were settled through market transactions and the extent to which the measurement was based on models in the absence of observable market transactions.

The following are the levels of the hierarchy.

Level 1

Financial instruments measured using quoted prices in active markets, the fair value of which can be derived directly from prices in active liquid markets and for which the financial instrument observable in the market is representative of the financial instrument being measured. These include fixed-interest securities and a mutual fund, both of which are traded in liquid markets.

Level 2

Financial instruments measured using valuation methods based on observable market data, the fair value of which can be determined using similar financial instruments traded in active markets or using valuation methods, all of whose parameters are observable. These include hedging and non-hedging derivative financial instruments, loans and financing liabilities.

Level 3

Financial instruments measured using valuation methods not based on observable parameters, the fair value of which cannot be determined using observable market data and which require the application of different valuation methods. The financial instruments belonging to this category have a value component that is not market-observable and has a major impact on fair value. These include over-the-counter derivatives, unquoted equity instruments and obligations arising out of business combinations.

The following table shows the categories in the fair value hierarchy to which the financial assets and liabilities measured at fair value in the statement of financial position are allocated. The table also shows financial assets and liabilities that are measured at cost in the statement of financial position and whose fair values are given in the Notes.

Fair value hierarchy 2025

€ million	Fair value hierarchy			Total
	Level 1	Level 2	Level 3	
As of December 31, 2025				
Financial assets measured at fair value				
Fair value through profit or loss				
Derivatives that do not qualify for hedge accounting (FVPL)	–	6.6	–	6.6
Securities – trading (FVPL)	–	–	–	–
Investments in equity instruments – trading (FVPL)	–	–	27.2	27.2
Fair value through other comprehensive income				
Derivatives that qualify for hedge accounting	–	52.3	–	52.3
Securities (FVOCI)	39.3	–	–	39.3
Total	39.3	58.9	27.2	125.4
Financial assets measured at amortized cost				
Loans – held-to-collect	–	–	–	–
Securities and fixed-term deposits (measured at amortized cost)	339.9	–	–	339.9
Total	339.9	–	–	339.9
Financial liabilities measured at fair value				
Fair value through profit or loss				
Derivatives that do not qualify for hedge accounting (FVPL)	–	0.9	6.1	7.0
Financial liabilities (FVPL)	–	–	4.2	4.2
Fair value through other comprehensive income				
Derivatives that qualify for hedge accounting	–	0.3	–	0.3
Total	–	1.2	10.3	11.5
Financial liabilities measured at amortized cost				
Financial liabilities	–	2,041.4	–	2,041.4
Total	–	2,041.4	–	2,041.4

Fair value hierarchy 2024

€ million	Fair value hierarchy			Total
	Level 1	Level 2	Level 3	
As of December 31, 2024				
Financial assets measured at fair value				
Fair value through profit or loss				
Derivatives that do not qualify for hedge accounting (FVPL)	–	6.7	–	6.7
Securities – trading (FVPL)	73.8	–	–	73.8
Investments in equity instruments – trading (FVPL)	–	–	26.5	26.5
Fair value through other comprehensive income / through profit or loss				
Derivatives that qualify for hedge accounting	–	36.9	–	36.9
Securities (FVOCI)	60.4	–	–	60.4
Total	134.2	43.6	26.5	204.3
Financial assets measured at amortized cost				
Loans – held-to-collect	–	15.5	–	15.5
Securities and fixed-term deposits (measured at amortized cost)	75.2	–	–	75.2
Total	75.2	15.5	–	90.7
Financial liabilities measured at fair value				
Fair value through profit or loss				
Derivatives that do not qualify for hedge accounting (FVPL)	–	4.8	9.5	14.3
Financial liabilities (FVPL)	–	–	4.7	4.7
Fair value through other comprehensive income / through profit or loss				
Derivatives that qualify for hedge accounting	–	4.2	–	4.2
Total	–	9.0	14.2	23.2
Financial liabilities measured at amortized cost				
Financial liabilities	–	1,611.3	–	1,611.3
Total	–	1,611.3	–	1,611.3

WACKER regularly reviews whether its financial instruments are still allocated to the appropriate fair-value-hierarchy levels. As was the case in the previous year, no reclassifications were carried out within the fair value hierarchy in 2025.

In the period under review, WACKER measured only financial assets and liabilities at fair value. The market values were calculated using market information available as of the reporting date and based on counterparties' quoted prices or via appropriate valuation methodologies (discounted cash flow or well-established actuarial methodologies, such as the par method or Black-Scholes formula).

Derivative financial instruments and financial assets (trading and held-to-collect and for sale) are recognized at fair value and are thus subject to a recurring fair value assessment.

The fair value of derivative financial instruments used for currency and interest hedging transactions is calculated based on market data such as exchange rates or yield curves in accordance with market-specific valuation methodologies.

Fair value calculations contain our own and the counterparty's default risk, using maturity-matching and market-observable CDS values. The fair value of financial assets (trading and held-to-collect and for sale) can be derived from prices listed in active markets.

The financing liabilities are recognized at amortized cost, except for financing liabilities stemming from earn-out clauses in business combination agreements, which are recognized at fair value and allocated to Level 3 of the fair value hierarchy. The fair values of all these items must be disclosed in the Notes.

The fair value of financing liabilities is determined using the net present value method and is based on standard market interest rates. Financing liabilities arising out of business combinations are calculated using the discounted cash flow method and taking the weighted average cost of capital into account. The corporate-planning EBITDA figures of the acquired company form the basis for calculation.

Derivatives that do not qualify for hedge accounting that were allocated to Level 3 of the fair value hierarchy include a physical power purchase agreement (PPA) concluded in Germany and power purchase derivatives.

The physical PPA is based on sourcing electricity from two solar farms in Germany with an output of 34 megawatts. It provides for actual electricity supplies at a fixed price and in a fixed quantity. No certificates will be bought for the "green" aspect of this electricity (guarantees of origin). The fair value allocated to Level 3 is calculated as the present value of the difference between the agreed fixed price and the expected market price for electricity. The main parameters in this calculation are the expected electricity price and the expected output.

Sensitivities – physical PPA in 2025 (€ million)

Change in expected electricity prices Fair value derivative		Change in expected production output Fair value derivative	
+10%	-10%	+10%	-10%
-0.6	0.6	-	-

Sensitivities – physical PPA in 2024 (€ million)

Change in expected electricity prices Fair value derivative		Change in expected production output Fair value derivative	
+10%	-10%	+10%	-10%
-0.9	0.9	0.1	-0.1

The transaction price on conclusion of the contract, and thus on initial recognition, was zero. At the time of initial recognition, the fair value of the physical PPA as calculated using a measurement model exceeded the transaction price by €9.3 million. Because Level-3 fair values were involved, the difference of €9.3 million was deferred and amortized on a straight-line basis over the contract term. The deferred difference is recognized in the statement of financial position under derivative financial instruments together with the positive fair value of the agreement according to the measurement model. The fair value changes of the derivative are recognized in the statement of income under other operating income/other operating expense. At year-end, the fair value of the derivative was €-2.6 million (prior year: €-4.4 million) and the related other operating income was €1.7 million (previous year, other operating expense of €2.9 million). The income resulting from the deferred difference is recognized in profit or loss together with the change in the fair value of the derivative. At year-end, the value of the deferred difference was €3.4 million (prior year: €5.2 million) and income of €1.7 million (prior year: €1.7 million) was recognized.

WACKER measured equity instruments not held for trading in the amount of €27.2 million (versus €26.5 million a year earlier) at fair value pursuant to IFRS 9 and allocated these to Level 3 of the fair value hierarchy. The equity instruments concerned are small, regional investments in non-profit companies that operate infrastructure facilities. No fair value exists for these companies since no active market values are available. WACKER reviews the carrying amounts of investments in equity instruments once a year to counter the risk of a change in value. WACKER had no intention of selling any of the shares reported as of December 31, 2025.

The unilateral call option (Level 3 of the fair value hierarchy) held by WACKER for the purchase of 1 percent of the shares in the subsidiary WACKER Asahikasei Silicone Co. Ltd., Japan, was recognized at fair value as of December 31, 2025. Exercise of the option results in remeasurement of the share to be acquired at fair value, meaning that the value prior to exercise is zero as the option does not have any value. The option has an unlimited term.

No changes were made to the valuation methodology compared with the previous year.

Management of financial risks

In the normal course of business, WACKER is exposed to credit, liquidity and market risks from financial instruments. The aim of financial risk management is to limit risks from operations and the resultant financing requirements by using certain derivative and non-derivative hedging instruments.

The risks connected with the procurement, financing and selling of WACKER's products and services are described in detail in the management report. In order to counter financial risks, WACKER has put in place a risk management system, which is monitored by the Supervisory Board. This system aims to identify, analyze, manage, monitor and communicate risks in a timely manner. The Executive Board receives regular analyses on the extent of these risks. The analyses focus on market risks, in particular on the potential impact of raw-material price risks, foreign-exchange risks and interest-rate risks on both EBITDA and the interest result.

Credit risk (risk of default)

In terms of financial instruments, the Group is exposed to a default risk should a contractual party fail to fulfill its commitments. The maximum risk is therefore the amount of the respective financial instrument's positive fair value. To limit the risk of default, particularly for investments of securities and cash, transactions are conducted only within defined limits and with partners of very high credit standing. To ensure risks are managed as efficiently as possible, market risks are controlled centrally within the Group. The transactions are concluded and managed in compliance with internal credit-risk principles and are subject to monitoring procedures that take account of the separation of duties. In the area of operations, outstanding receivables and default risks are continually monitored and hedged by means of trade credit insurance, advance payments and bank guarantees. Customer credit ratings and limits are based on generally available information from rating agencies and internal documents. No collateral exists for financial instruments. Receivables from major customers are not high enough to represent an extraordinary concentration of risks. Default risks are accounted for by loss allowances, taking advance payments received into account. For information on default risks, please refer to the accounting and valuation principles and the Notes to the individual items of the statement of financial position.

Liquidity risk

A liquidity risk means that a company may not be able to meet its existing or future financial obligations due to inadequate funds. To ensure uninterrupted solvency and financial flexibility, the Group holds not only long-term lines of credit at financial institutions with high credit ratings, but also liquid funds, based on multiyear financial planning and rolling liquidity planning.

To limit liquidity risk, WACKER keeps liquid reserves in the form of current investments and unused lines of credit. WACKER has also concluded agreements with a number of banks for long-term syndicated loans and bilateral loans. For information on the maturity analysis for non-derivative financial liabilities, please refer to the Note on Financing liabilities.

» See Note 15

Market risk

Market risk refers to the risk that the fair value or future cash flow of a primary or derivative financial instrument could fluctuate due to changing risk factors.

Foreign-exchange risk

The potential currency exposure to be hedged with derivative financial instruments is determined on the basis of the company's major foreign-currency income and expenditure. The greatest risk results from the US dollar. US-dollar income is taken to mean all sales invoiced in US dollars, while all purchases in US dollars as well as site costs incurred in US dollars are reported under US-dollar expenditure. Since the largest share of foreign-currency cash flows is in US dollars, that currency is the only relevant risk variable for the sensitivity analysis as defined in IFRS 7. By comparison, increases in the euro exchange rate against the Chinese renminbi (CNY) and Japanese yen (JPY) have a minor impact. In determining sensitivity, we simulate a 10-percent US-dollar devaluation against the euro, taking as a starting point the closing rate used in the forecast. The profit or loss effect on Wacker Chemie AG's receivables and liabilities in USD recognized on December 31, 2025 would have been approx. €-3.3 million (December 31, 2024: €-0.6 million). Wacker Chemie AG's USD hedging transactions would have had a profit or loss effect of around €5.7 million (previous year: €4.6 million) if the US dollar had depreciated by 10 percent. The effect from items designated as cash flow hedges would have increased equity before income taxes by €16.2 million (prior year: €13.8 million). The planned currency exposure for 2026 was €399 million on December 31, 2025 (prior year: €296 million). A 10 percent appreciation of the US dollar against the euro has the same but opposite effect on the income statement and equity. The effect from items designated as cash flow hedges in Japanese yen would have increased equity before income taxes by €9.1 million (prior year: €11.6 million). A 10 percent depreciation of the Japanese yen against the euro would have reduced equity before income taxes by €11.2 million (previous year: €14.2 million).

Interest-rate risk

The interest-rate risk results mainly from financing liabilities and interest-bearing investments. The Executive Board determines the mix of fixed- and variable-interest financial debt. Interest rate derivatives are concluded as required, taking account of the given structure. Depending on whether the instrument in question has a fixed or variable interest rate, the interest rate risks are measured on the basis of either market-value sensitivity or cash-flow sensitivity. As financing liabilities and fixed-interest investments are measured at amortized cost, under IFRS 7 they are not subject to any interest-rate risk. Fixed-interest securities are measured at either fair value or amortized cost. Due to their short maturities, they are, in principle, not subject to a significant risk of changes in interest rates. Hedging transactions were concluded to fix the interest rates of several loans with variable interest rates. Hedge accounting was applied in these cases. Changes in the market interest rates of interest-rate derivatives affect the financial result, and are consequently included in any earnings-related sensitivity analysis. There is a net variable-rate investment position as of December 31, 2025. As a result, if the market interest rate on December 31, 2025, had been 100 base points higher (Dec. 31, 2024: higher), the interest result would have been €7.5 million higher (prior year: €8.3 million; higher). If, on the other hand, the market interest rate on December 31, 2025, had been 100 base points lower (Dec. 31, 2024: lower), the interest result would have been €7.5 million lower (prior year: €8.3 million lower).

If the market interest rate on December 31, 2025, had been 100 base points higher, the equity effect of interest rate derivatives would have been €3.7 million (previous year: €6.8 million) higher. If, on the other hand, the market interest rate on December 31, 2025, had been 100 base points lower, the equity effect of interest rate derivatives would have been €3.7 million (previous year: €6.8 million) lower.

Raw-material and energy price risks

In general, the company is faced with the risk that its supplies of raw materials, electricity and gas may be inadequate and that potential price increases could threaten its earnings. For WACKER's energy-intensive sites, which account for over 90 percent of its energy consumption, the company secures future energy costs by means of purchasing agreements with gradually increased volumes over the four years prior to actual consumption. These purchases are made within a procurement corridor delimited by what are referred to as the minimum and maximum coverage. The corridor is agreed with

the Executive Board and adhered to even during periods where prices are extremely high. At numerous smaller, less energy-intensive sites, standard supply contracts, too, are in place with monopoly regional utilities that charge on the basis of state-regulated tariffs. Raw-material risks are covered by long-term contracts. This item is recognized in profit or loss under the cost of goods sold.

Derivative financial instruments

Financial risks are also hedged using derivative financial instruments. The raw-material price risks that WACKER hedges against stem principally from ongoing energy procurement. Electricity-supply prices are hedged via contracts for which the “own-use exemption” rules of IFRS 9 can generally be invoked. WACKER has also signed long-term contracts to purchase green electricity certificates – known as guarantees of origin (GOs) – which are also intended for the company’s own use. These contracts, which are concluded for the purpose of receiving or delivering non-financial goods in accordance with WACKER’s own needs, are not recognized as derivatives, but rather as pending transactions.

In 2022, WACKER concluded a physical power purchase agreement (PPA) for the purchase of solar power in Germany that will run until the end of 2027. Under this physical PPA, WACKER has been purchasing electricity at a fixed price since 2023. As the own use exemption rules do not apply to this physical PPA, it is accounted for as a derivative.

In those cases where WACKER hedges against currency risks, it uses derivative financial instruments, in particular foreign-exchange forwards, swaps and options. Derivatives are used only if they are backed by positions, cash deposits and funding, or scheduled transactions arising from operations. The scheduled transactions also include anticipated, but not yet invoiced, sales in foreign currencies. Foreign exchange hedging is used in particular for the US dollar and Japanese yen. Potential interest rate hedges are based on the maturities of the underlying transactions.

Operational foreign-exchange hedging relates to receivables and liabilities already recognized, and generally covers time horizons of between two and three months. The time horizon for strategic hedging is between three and a maximum of 21 months. In the case of the Japanese yen, hedges were concluded that run until 2033. The hedged cash flows impact the statement of income at the time the sales are realized. The cash inflows are usually recorded shortly afterward, depending on the payment deadline. As well as receivables from and liabilities to third parties, intercompany financial receivables and liabilities are hedged.

The fair values refer to the redemption values (repurchase values) of the financial derivatives as of the reporting date and are calculated using recognized actuarial methods.

The derivatives are recognized at fair value, irrespective of their stated purpose. They are reported in the statement of financial position under other financial assets or other financial liabilities. Where permissible, cash flow hedge accounting is carried out for the strategic hedging of currency-exchange risks from future foreign-exchange positions. For further details, please refer to the explanations regarding the accounting and valuation principles. Depending on the nature of the underlying transaction, the hedges are posted in the statement of income either under the operating result or, if financing liabilities are being hedged, under interest result or other financial result.

The hedging strategy aims for a hedging ratio of around 50 percent of the expected net exposure in US dollars. The expected net exposure for 2026 is around 42 percent hedged. The average hedging ratio for operational hedging in US dollars is around 50 percent. The hedging ratio for sales in Japanese yen until 2033 is roughly 25 percent.

In 2025, the accumulated income and expenses recorded directly in equity included a pre-tax result from cash flow hedges amounting to €22.9 million (foreign-exchange risk: €24.3 million; interest-rate risk: €-1.4 million). In the previous year, the amount had been €-10.7 million (currency hedging: €-4.2 million; interest-rate hedging: €-6.5 million). During 2025, €-8.4 million (prior year: €-3.0 million) from currency hedging and €2.4 million (prior year: €8.6 million) from interest-rate hedging were reclassified to the statement of income. WACKER determines the effectiveness of the economic relationship between the hedged underlying transaction and the hedging instrument based on maturities, currencies and nominal amounts, with the hedge ratio between the hedging instrument and underlying transaction always being 100 percent in hedge accounting. WACKER uses the hypothetical derivative method to monitor whether the designated derivatives effectively hedge the cash flows of underlying transactions. The credit risk of counterparties and changes in the timing of the highly probable future transactions hedged represent possible sources of ineffectiveness. No gains or losses from ineffective hedge accounting were recorded in the result for the period, as the hedging relationships were almost entirely effective and the changes in value of hedging instruments were thus almost contrary to those of the underlying transactions. The following table shows the effects on the Group's earnings and net assets of the strategic hedging of currency risks from future foreign-currency positions and the hedging of the interest-rate risks inherent in the variable-interest financing liabilities associated with hedge accounting.

€ million	Dec. 31, 2025	Dec. 31, 2024
Forward exchange contracts for strategic hedging, USD		
Carrying amount liability	-0.3	-4.0
Carrying amount receivable	2.3	-
Nominal amount	-163.0	-133.0
Of which noncurrent	-14.3	-14.9
Change in value of hedged underlying transaction used to determine the effectiveness of hedging relationship	-2.0	4.0
Average hedging rate USD / EUR	1.16	1.11
Forward exchange contracts for strategic hedging, JPY		
Carrying amount liability	-	-
Carrying amount receivable	47.1	32.0
Nominal amount	-167.7	-183.2
Of which noncurrent	-155.5	-172.1
Change in value of hedged underlying transaction used to determine the effectiveness of hedging relationship	-47.1	-32.0
Average hedging rate JPY / EUR	118.10	118.90
Forward contracts for interest hedging		
Carrying amount liability	-	-
Carrying amount receivable	2.7	4.9
Nominal amount	317.0	360.0
Of which noncurrent	317.0	317.0
Change in value of hedged underlying transaction used to determine the effectiveness of hedging relationship	-2.7	-4.9
Average hedging interest (%)	2.50	2.50

The long-term hedging of future sales in Japanese yen until 2033 is not treated as part of the risk potential (currency exposure). This is a long-term, contractual hedge of underlying transactions. Due to the long term of the hedge, a so-called collateralization annex was concluded with the issuing bank, which means that any change in market value is settled daily in cash on the bank account between the counterparties. The aim is to avoid credit risk. At the same time, a receivable from or liability to the bank is recognized. Due to the positive market value as of the reporting date, WACKER has a repayment obligation to the bank and has recognized the carrying amount of the receivable as cash and cash equivalents. The hedging annex has no effect on the effectiveness of the cash flow hedge and its presentation.

Foreign exchange derivatives mainly comprised forwards, options and swaps amounting to US\$602 million, JPY 22.9 billion and CNY 683 million (prior year: US\$465 million, JPY 24.7 billion, CNY 635 million). Derivatives with market values of €+11.4 million fall due in 2026.

The other derivatives relate to the physical power purchase agreement classified as a derivative, which has a nominal volume of €15.4 million and a term of five years (residual term: two years).

€ million	Dec. 31, 2025		Dec. 31, 2024	
	Nominal values	Market values	Nominal values	Market values
Forward exchange contracts	719.0	54.9	598.4	26.3
Foreign exchange swaps	136.6	-0.5	104.0	-0.2
Foreign exchange options	30.3	0.4	93.0	-0.8
Interest rate derivatives	317.0	2.7	360.0	4.1
Other derivatives	15.4	-2.6	37.4	0.3
Total	1,218.3	54.9	1,192.8	29.7
Market values of derivative financial instruments used for hedge accounting	-	51.7	-	32.1

The following table contains information on the netting of financial assets and liabilities in the consolidated statement of financial position. In addition to the financial instruments complying with the provisions on netting pursuant to IAS 32, the table also includes those financial instruments that are subject to netting agreements or master netting agreements but may not be netted pursuant to IAS 32.

Financial assets/liabilities subject to netting agreements, enforceable global netting agreements and similar agreements

€ million	Dec. 31, 2025		Dec. 31, 2024	
	Derivatives with a positive market value	Derivatives with a negative market value	Derivatives with a positive market value	Derivatives with a negative market value
I				
Gross amounts of recognized financial assets/liabilities	59.2	-7.8	44.4	-19.7
II				
Gross amounts of recognized financial assets/liabilities netted out in the statement of financial position	-0.3	0.3	-1.3	1.3
I + II				
Net amounts of financial assets/liabilities presented in the statement of financial position	58.9	-7.5	43.1	-18.4
Related amounts not netted out in the statement of financial position	-34.4	0.9	-24.9	3.6
Of which cash security received	-33.5	-	-21.4	-
Net amount	24.5	-6.6	18.2	-14.9

The fair value of the collateral received in the amount of €-33.5 million corresponds to the carrying amount. The collateral received results from the positive market values of the long-term JPY hedging transactions for a customer contract, which were concluded under a collateralization annex. The maximum credit risk of the financial instruments not in the scope of the IFRS 9 impairment model corresponds to their carrying amount less the above-mentioned cash collateral received of €-33.5 million.

As a part of its strategic hedging activities, WACKER closes out forward-exchange contracts prior to maturity by means of offsetting transactions. The strategic forward-exchange contract and the corresponding offsetting forward-exchange

transaction are recognized as a net amount in accordance with IAS 32 criteria. In addition, general offsetting agreements, which apply only in cases of insolvency, have been concluded with a number of banks.

The net amount shows the amount of financial assets or liabilities that, despite netting and global netting agreements, is not received or must be paid in the event of insolvency.

21 Notes to the statement of cash flows

Cash flow from operating activities is calculated using the indirect method, which adjusts the relevant changes in statement-of-financial-position items for any effects of currency translation or changes in the scope of consolidation. This means that changes to the relevant statement-of-financial-position items cannot be reconciled with the corresponding values on the basis of the published consolidated statement of financial position.

Construction-related borrowing costs that have to be capitalized were deducted from the interest payments recognized in cash flow from operating activities. These construction-related borrowing costs increased the capital expenditure included in cash flow from investing activities by €2.5 million (prior year: €6.7 million).

In the cash flow from investing activities, the actual outflows of funds are reported. That is why these figures, too, cannot be reconciled with the additions to investments in the consolidated statement of financial position. If subsidiaries or business activities are acquired or sold, the cash flows arising from these transactions are shown as separate items in the statement of cash flows. Investments in securities falling due in more than three months are reported separately under cash flow from investing activities because, in line with IFRS reporting, these transactions are not considered to form part of liquidity.

The Group's financing is provided predominantly by means of bank loans granted in the form of loan commitments. Within the defined approval limits for loan commitments, the utilization of credit may be subject to fluctuations both within a given year and over several years. Loans raised and repaid in foreign currencies are converted at the exchange rate prevailing on the transaction date. The following table shows a reconciliation of all cash inflows and outflows as well as other non-cash changes in financing liabilities:

Cash and non-cash changes in financing liabilities

€ million	Jan. 1, 2025	Cash changes	Cash changes		Non-cash changes		Dec. 31, 2025
			Interest payments	Acquisitions/ disposals	Exchange-rate-related changes	Other	
Liabilities to banks	1,594.5	443.1	-51.4	-	-5.9	51.0	2,031.3
Liabilities from lease obligations	330.7	-34.5	-11.2	43.2	-16.3	11.1	323.0
Other financing liabilities	21.5	-	-0.6	-5.8	-0.5	-0.3	14.3
Financing liabilities	1,946.7	408.6	-63.2	37.4	-22.7	61.8	2,368.6

€ million	Jan. 1, 2024	Cash changes	Cash changes		Non-cash changes		Dec. 31, 2024
			Interest payments	Acquisitions/ disposals	Exchange-rate-related changes	Other	
Liabilities to banks	1,242.8	351.9	-36.0	-	0.7	35.1	1,594.5
Liabilities from lease obligations	242.1	-35.9	-10.6	116.2	8.3	10.6	330.7
Other financing liabilities	20.7	-1.2	-	-	0.3	1.7	21.5
Financing liabilities	1,505.6	314.8	-46.6	116.2	9.3	47.4	1,946.7

Please see Note 11 for more details on the composition of funds comprising cash and cash equivalents.

» See Note 11

22 Explanatory notes on segment reporting

At WACKER, resource allocation and assessing the profitability of the business segments are the responsibility of the Executive Board as the chief operating decision-maker. The Group's segment reporting is aligned with the internal organizational and reporting structure (management approach). WACKER reports on four operating segments (Silicones, Polymers, Biosolutions and Polysilicon), which are organized and managed autonomously on the basis of the type of products they offer and their different risk and income structures. For a detailed description of the segments' products and organization, please refer to the management report. Business segments are not combined. Any activities or results not assigned to an operating segment are shown under "Other," including the income from the equity-accounted investment in Siltronic. Foreign currency gains and losses are also shown under "Other." Sales are mainly generated from site services and deliveries to companies at the Burghausen site. WACKER's "Other" segment includes the site management and employees of the infrastructure units in Burghausen and Nünchritz, and of the Group's corporate departments. In 2025, the restructuring expenses from the PACE cost-savings program were reported under the Other segment.

Items in the statement of financial position and statement of income are assigned to the operating segments in accordance with the economic power of disposal. Assets used jointly by several segments are generally shown under "Other" if they cannot be assigned clearly to a particular segment. A similar approach is adopted for external financing. The equity-accounted investment in Siltronic AG is also recognized under "Other." For the geographical regions, assets and liabilities are assigned in accordance with where the respective Group company's site is located. Sales are classified in accordance with both the customer's location and the respective Group company's site. Both the investment result and the at-equity investment in Siltronic AG are assigned to the region "Germany."

WACKER measures the segments' success using the segment profitability variable EBITDA. EBITDA is calculated by adding back depreciation and amortization, impairments, and reversals of impairments to EBIT. EBIT consists of the gross profit from sales, selling and general administrative expenses, research and development expenses, and other operating income and expenses. Production costs make up the biggest expense item within EBIT. For our key chemical divisions, these costs amount to €2,211.2 million at Silicones (prior year: €2,259.3 million) and €1,148.8 million at Polymers (€1,172.7 million). That corresponds to 69.6 percent of the production costs (prior year: 72.5 percent). The remaining 30.4 percent (prior year: 27.5 percent) is attributable to the Polysilicon, Biosolutions and "Other" segments, with the Polysilicon segment accounting for the largest part.

Asset additions refer to intangible assets, to property, plant and equipment, to investment property and to financial assets. In addition to intangible assets, property, plant and equipment and investment property, depreciation, amortization and impairments also refer to right-of-use assets. Internal sales show the sales that are generated between the segments. They are settled mainly on the basis of market prices or the planned cost of sales. Segment information is based on the same presentation and accounting methods used for the consolidated financial statements. Receivables and liabilities, provisions, income, expenses, and results between the segments are eliminated in the course of consolidation.

The assets reported for the segments generally comprise all the assets of each segment. Financial receivables, cash and cash equivalents, current tax receivables and deferred tax assets, however, are allocated to the "Other" segment. The assets allocated to the segments largely include intangible assets, property, plant and equipment, inventories and trade receivables.

The liabilities shown for the segments represent all of their liabilities – except current and deferred tax liabilities, which are shown under "Other." The Group's financing liabilities are allocated to individual segments in proportion to the segment assets. Provisions for pensions are allocated in accordance with Group personnel ratios. Advance payments received are allocated directly to the individual segments.

Non-cash expenses and income are divided up between the individual segments as follows:

Other non-cash expenses (+) and income (–)

€ million	2025	2024
Silicones	5.8	–2.8
Polymers	–2.0	–0.3
Biosolutions	7.5	–1.3
Polysilicon	16.0	29.5
Other	57.7	14.9
Total	85.0	40.0

Material valuation changes not recognized through profit or loss concern changes in the market value of derivative financial instruments (cash flow hedging) and changes in value from the remeasurement of defined benefit pension plans.

Changes in the fair value of derivative financial instruments from cash flow hedging amounting to €18.2 million (previous year: €–7.7 million) are attributable to "Other". Of this amount, €2.7 million (prior year: €–3.9 million) is due to the change in derivative financial instruments from the investment in Siltronic, which is also recognized under "Other."

The changes in value due to the remeasurement of defined benefit plans are allocated to the segments as follows:

Changes in value from the remeasurement of defined benefit pension plans

€ million	2025	2024
Silicones	38.4	36.8
Polymers	10.6	11.5
Biosolutions	2.1	2.0
Polysilicon	23.8	19.9
Other	55.5	63.2
Total	130.4	133.4

Apart from Germany, the only countries in which WACKER generates significant sales from a Group standpoint are the USA and China. Measured in relation to the headquarters of the selling unit, sales amounted to €799.0 million in the USA (prior year: €828.6 million) and €642.7 million in China (prior year: €661.4 million). Measured by the customer location in the USA and in China, the respective sales generated were €784.3 million (prior year: €823.4 million) and €852.0 million (prior year: €837.8 million). WACKER has no major customer whose sales it is obliged to disclose. As well as in Germany, the WACKER Group has material noncurrent assets in the USA and China. In the USA, the noncurrent assets amount to €541.1 million (prior year: €702.4 million), while in China, they amount to €560.3 million (prior year: €601.0 million).

The reconciliation of the segments' aggregate results with the net income for the year is shown in the following list:

Reconciliation of segment results (EBIT)

€ million	2025	2024
Operating result of reporting segments	-180.3	271.6
Consolidation	0.6	-0.7
Group EBIT¹	-179.7	270.9
Financial result ¹	-398.6	-12.5
Income before taxes	-578.3	258.4
Income taxes	-226.6	2.3
Net income for the year	-804.9	260.7

¹ Investments in joint ventures and associates and other income from investments reclassified to other financial result (expense of €329.7 million; prior year: €19.2 million in income); EBITDA and EBIT were adjusted accordingly. Further details can be found in the section "Changes in accounting policies".

23 Breakdown of shareholdings

Unless otherwise stated, the following figures for international subsidiaries were calculated in accordance with IFRS.

Serial number	Activity	Identifier*	Equity in € '000	Net income for the year in € '000	Capital share in %	Held by serial number 1
Affiliated companies						
Germany						
1 Alzwerke GmbH, Munich	Other	a), b)	7,160	–	100.00	0
2 DRAWIN Vertriebs-GmbH, Hohenbrunn-Riemerling	Silicones	a), b)	5,010	–	100.00	0
3 Wacker-Chemie Versicherungsvermittlung GmbH, Munich	Other	a), b)	38	–	100.00	0
4 Wacker Biotech GmbH, Jena	Biosolutions	a), b)	100,338	–	100.00	0
5 Wacker-Chemie Achte Venture GmbH, Munich	-	a), b)	2,573	–	100.00	0
6 Wacker-Chemie Elfte Venture GmbH, Munich	-	-	23	–	100.00	0
7 Wacker-Chemie Zwölfte Venture GmbH, Munich	-	-	23	–	100.00	0
Rest of Europe						
8 Wacker Chemicals Finance B. V., Zaanstad, Netherlands	Holding		2,106,280	27,967	100.00	0
9 Wacker Chemicals Ltd., Bracknell, United Kingdom	Sales and distribution		533	427	100.00	0
10 Wacker Chemie Italia S. r. l., Segrate, Italy	Sales and distribution		18,492	3,955	100.00	0
11 Wacker-Chemie Benelux B. V., Zaanstad, Netherlands	Sales and distribution		351	333	100.00	0
12 Wacker Chimie S. A. S., Lyon, France	Sales and distribution		3,411	1,533	100.00	0
13 Wacker-Kemi AB, Solna, Sweden	Sales and distribution		522	458	100.00	0
14 Wacker Química Ibérica, S. A., Barcelona, Spain	Sales and distribution		3,123	1,433	100.00	0
15 Wacker-Chemie, s. r. o., Plzeň, Czech Republic	Sales and distribution, Silicones		88,553	3,185	100.00	0
16 Wacker-Chemia Polska Sp. z o. o., Warsaw, Poland	Sales and distribution		2,428	857	100.00	0
17 Wacker Chemie Hungary Kft., Budapest, Hungary	Sales and distribution		720	417	100.00	0
18 LLC Wacker Chemie Rus, Moscow, Russia	Sales and distribution		397	–509	100.00	0
19 Wacker Chemicals Norway AS, Holla, Hemne, Norway	Silicones		125,181	10,052	100.00	8
20 Wacker Kimya Tic. Ltd. Sti., Istanbul, Turkey	Sales and distribution		522	478	100.00	8
21 Wacker León S. L. U., León, Spain	Biosolutions		40,693	–101,152		8
22 Wacker Biotech B. V., Amsterdam, Netherlands	Biosolutions		–19,106	–28,859	100.00	8

Serial number	Activity	Identifier*	Equity in € '000	Net income for the year in € '000	Capital share in %	Held by serial number 1
The Americas						
23	Wacker Química do Brasil Ltda., Jandira, São Paulo, Brazil	Silicones, Polymers, Biosolutions	46,781	-10,704	99,90 0,10	0 2
24	Wacker Mexicana S. A. de C. V., Mexico, D. F., Mexico	Sales and distribution	10,880	2,023	99,87 0,13	0 25
25	Wacker Chemical Corp., Ann Arbor, Michigan, USA	Silicones, Polymers, Biosolutions	988,791	23,385	100.00	8
26	Wacker Polysilicon North America, L.L.C., Cleveland, Tennessee, USA	Polysilicon	514,929	25,712	100.00	25
27	Wacker Colombia S. A. S., Bogotá, Colombia	Sales and distribution	310	81	100.00	8
28	Wacker Biotech US Inc., San Diego, California, USA	Biosolutions	-79,026	-24,726	100.00	25
29	Wacker Silicone Manufactured Innovations, LLC, Allentown, Pennsylvania, USA	Silicones	4,041	-1,860	100.00	25
30	Wacura Inc., USA	Insurance	25,369	35	100.00	25
Asia						
31	Wacker Asahikasei Silicone Co. Ltd., Tokyo, Japan	Silicones	12,020	1,061	50,002	0
32	Wacker Chemicals (South Asia) Pte. Ltd., Singapore	Sales and distribution	3,020	1,573	100.00	0
33	Wacker Chemicals Hong Kong Ltd., Hongkong, China	Sales and distribution	1,113	235	100.00	0
34	Wacker Metroark Chemicals Pvt. Ltd., Kolkata, India	Silicones	113,422	27,766	51.00	0
35	Wacker Chemicals Korea Inc, Seongnam-si, South Korea	Silicones, Polymers	171,885	23,125	100.00	8
36	Wacker Chemicals East Asia Ltd., Tokyo, Japan	Sales and distribution	121	51	100.00	0
37	Wacker Chemicals Fumed Silica (Zhangjiagang) Holding Co. Private Ltd., Singapore	Holding	55,354	-29	51.00	0
38	Wacker Chemicals Fumed Silica (Zhangjiagang) Co., Ltd., Zhangjiagang, China	Silicones	69,375	6,179	100.00	37
39	Wacker Chemicals (Zhangjiagang) Co., Ltd., Zhangjiagang, China	Silicones	110,243	9,114	100.00	40
40	Wacker Chemicals (China) Co., Ltd., Shanghai, China	Sales and distribution	334,362	-14,397	100.00	0
41	Wacker Chemicals (Nanjing) Co., Ltd., Nanjing, China	Polymers, Biosolutions	83,774	2,843	100.00	40
42	Wacker Chemie India Pvt. Ltd., Mumbai, India	Sales and distribution	11,551	1,914	99,90 0,10	8 0
43	PT. Wacker Chemicals Indonesia, Tangerang, Indonesia	Sales and distribution	603	29	99,00 1,00	8 2
44	Wacker Chemicals Malaysia SDN. BHD., Kuala Lumpur, Malaysia	Sales and distribution	255	50	100.00	8
45	SICO Performance Material (Shandong) Co., Ltd, Jining, China	Silicones	210,958	-2,305	60.00	40
Other regions						
46	Wacker Chemicals Australia Pty. Ltd., Mulgrave, Melbourne, Australia	Sales and distribution	453	170	100.00	0
47	Wacker Chemicals Middle East FZE, Dubai, UAE	Sales and distribution	3,986	1,452	100.00	0

Serial number	Activity	Identifier*	Equity in € '000	Net income for the year in € '000	Capital share in %	Held by serial number 1
Joint ventures / associates						
48 Dow Siloxane (Zhangjiagang) Holding Co., Private Ltd., Singapore ³	Silicones		328,031	9,099	25.00	0
49 Siltronic AG, Munich ³	Other		2,028,288	-69,253	30.83	0
50 WBCP Advanced Medicines GmbH & Co. OHG, Munich ⁴	Biosolutions		37	19	71.99	4
Special purpose entity						
51 LBBW AM-WMM (special investment fund), Stuttgart ⁵	Other		42,712	–	100.00	0

* Identifier:

a) Wacker Chemie AG has concluded profit and loss transfer agreements with these entities.

b) The shareholders have agreed not to disclose the financial statements of these entities (Section 264 (3) of the German Commercial Code).

¹ Serial number 0: Wacker Chemie AG

² Control on the basis of potential voting rights

³ Only direct holdings in the relevant parent companies are listed; figures from consolidated financial statements in accordance with IFRS

⁴ The influence of the company on the net assets, financial position and results of operations of the Group is of minor significance.

⁵ Shares in trust (Sondervermögen); figures in accordance with IFRS

24 Related party disclosures

IAS 24 stipulates that a person or entity which controls, or is controlled by, Wacker Chemie AG must be disclosed unless the party in question is already included in Wacker Chemie AG's consolidated financial statements as a consolidated company. If a shareholder has more than half of the voting rights in Wacker Chemie AG or, by virtue of provisions in the Articles of Association or contractual arrangements, has the possibility of controlling the financial and business policy of the WACKER Group's Executive Board, that shareholder is deemed to have control.

In the current reporting year, the WACKER Group is affected by the disclosure obligations under IAS 24 with respect to the business relations with Wacker Chemie AG's major shareholders and its Executive Board and Supervisory Board members. The principles of IAS 24 also apply to all transactions with non-consolidated subsidiaries, associates and joint ventures, since Wacker Chemie AG exercises significant influence over them.

Dr. Alexander Wacker Familiengesellschaft mbH, Munich, informed Wacker Chemie AG on June 7, 2006, that it holds over 50 percent of the voting shares in Wacker Chemie AG. Blue Elephant Holding GmbH, Pöcking, informed Wacker Chemie AG on April 12, 2006, that it holds over 10 percent of the voting shares in Wacker Chemie AG.

The WACKER Group is controlled by its majority shareholder, Dr. Alexander Wacker Familiengesellschaft mbH, which holds over 50 percent of the voting shares in Wacker Chemie AG.

The provision of services between Wacker Chemie AG and its majority shareholder, Dr. Alexander Wacker Familiengesellschaft mbH, as well as with the shareholders of Dr. Alexander Wacker Familiengesellschaft mbH and their close family members, is of subordinate importance. It concerns the renting of office space and exchange of services, and is of a limited extent. These transactions are conducted at arm's length.

Further, WACKER Group companies have not conducted any material transactions with members of Wacker Chemie AG's Executive or Supervisory Boards or with any other key management personnel or with companies of whose executive or supervisory bodies these persons are members. The same applies to close family members of the aforementioned persons.

Wacker Chemie AG's pension fund is also considered a related party pursuant to IAS 24. Provision of services takes place between the two entities in the area of company pension plan benefits.

WACKER makes payments to plan assets to cover pension obligations. Wacker Chemie AG further guarantees coverage of the target value for the pension fund's guarantee assets, as well as coverage of the pension fund's solvency capital requirement, up to an amount of €115.0 million. These guarantees are not expected to be utilized at this time. In 2021, WACKER concluded a long-term rental agreement for a new headquarters building. WACKER's pension fund concluded a purchase agreement for the building in 2022. Ownership, benefits and encumbrances were transferred to the pension fund on May 1, 2024. With the transfer of economic control, Pensionskasse der Wacker Chemie VVaG became a party to the existing rental agreement. WACKER moved into the new headquarters building after its completion in May 2024. There were liabilities of €0.5 million (Dec. 31, 2024 : €1.7 million). On December 31, 2025, Wacker Chemie AG had an advance payment of €0.6 million for future contributions to the pension fund.

Further detailed information has been published in Germany's Company Register.

» www.unternehmensregister.de

Business with joint ventures and associates, the pension fund, and non-consolidated subsidiaries is conducted under conditions that are customary between outside third parties (arm's length transactions). Contractually agreed transfer-price formulas have been defined for joint-venture and associated-company product shipments.

Related party disclosures

€ million	2025				2024			
	Income	Expenses	Receivables	Liabilities	Income	Expenses	Receivables	Liabilities
Associates	249.1	122.2	36.0	14.5	201.2	138.9	34.1	24.5
Joint ventures	-	-	-	-	0.4	-	-	-

Transactions with joint ventures and associates relate to such supplies and services that arise in the normal course of business (for example in connection with sales revenue, license revenue and administrative expense allocations). Joint ventures and associates submitted invoices for material purchases and commissions. WACKER received payments for future services under long-term contracts. Any guarantees or other security pledges are reported under "Other financial obligations".

» See Note 17