

General information

Accounting principles and methods

The WACKER Group (WACKER) is a global chemical company with core activities in the fields of silicone and polymer chemistry, specialty and fine chemistry, and polysilicon production. The activities of the individual segments are explained in the Group management report. The Group's parent company, Wacker Chemie AG, is a listed company under the laws of the Federal Republic of Germany and has its headquarters in Munich, Germany (entered in Munich's commercial register under HRB 159705). Its registered office is at Gisela-Stein-Straße 1, 81671 Munich, Germany.

The consolidated financial statements, the combined management report and any other documents subject to disclosure requirements are published in Germany's Company Register and on WACKER's website. PwC GmbH

Wirtschaftsprüfungsgesellschaft audited the consolidated financial statements and the combined management report of Wacker Chemie AG and issued an unqualified audit opinion for them.

» www.wacker.com/annual-report

Wacker Chemie AG and its subsidiaries are included in the consolidated financial statements of Dr. Alexander Wacker Familiengesellschaft mbH, Munich. The consolidated financial statements of Dr. Alexander Wacker Familiengesellschaft mbH, Munich, are published in Germany's Company Register.

The Executive Board and Supervisory Board of Wacker Chemie AG have submitted the declaration concerning the German Corporate Governance Code required by Section 161 of the German Stock Corporation Act (AktG) and made it accessible to the public on WACKER's website.

» www.wacker.com/corporate-governance

Wacker Chemie AG's consolidated financial statements have been prepared in accordance with the International Financial Reporting Standards (IFRS), as applicable in the European Union (EU), and the supplementary rules in Section 315e (1) of the German Commercial Code (HGB). The interpretations of the International Financial Reporting Interpretations Committee (IFRIC) that were applicable in the year under review have also been implemented.

The fiscal year corresponds to the calendar year. Assets and liabilities are reported in the statement of financial position in line with their maturities. The Group classifies assets and liabilities as current if it expects to realize or settle them within 12 months of the reporting date. The statement of income is prepared using the cost-of-sales method. To improve the clarity of presentation, various items in the statement of income and in the statement of financial position have been combined. These items are shown and explained separately in the Notes.

The Group's reporting currency is the euro. Unless stated otherwise, all amounts are shown in millions of euros (€ million). There may be slight deviations in the additions, as all amounts have been rounded up to the nearest whole number after the decimal point.

Material events occurring after the reporting date are described in detail in Note 25. The Executive Board of Wacker Chemie AG approved the consolidated financial statements on March 4, 2026. They were submitted to the Supervisory Board for approval at its meeting on March 4, 2026.

New accounting standards

No new accounting standards and interpretations that have a material effect on WACKER have been applied for the first time in these consolidated financial statements. Other standards and interpretations to be applied for the first time are not applicable due to the absence of relevant circumstances.

Accounting standards/interpretations not applied prematurely

The International Accounting Standards Board (IASB) has published standards, interpretations, and amendments to existing standards, the application of which is not yet mandatory and which WACKER is not applying earlier than required. WACKER evaluates every new standard to determine its impact on the consolidated financial statements.

As of year-end 2025, WACKER had identified the following new or amended standards or interpretations that would be of future relevance to the consolidated financial statements.

| Standard/ interpretation | | Publication by IASB | Mandatory from | Endorsed by EU | Anticipated impact on WACKER |
|---|---|------------------------|-------------------|-------------------|--|
| Amendments to IFRS 9 and IFRS 7 | Classification and Measurement of Financial Instruments | May 30, 2024 | Jan. 1, 2026 | May 28, 2025 | The amendments to IFRS 9 enable earlier derecognition of a financial liability that is settled using an electronic payment system. Moreover, the application guidance on the assessment of the SPPI criterion has been expanded. The changes to the standard do not impact WACKER's net assets. |
| IFRS 18 | Presentation and Disclosure in Financial Statements | April 09, 2024 | Jan. 1, 2027 | February 16, 2026 | IFRS 18 will replace IAS 1 "Presentation of Financial Statements." The provisions are intended to improve financial reporting with a newly defined structure for the statement of income. The standard also includes more comprehensive rules on aggregation and disaggregation of information. It also calls for additional disclosures in the notes on management-defined performance measures (MPMs). WACKER has begun implementing the new allocation in accordance with the new categories in the income statement. We expected no material changes to the operating result in the income statement. The previous financial result is divided into the investment category and the financing category. WACKER has - subject to the final agenda decision of the IFRS IC on this topic - preliminarily decided not to show foreign currency effects from intercompany financing in the operating result. According to the current status of the analysis our key KPIs actually do not meet the definition of an MPM. |
| Amendments to IFRS 9 and IFRS 7 | Contracts referencing nature-dependent electricity | Dec. 18, 2024 | Jan. 1, 2026 | July 1, 2025 | Accounting treatment of power purchase agreements (PPAs) based on nature-dependent sources was challenging under the current provisions of IFRS 9. The amendments to IFRS 9 and IFRS 7 clarify the application of the own use exemption and modify the accounting provisions for hedging transactions. Moreover, specific disclosure requirements apply to PPAs that fall under the own use exemption. WACKER will take these changes into account for future PPAs. However, no impact on the earnings, net assets and financial position is currently expected. |

Changes in accounting policies

In 2025, WACKER decided to change the way it presents its result from investments in joint ventures and associates and other investment income in the statement of income in accordance with IAS 8 (Accounting Policy Changes). The result from investments in joint ventures and associates and other investment income will now be reported as part of the financial result going forward and will therefore no longer be part of the EBITDA (earnings before interest, taxes and depreciation and amortization) and EBIT (earnings before interest and taxes) performance indicators. EBIT now corresponds to the operating result.

In the current reporting period, this reclassification led to an increase of €329.7 million in EBIT (previous year: decrease of €19.2 million). In the reporting year, moreover, an impairment loss of €307.8 was recognized on the equity-accounted investment in Siltronic AG under investments in joint ventures and associates. Dividends paid out in equity-accounted investments were reclassified from cash flow from operating activities to cash flow from long-term investing activities (€7.8 million; previous year: €17.1 million).

The change in reporting is due to the diminishing operating significance of investment income in the 2025 consolidated financial statements. The investment income mainly includes the prorated earnings of the equity-accounted investment in Siltronic AG, as well as measurement gains/losses. The investment in Siltronic is reported under the “Other” segment in segment reporting. Impairment losses on equity-accounted investments and their reversal are reported in the same way as the result from investments in joint ventures and associates is presented and, accordingly, are now also reported as part of the financial result. The new presentation method reflects the Group’s operating performance capability even more accurately. It also serves to improve comparability with other chemical-sector companies for investors. IFRS 18, which will apply going forward, no longer includes the result from investments in joint ventures and associates in the operating category either. In addition, the calculation of the covenants (the net debt to EBITDA ratio) for the relevant liabilities to banks totaling €640 million has been adapted to the new EBITDA definition.

WACKER requires emission certificates solely to fulfill obligations under emissions trading schemes. No purchases are made with the aim of reporting carbon-neutral products. Previously, WACKER recognized both the emission certificates provided free of charge and those acquired against payment in its inventories. After analyzing recent accounting pronouncements and industry practices, WACKER considers it appropriate to change its accounting policy for 2025 in accordance with IAS 8. A peer group comparison with other chemical companies shows that emission certificates are primarily recognized under intangible assets. WACKER therefore considers disclosure under intangible assets to allow for a more relevant and clearer presentation of the facts in its net assets. The reclassification from inventories to intangible assets has been made retrospectively. The volume of emission certificates amounted to €66.5 million as of December 31, 2025 (previous year: €88.1 million). In the cash flow statement, cash flows arising from emission certificates are therefore no longer presented in cash flow from operating activities but in cash flow from investing activities. In 2025, there were non-cash additions of €11.5 million (previous year: €43.4 million). Further information on the accounting treatment of emissions certificates can be found in “Accounting and valuation methods”.

The changes to the accounting methods were applied with retroactive effect in accordance with IAS 8; the previous-year figures have been adjusted accordingly.

Scope of consolidation

The consolidated financial statements include the financial statements of Wacker Chemie AG and all companies over which Wacker Chemie AG has direct or indirect control as defined in IFRS 10, or can exercise joint control as defined in IFRS 11. Depending on their structure, companies over which a WACKER Group company exercises joint control are either included proportionately as joint operations in the consolidated financial statements (line-by-line) or accounted for as a joint venture using the equity method. In the absence of other limiting contractual agreements, holding a majority of the voting rights usually leads to control. Joint control generally exists when voting rights are equally balanced, unless other (contractual) rights result in control by one shareholder. Currently, one company with joint control is accounted for using the equity method.

Associates over which WACKER can exercise significant influence as defined in IAS 28 are likewise accounted for using the equity method. Unless the opposite can be clearly demonstrated, significant influence is presumed if a WACKER Group company directly or indirectly holds 20 percent or more of the voting rights in the investment.

Structured entities are consolidated in the manner described in IFRS 10 if the economic substance of the relationship indicates the existence of control.

Companies in which Wacker Chemie AG has a shareholding of less than 20 percent or over which it does not exercise significant influence are shown as investments under noncurrent financial assets.

A detailed list of the companies included in the consolidated financial statements and of Wacker Chemie AG's entire shareholdings is shown in the "Breakdown of shareholdings" section in accordance with Sections 285 and 313 of the German Commercial Code.

» See Note 23

Composition of the Group

| Number | 2025 | 2024 |
|---|-----------|-----------|
| Fully consolidated subsidiaries (including parent company) | 48 | 48 |
| Germany | 8 | 8 |
| International | 40 | 40 |
| Associates and joint ventures | 3 | 3 |
| Germany | 2 | 2 |
| International | 1 | 1 |
| Non-consolidated companies | – | – |
| Germany | – | – |
| International | – | – |
| Total | 51 | 51 |
| Germany | 10 | 10 |
| International | 41 | 41 |
| Structured entities | 1 | 1 |
| Germany ¹ | 1 | 1 |
| International | – | – |

¹This is the LBBW AM WMM (special investment fund), Stuttgart, in which WACKER holds all shares in the special fund. The fund is fully consolidated and the fund's securities are reported in the consolidated balance sheet under securities.

As well as Wacker Chemie AG, a total of 50 companies were included in the consolidated financial statements as of December 31, 2025, together with a special fund (contractual trust arrangement) to which Wacker Chemie AG contributed assets (Dec. 31, 2024: 50 companies). In July 2025, Wacker Biosolutions León S.L.U., Spain, was merged with Wacker León S.L.U., Spain, with retroactive effect from January 1, 2025. In December 2025, WACURA Inc. Michigan, USA, was established as a captive insurance company (captive). A captive is an in-house insurance company that is established to insure the company's own risks. As of January 1, 2026, WACKER will pay a contractually agreed portion of the insurance premiums to its own captive instead of to an external insurer. This is designed to optimize insurance costs. The coverage amount is €25 million. WACURA Inc. is fully consolidated in the consolidated financial statements. IFRS 17 is not applicable, as the scenario involves self-insurance of internal risks.

Corporate acquisitions and disposals

There were no corporate acquisitions or disposals in 2025.

Restrictions and regulatory constraints on IP

Statutory, contractual or regulatory restrictions and protective rights concerning non-controlling interests can limit the Group in its ability to retain access to assets, to transfer these to or from other companies unhindered within the Group, or to settle Group debts. The distribution of dividends can be limited by the need to prioritize retirement of shareholder loans. As of the reporting date, there were no material restrictions due to protective rights to the benefit of non-controlling interests. For further details, please refer to the Notes (Equity / non-controlling interests / capital structure management).

» See Note 12

In certain countries, regulatory requirements or local corporate-law stipulations can limit the Group's ability to transfer assets to or from other companies within the Group. Cash and cash equivalents are subject to local foreign-exchange restrictions in some Asian and South American countries. Capital may be exported from such countries only by means of capital measures (dividends, capital reductions) and only with prior approval from government authorities. There are no other significant limitations on the utility of assets within the Group.

Consolidation methods

The consolidated financial statements include subsidiaries and associates. The reporting date for all of these entities is December 31.

Business combinations are recognized by applying the acquisition method as defined in IFRS 3. The assets acquired and liabilities assumed are recorded at their respective fair values applicable on the date that WACKER gained control.

Goodwill is the amount on the acquisition date by which the acquisition costs exceed the Group's share in the acquired entity's net assets measured at fair value. The fair value is always calculated without reference to the magnitude of any non-controlling interests. Negative differences are recognized in profit or loss immediately after performing an additional review of the purchase price allocation.

For each acquisition, the individual option exists of measuring any shares not acquired either at fair value or at the proportionate share of the fair value of the acquired entity's net assets. These non-controlling interests are recognized in the statement of financial position under the line item of the same name.

Costs associated with the business combination are recognized as other operating expenses insofar as they are not costs for issuing debt instruments or equity securities.

Investments accounted for using the equity method are initially measured at cost when the acquisition is made. If the cost exceeds the prorated share of the remeasured net assets, the difference (goodwill) is included in the carrying amount of the investment. The carrying amount has to be tested for possible impairment losses as of the reporting date. The carrying amounts of these entities are increased or decreased annually to reflect their prorated earnings, dividend payouts or other changes in equity. If there is any indication that the value of the investment has been permanently reduced, an impairment is recognized in profit or loss.

Interim results, sales, expenses, income, receivables and liabilities between the consolidated companies, as well as prorated profits and losses resulting from transactions with associates, are eliminated.

Estimates and assumptions used in acquisitions and consolidation

Determining the fair values of the acquired assets and liabilities requires certain estimates and assumptions, especially concerning the acquired intangible assets and property, plant and equipment, as well as the liabilities assumed and the useful lives of the acquired intangible assets and property, plant and equipment.

Measurement is based to a large extent on anticipated cash inflows and outflows. If actual cash inflows and outflows vary from those used to calculate fair values, this may affect future Group net income.

In the case of material business combinations, a purchase price allocation is performed with the assistance of independent third-party valuation specialists. The valuations are based on the information available at the acquisition date.

Discretionary decision-making in consolidation

Discretionary decisions can be made whenever it is necessary to evaluate whether control, joint control or significant influence exists for entities in which WACKER holds less than 100 percent of the voting rights. Primarily in cases where WACKER holds 50 percent of the voting rights, it must be assessed whether there are additional contractual rights or, in particular, factual circumstances that could result in WACKER having the authority to make decisions regarding the potential subsidiary, or whether joint control exists.

Changes to the contractual agreements or factual circumstances are monitored and assessed in terms of their possible impact on the evaluation of whether control or joint control exists.

Foreign currency translation

In the Group companies' separate financial statements, all of the receivables and liabilities in foreign currencies are translated at the rate prevailing on the reporting date, regardless of whether or not they have been hedged. Forward contracts that, from an economic point of view, are used for hedging are reported at fair value. The resulting translation differences are recognized in profit or loss or, if cash flow hedges are in place, in other equity items.

The financial statements of consolidated companies that are prepared in foreign currencies are translated on the basis of the functional currency principle using the modified closing rate method. This means that items in the statement of financial position are translated from the functional currency to the reporting currency using the average rates of exchange prevailing on the reporting date, whereas items in the income statement are translated using the average exchange rates of the reporting period.

As the Group's subsidiaries conduct their business in financial, economic and organizational autonomy, their functional currencies are basically identical to their respective local currencies. Any net gains or losses arising from the translation of equity are recognized in other equity items. Translation differences resulting from divergent exchange rates in the statement of income are likewise included there. If Group companies are removed from the scope of consolidation, any corresponding translation difference is reclassified from equity to profit or loss. The exchange rates between the most important currencies reported in these financial statements and the euro were as follows:

| | ISO code | Exchange rate as of | | Average exchange rate | |
|------------------|----------|---------------------|---------------|-----------------------|------|
| | | Dec. 31, 2025 | Dec. 31, 2024 | 2025 | 2024 |
| US dollar | USD | 1.17 | 1.04 | 1.13 | 1.08 |
| Chinese renminbi | CNY | 8.19 | 7.60 | 8.12 | 7.79 |

Estimates and assumptions used in preparing consolidated financial statements

The preparation of the consolidated financial statements in compliance with IFRS necessitates assumptions and estimates affecting the amounts and the disclosure of the recognized assets and debts, income and expenses, and contingent liabilities and contingent assets. These assumptions and estimates comply with the conditions and appraisals prevailing on the reporting date. In this regard, they also impact the amount of income and expenses recognized for the fiscal years in question. The assumptions underlying the estimates relate, in particular, to standardized useful lives defined throughout the Group, the calculation of fair values of financial instruments, the accounting and measurement of provisions, the extent to which future tax relief can be realized, estimates related to lease accounting, the determination of discounted cash flows in connection with impairment testing and purchase price allocations, as well as the calculation of standard land values, property return rates and potential rent levels when measuring properties that form part of plan assets.

In individual cases, the actual values may differ from the assumptions and estimates that were made. Changes in value are recognized as soon as they become apparent and affect the net results of the period when the change occurred and, where applicable, of future reporting periods.

Intangible assets including goodwill / property, plant and equipment / equity-accounted investments

The expected useful lives of intangible assets and of property, plant and equipment, together with their residual values and amortization/depreciation schedules, are based on past experience, planning and estimates. This includes estimates of the period and allocation of future cash inflows derived from the investments made, as well as future technical advancements and ongoing replacement and development cycles.

Impairment tests are performed for assets if specific indicators point to a possible impairment loss or reversal of an impairment loss. In the case of a possible impairment, an estimate must be made of the recoverable amount of the affected asset that corresponds to the higher of either the fair value less costs to sell or the value in use. To ascertain the value in use, it is necessary to determine the affected asset's discounted future cash flows. The estimate of the discounted future cash flows contains significant assumptions, in particular those regarding future selling prices and sales volumes as well as the development of production costs, maintenance capital expenditures and discount rates. These assumptions relate to a planning phase of at least five years and are based on past experience and on management's expectations of market trends. Although WACKER assumes that the estimates of the relevant expected useful lives and of discounted future cash flows, as well as the assumptions regarding the general economic conditions and the development of the economic sectors, are reasonable, a change in the assumptions or circumstances might necessitate a change in the analysis.

The trends in the sales prices and volumes of WACKER products and in raw-material and energy prices will have the most significant impact on future cash flows, particularly at Polysilicon due to its highly volatile selling prices for solar-grade polysilicon. Prices are expected to decline from 2026 onwards, and this development has been incorporated in the relevant planning figures. A change in the long-term price assumptions for solar-grade polysilicon by one euro in either direction changes the value in use by plus/minus €150 million. This would correspondingly decrease the carrying value of the cash-generating unit and increase it within the scope of the remaining potential gain from the write-up. The high energy prices in Germany are expected to decline only gradually and are not expected to match the levels seen in other regions in the foreseeable future. Subsidies received under the US Inflation Reduction Act for polysilicon manufactured in the USA have been taken into account over the entire planning period. It is assumed that US trade restrictions on solar-grade polysilicon will be restructured due in 2026 to Section 232 of the Trade Expansion Act. Depending on the details of the provisions found in Section 232, significant deviations from current assumptions could arise in the future and could lead to additional impairments, or reversals of impairment losses on property, plant and equipment. Impairment losses on inventories within the scope of the inventory valuation could also result from a negative deviation. We also refer to the Group's Risk Management Report. The carrying value of the assets of the Polysilicon business division amount to €1,123.5 million (previous year: €1,259.8 million).

The impairment test performed on the listed company Siltronic AG, which is accounted for using the equity method, revealed a recoverable amount below that of its carrying value. The value in use determined within the scope of a valuation was applied as the recoverable amount; this value corresponded to €55.91/share and was hence above the share price as at the reporting date, which amounted to €48.90/share. This resulted in an impairment loss on the at-equity investment in the amount of €307.8 million. We refer to Note 8 for more information. The main assumptions used to project future cash flows relate to the EBITDA margin and long-term capital expenditures. A 3-percent reduction in the long-term EBITDA margin would change the value in use by €105 million. A 10-percent increase in long-term capital expenditures would change the value in use by €37 million. As a producer of silicon wafers, Siltronic AG depends heavily on the development of the semiconductor industry, which is significantly influenced by market trends for high-performance chips in the field of artificial intelligence (AI). The carrying amount of the investment in Siltronic AG amounts to €517.2 million as of December 31, 2025 (2024: €883.0 million).

Goodwill impairment tests are performed on the basis of cash-generating units, which largely correspond to WACKER's business units. If there is a need for impairment, this will first be fully allocated to the corresponding goodwill. If, subsequently, there is still a need for impairment, this is allocated to the other assets of the respective cash-generating unit.

» See Note 05

Leases

Lease liabilities are accounted for on the basis of the contractual lease terms. Assumptions and estimates are necessary to determine the term of the lease and the discount rate. As the lessee is not aware of the interest rate on which the lease is based, WACKER calculates the incremental borrowing using a lessee-specific interest rate.

» See Note 06

Financial instruments

Financial instruments are measured at fair value, while other financial assets and liabilities are disclosed at fair value in the Notes to the financial statements. Calculation of the fair value of financial instruments may require making estimates, which may be more or less extensive depending on the extent to which unobservable inputs are taken into account. When calculating fair value, WACKER strives to include as many observable inputs as possible and to keep the use of unobservable inputs to a minimum. If the fair value cannot be calculated reliably, the amortized cost is taken as an approximate figure to determine it.

In accordance with IFRS 13, financial instruments that are measured or recognized at fair value in the consolidated financial statements must be measured and classified in accordance with the fair value hierarchy. This hierarchy consists of three levels, to which the inputs are assigned according to the extent to which they are observable as part of the corresponding valuation methods.

» See Note 20

Impairments of financial assets

Impairments of financial assets are based on assumptions regarding credit-default risk and expected loss rates. When preparing these assumptions and selecting inputs to calculate impairment, WACKER exercises discretion on the basis of past experience, current market conditions and forward-looking estimates as of the end of the reporting period. The most important assumptions and inputs are based on credit ratings and credit insurance, as well as on macroeconomic analyses, all of which provide the basis for classification in risk classes.

» See Note 10

Provisions

Significant risks inherent in environmental protection provisions and in provisions for damages and onerous contracts include possible changes in future cost/benefit estimates, changes in the likelihood of their utilization, and expanded statutory rules concerning the elimination and prevention of environmental damage. Changes in the discount rate also lead to adjustments in noncurrent provisions, reflecting the interest-rate environment. A floor of zero applies to the discount rates used, meaning negative interest rates are not taken into account.

» See Note 14

Provisions for pensions and similar obligations are accounted for in accordance with actuarial valuations and assumptions regarding plan assets. The valuations are based on statistical and other factors in order to anticipate future events. The factors in question include the discount rate, expected salary and pension increases, the mortality rate and rate increases for preventive health care. Property valuations are used for measuring the plan assets, while fair values are the basis for loans, fixed-interest securities, stocks and funds. If market and economic conditions change, these assumptions could vary considerably from actual developments, consequently leading to major changes in pension and similar obligations, as well as in associated future expenses.

» See Note 13

The pension obligation is determined by discounting the WACKER-specific expected future cash flows. The discount rate is derived from the yield curve of high-grade fixed-interest corporate bonds with maturities matching the pension obligations, as calculated at the reporting date. The bonds are all denominated in the same currency as the underlying pension obligation. In Germany, WACKER uses Markit iBoxx EUR AA Corporate Bond Index bonds. The yield curve for government bonds is considered to be the composition of government bonds that have been rated AA as of June 30 each year by at least one rating agency and have a maximum maturity of about 100 years. The components of the government-bond curve are updated each year on July 31 on the basis of AA-rated government bonds as of June 30 and remain unchanged until July 31 of the following year. Any negative discount rate derived from these parameters is taken into account when determining the present value of the pension provisions and other long-term employee benefits, such as anniversary provisions.

The restructuring provision contains assumptions regarding the number of employees affected and the exact amount of employment termination benefits. Depending on the outcome of the negotiations with the employee representatives, there may be deviations from the estimated figures.

WACKER is active worldwide and subject to local tax laws. Although we believe we have reasonably assessed tax uncertainties, we cannot ensure that the actual outcome will match the original assessment. If the actual results diverge from this assessment, this could impact the tax liabilities and deferred taxes in the specific period of recognition. Tax liabilities contain uncertain tax positions for cases where it might not be possible to realize the amounts stated in tax returns.

Deferred taxes

At each reporting date, the Group assesses whether the probability of future tax benefits being realized is sufficient to recognize deferred tax assets. Among other things, this requires management to evaluate the tax benefits resulting from currently available tax strategies and future taxable income, and also to take additional positive and negative factors into account. In the case of entities that, in the past, reported tax losses within the meaning of IAS 12, deferred tax assets are capitalized only in exceptional cases, where there is convincing evidence that they can be realized.

Climate and sustainability-related development

WACKER has new, ambitious sustainable development goals for addressing climate-change risks up to 2030.

» See Sustainability Report of the WACKER Group, ESRS E1 "Climate Change" in the Group management report

The targets to cut greenhouse gases are science-based because they are consistent with the goal of keeping the global rise in temperature below 1.5 degrees Celsius and therefore comply with the Paris Agreement. The chemical industry is resource-intensive. Integrated production clearly dictates the most efficient and responsible use of resources possible as well as the application of circular-economy principles. Ambitious targets for reducing carbon emissions and the utilization of renewable and recycled raw materials are core components of WACKER's strategy. WACKER is constantly working on improving its production processes. That is why current developments and measures relating to climate change and sustainability have not fundamentally changed our expectations regarding the useful lives or value of noncurrent assets such as property, plant, and equipment. Nor have they resulted in any need to adjust our provisions for environmental or asset retirement obligations. In isolated cases, however, facilities may have to be shut down if this is necessary to protect the environment.

In its decisions regarding capital expenditures, WACKER assumes there will be enough reasonably priced green energy available in the future. There is a risk that both the quantity and the price of energy will diverge from what is expected. Higher electricity and gas prices have been factored into WACKER's planning and are taken into account when remeasuring the value of its noncurrent assets.

Current sustainability figures are reported in the Sustainability Report, which forms part of the Group management report.

Further details about estimates, accounting and valuation principles, and their effects on these consolidated financial statements, are contained in the individual sections of the Notes.

Accounting and valuation principles

The financial statements of Wacker Chemie AG and its German and international subsidiaries are prepared in accordance with uniform accounting and valuation principles.

The accounting and valuation methods correspond to those used in the last consolidated financial statements at the end of the previous financial year, with the exception of the reclassifications of the investment result and emission certificates described in the section "Changes in accounting policies". The Group's consolidated financial statements are based on acquisition and production costs (historical costs), with the exception of items measured at fair value, which include financial assets, derivatives, and plan assets within the scope of pension obligations.

Sales

Sales comprise revenue from contracts with customers and from other sources. The consideration expected to be received in exchange for transferring goods or services to a customer in the ordinary course of business is reported as revenue from contracts with customers. Revenue is recognized when a performance obligation has been satisfied and the customer has obtained control of the goods or services. A prerequisite is the customer's willingness to acknowledge and accept performance. Revenue recognition can occur either over a period of time or at a point in time and involves a five-step system. First, a contract with a customer and its performance obligations are identified. Then, the transaction price is determined and allocated. Revenue must be recognized for each individual performance obligation when the customer obtains control of the goods or services. In certain transport clauses, transport costs represent a separate performance obligation since the freight/transport performance is not concluded until control has been transferred to the customer. Revenue recognition usually takes place when the goods are transferred to the customer or as stipulated in the agreed transport terms. Certain revenues from services are generated over a period of time, during which the services are rendered and documented in accordance with contractual milestones. These revenues are realized in line with the fulfillment of the performance obligation.

Other revenue concerns the proceeds of sales that are not from contracts with customers; revenue of this kind is recognized at the fair value of the consideration received or receivable for the goods or services sold.

Revenue is reported net of VAT and other taxes incurred in connection with the sales and after accounting for discounts and price reductions. Sales are not reported if there are risks attached to the receipt of the consideration. In the case of risks from returns of finished goods and merchandise, warranties and other complaints, provisions are recognized using the principle of individual evaluation.

When a contracting party (customer or supplier) has fulfilled its contractual obligations, an entity must present the contract as a contract asset or contract liability depending on whether the entity has completed performance or the customer has made payment. An entity must show every unconditional right to receive consideration as a separate receivable. WACKER recognizes contract liabilities in its statement of financial position. These mainly include customer advance payments on polysilicon deliveries and customer advance payments in the Biosolutions segment. Customer-specific discount accruals are also reported as contract liabilities. Discount accruals are contractually agreed discounts that are granted when certain thresholds are exceeded and that reduce sales in the current period. These accruals are estimated on the basis of past experience and usually settled in the following period at the latest. At Biosolutions, assets required for the provision of services are recognized as costs incurred to fulfill a contract.

Functional costs

The cost of goods sold shows the cost of the products, merchandise and services sold. It includes not only directly attributable costs, such as material costs, personnel expenses and energy costs, but also indirect costs, such as depreciation/amortization, impairments and inventory write-downs. It also includes the cost of outward freight. Selling expenses include costs incurred by the sales organization as well as the cost of advertising and market research. This item also includes commission expenses. General administrative expenses include the pro rata payroll and material costs of corporate control functions, human resources, accounting and information technology, unless they have been charged as an internal service to other cost centers and thus, in certain circumstances, to other functional areas.

Research and development expenses

Research expenses also include costs incurred in the development of products and processes. Research costs in the narrow sense are recognized as expenses when they are incurred and are not capitalized. Development costs are capitalized only if all the prescribed recognition criteria have been met, the research phase can be separated clearly from the development phase, and the costs incurred can be allocated to the individual project phases without any overlaps. There must also be sufficient certainty that future cash inflows will take place.

Income taxes

Income taxes include all domestic (German) and international taxes that are based on taxable earnings. They include both current income taxes and deferred taxes. Current income taxes are calculated based on the taxable earnings and the applicable tax regulations in each country in the reporting year. Income taxes also contain adjustment amounts for any tax payments or tax refunds from outstanding tax returns, or from tax audits.

Income tax liabilities are recognized to cover cases in which it might not be possible to realize the amounts stated in tax returns (uncertain tax positions). Their amount is calculated using the best possible estimate of the expected tax payment for the specific item (the most likely value of the tax uncertainty). Income tax receivables from uncertain tax positions are recognized if it is likely that they can be realized. The only scenario in which no income tax liability or receivable is recognized for these uncertain tax positions is in the event of a tax loss carryforward or an unused tax credit. Instead, the uncertain position is offset against the unused tax loss carryforward or unused tax credit, provided there are no restrictions on offsetting.

Deferred tax assets and liabilities are recognized for temporary differences between tax bases and carrying amounts, and for consolidation measures recognized in the statement of income. With regard to leases, WACKER recognizes deferred tax assets for lease liabilities and deferred tax liabilities for right-of-use assets separately. Deferred tax assets include tax relief entitlements resulting from the anticipated use of existing loss carryforwards in future years, the realization of which is sufficiently probable. Deferred taxes are determined on the basis of the tax rates which, under current law, will be applicable or are anticipated in the individual countries when they are realized. Deferred tax assets and liabilities are netted out only to the extent possible under the same tax authority. Deferred tax assets and liabilities are recognized in the statement of income. In cases where profits or losses are recognized directly in equity, the deferred tax asset or liability is likewise posted under other equity items.

Tax effects resulting from the Global Anti-Base Erosion Rules (Pillar Two Rules) are recognized as current income tax expense. Possible effects when calculating the amount recognized for deferred tax assets or liabilities are not taken into account.

Intangible assets

Pursuant to IAS 38, acquired and internally generated intangible assets are capitalized if it is probable that a future economic benefit can be associated with the use of the asset and the costs of the asset can be determined reliably. They are stated at cost and, provided their useful life can be defined, are amortized on a straight-line basis. The useful life is taken to be between 3 and 15 years unless indicated otherwise, e.g. by the life of a patent. The useful life is reviewed annually and, if necessary, adjusted to correspond to the latest expectations. Amortization of intangible assets is allocated to the functional areas that use the assets. Intangible assets whose useful lives cannot be defined are subject to annual impairment testing. At present, no intangible assets with indefinite useful lives have been capitalized.

Goodwill is not amortized. Existing goodwill undergoes an annual impairment test. If this results in a recoverable amount below the carrying amount, an impairment loss is recognized. An impairment test is also performed when events or circumstances indicate a possible impairment. Impairments of goodwill are disclosed under other operating expenses. Impairment losses on goodwill are not reversed. The recoverable amount is determined in each case by applying the value in use. Planning approved by management and the related cash flows for the next five or more years are used where there are legitimate grounds for extending the detailed-planning period. For the time period thereafter, a terminal value was calculated by extrapolating the last detailed planning year as a perpetual annuity. Planning is based on experience, current business performance and management's best possible estimate of future development of specific influencing factors, such as raw-material prices and profit margins. Macroeconomic and industry-specific sources are consulted when making assumptions on market trends such as market growth. The discounting of cash flows required for impairment testing is based on the weighted post-tax cost of capital using the capital asset pricing model. Components of the formula used in this model are the risk-free interest rate, the market risk premium and an adjustment of the credit risk based on the specific peer group (spread).

Emission allowances

The accounting policy for emission allowances was adjusted in 2025. A detailed explanation of this change can be found in the section "Changes in accounting policies".

Emission certificates meet the criteria for intangible assets and, due to their indefinite useful lives, are not subject to amortization. If WACKER receives emission certificates free of charge from a government agency in connection with regulatory requirements, such as the EU Emissions Trading System (EU ETS), these certificates are recognized at a nominal value of zero in the statement of financial position. Additional certificates are purchased in order to meet our current and future obligations under the Emissions Trading System, as the emissions generated exceed the free certificates that are allocated. Emission certificates purchased on the market are carried at cost under intangible assets. If the fair value is lower as of the reporting date, the carrying amount is reduced accordingly. Causing emissions gives rise to an obligation to surrender emission allowances. They are surrendered at a specified point in time after the end of the fiscal year. Corresponding provisions are set up in the amount of the quarterly emissions, with the amount generally corresponding to the cost of the required emission certificates. The expense is recognized under cost of goods sold. When the emission certificates are canceled, the intangible assets are derecognized by utilizing the corresponding provision.

Property, plant and equipment

Property, plant and equipment is capitalized at (acquisition or production) cost and depreciated on a straight-line basis over its expected economic life. A residual value is determined in exceptional cases only. The useful life is reviewed annually and, where necessary, adjusted to correspond to expectations. Acquisition costs include not only the purchase price, but also incidental acquisition costs as well as any costs incurred in the demolition, dismantling and/or removal of the relevant asset from its site, and in the restoration of that site. Any reductions in the price of acquisition reduce the acquisition costs. The (production) cost of internally generated assets includes all costs directly attributable to the production process as well as an appropriate portion of the production-related overheads. Financing costs that were incurred in connection with particular qualifying assets and can be attributed directly or indirectly to them are capitalized as part of acquisition or production costs until the assets are used for the first time.

Day-to-day maintenance and repair costs are expensed as incurred. Costs for replacing parts or carrying out major overhauls of property, plant and equipment are capitalized if future economic benefits are likely to accrue to the Group and if the costs can be measured reliably.

Grants from third parties reduce acquisition and production costs. Unless otherwise indicated, these grants (investment subsidies or development loans) are provided by government bodies. Income grants for which there are no future expenses are recognized as income. Grants are recognized as separate assets until receipt of the funds.

WACKER recognizes assets under construction for as long as the asset or a component thereof is being built or when advance payments are made prior to delivery of services charged. Property, plant and equipment under construction is not depreciated. Reclassification to property, plant and equipment and the start of depreciation are triggered when the assets are ready for operation. This occurs independently of when WACKER actually commissions the items.

If property, plant and equipment is permanently retired, sold or given up, the acquisition or production costs are derecognized, along with the corresponding cumulative depreciation.

Any gain or loss resulting from the difference between the sale proceeds and the residual carrying amount is recognized under other operating income or expenses.

Depreciation of property, plant and equipment is generally based on the following useful lives:

| In years | Useful life |
|---|-------------|
| Buildings and similar rights | 10–40 |
| Technical equipment and machinery | 6–12 |
| Other equipment, factory and office equipment | 3–12 |

An impairment test is carried out when relevant events or changes in circumstances indicate that it might no longer be possible to realize the net carrying amount of intangible assets, or property, plant and equipment. At the end of each reporting period, WACKER checks whether there are triggering events for recognizing (or reversing) impairments. An impairment loss is then recognized in the amount by which the carrying amount exceeds the recoverable amount. The recoverable amount is the higher of either the fair value less costs to sell or the value in use. The value in use is calculated based on the present value of the estimated future cash flows from the use of the asset, taking into account pre-tax interest rates that have been adjusted to reflect the segment-specific risk. In order to determine the cash flows, assets are combined at the lowest level for which cash inflows can be identified separately (cash-generating units). If the reasons for recognizing impairments no longer exist, impairment losses are reversed. The revised amount cannot exceed the carrying amount that would have been determined had no impairment loss been recognized. Impairments are reported under other operating expenses and reversals of impairment losses under other operating income.

Government grants

If their inflow is sufficiently certain, government grants for assets are deducted from the asset's carrying amount and recognized as income using a reduced depreciation/amortization charge over the depreciable/amortizable asset's useful life. Government grants that compensate the Group for incurred expenses are deducted from the corresponding expenses in the period in which the expenses to be compensated are also incurred if their inflow is sufficiently certain.

Investment property

Like property, plant and equipment, investment property is measured at cost and depreciated on a straight-line basis. It consists of land and buildings that are held to earn rental income or for capital appreciation. The fair value of this property is regularly measured by means of independent property appraisals. This item in the statement of financial position also includes right-of-use assets from long-term subleases.

Leases

At the start of a contract, WACKER assesses whether the agreement constitutes or contains a lease. This is the case if the agreement grants control over the use of an identifiable asset against payment of a fee for a specific term. When the agreement is concluded or modified, the agreed fee must be divided up into a lease component and a non-lease component. WACKER does not perform this separation, however, since all its identified leases are solely of a lease-fee nature.

WACKER recognizes a right-of-use asset, which is initially measured at cost. The cost of this asset includes the lease liability, as well as lease payments made prior to the transfer of use, incremental contract-closing costs and dismantling costs. The right-of-use asset is then amortized on a straight-line basis over the lease term. If WACKER assumes control of the asset at the end of the lease, or if the lease liability contains a purchase option, the asset is amortized over its useful life.

The lease liability is initially measured at the present value of the remaining lease payments as of the date of availability and discounted at the incremental borrowing rate. The incremental borrowing rate is determined using a lessee-specific interest rate. In the case of property leases, adjustments are made due to the leased property's security-related function. The evaluation includes both fixed and variable lease payments. The latter are tied to an index or interest rate, and calculated for the first time on the date of availability. Lease payments from extension options or payments from purchase options are included only if it is sufficiently certain they will be exercised. Penalty payments from premature termination are recognized if WACKER is certain premature termination will take place.

The lease liability is measured at amortized cost using the effective interest method. It is remeasured if the contract is modified or the estimates regarding exercise of the options are amended.

Right-of-use assets are shown as a separate line item in the statement of financial position. Lease liabilities are recognized under financing liabilities. WACKER has decided not to recognize right-of-use assets and lease liabilities if the assets in question are of low value or the leases are short term (including for IT equipment). The lease payments are recognized as expenses. Leased company cars for employees are not recognized as subleases, but rather as salary components under IAS 19 "Employee Benefits."

If it is the lessor, WACKER classifies a lease as being either a finance lease or an operating lease. WACKER acts as a lessor where property subleases are concerned. This classification takes account of indicators such as whether the lease comprises the predominant part of the economic use of the asset or right-of-use asset. The Group recognizes main leases and subleases separately if it acts as an intermediary lessor. It classifies a sublease on the basis of the right of use from the corresponding main lease.

Investments, associates and joint ventures

Shares in non-consolidated affiliated companies and investments are measured and recognized at market value or at cost. Changes are recognized in the consolidated statement of income upon realization through disposal or in the event of changes in the market value. Loans granted are measured at amortized cost, except for non-interest-bearing and low-interest loans, which are recognized at their present value.

Investments in joint ventures and associates are accounted for using the equity method, with the carrying amount reflecting the Group's prorated share of equity. Prorated net profits and losses are recognized in the consolidated statement of income, and the carrying amount is increased or decreased accordingly. Any changes in equity recognized directly in the investee's equity are also recognized directly in equity in the consolidated financial statements. Dividends paid by joint ventures and associates reduce their equity and are therefore deducted from the carrying amount without affecting profit. If a joint venture or associate faces losses that have exhausted its equity, no further losses are taken into account. Exceptions can be made if there are noncurrent unsecured receivables against the company, or the Group has entered into additional obligations or made payments for the company. The carrying amount is not increased until the loss carryforward has been compensated for and the equity is positive again.

An impairment test is also performed if there are indications of impairment, and impairment losses recognized if need be. The recoverable amount is determined in accordance with IAS 36. If the reasons for an impairment loss no longer apply, it is reversed. Impairment losses and their reversal are reported under financial result.

The change in the presentation of the investment income in the income statement for 2025 is explained in the section "Change in accounting policies".

Financial instruments

Financial assets and liabilities are recognized in the consolidated financial statements when WACKER becomes a contracting party to the financial instrument. They are derecognized when the contractual rights or obligations are fulfilled or rescinded, when they expire, or when the asset has been transferred or the liability settled.

In the case of normal market purchases or sales, however, the settlement date – i.e. the date on which the asset is delivered to or by WACKER – is relevant for initial recognition and derecognition. As a rule, financial assets and financial liabilities are not netted. A net amount is presented in the statement of financial position if, and only if, the entity currently has a right to net the recognized amounts and intends to settle on a net basis.

Financial instruments are measured at fair value on initial recognition. The transaction costs directly attributable to the acquisition must be taken into account for all financial assets and liabilities not subsequently measured at fair value through profit or loss. The fair values recognized in the statement of financial position generally correspond to the market prices of the financial assets and liabilities. If these are not directly available, they are calculated using standard measurement models on the basis of current market parameters.

Financial assets at WACKER include, in particular, cash and cash equivalents, trade receivables and derivatives, as well as financial assets that are held to collect or held for trading. As a general rule, financial liabilities must be settled using cash or another financial asset. Financial liabilities include the Group's own bonds and other securitized liabilities, trade payables, liabilities to banks, lease liabilities, promissory notes (German *Schuldscheine*) and derivative financial liabilities. WACKER does not elect to measure financial assets and liabilities at fair value through profit or loss on initial recognition (fair value option).

Subsequent measurement of financial assets and financial liabilities depends on the measurement categories of IFRS 9.

IFRS 9 stipulates that each financial asset must be classified and measured on the basis of the entity's business model for managing the financial assets and the asset's contractual cash flow characteristics. On initial recognition, each financial asset is classified as measured either at fair value through profit or loss (FVPL), at amortized cost or at fair value through other comprehensive income (FVOCI).

The "held to collect" and "held to collect and sell" business models both require that the cash flows from the financial instrument be solely payments of principal and interest (SPPI). Subject to use of the fair value option, which is still available under certain circumstances, instruments that satisfy the SPPI test are measured at amortized cost in the "held to collect" business model, and at fair value through other comprehensive income (FVOCI) in the "held to collect and sell" business model. Financial instruments that fail the SPPI test are measured at fair value through profit or loss (FVPL) and classified under the "trading" business model. IFRS 9 provides for an exception for interests that are not held for trading, such as company stock. Since they do not meet the SPPI test criteria, equity instruments must be measured at fair value, but upon initial recognition there is an irrevocable election to present subsequent changes in fair value in other comprehensive income. WACKER currently makes no use of this election.

At WACKER, trade receivables, as well as other financial receivables, certain securities, fixed-term deposits, and cash and cash equivalents, are assigned to the "held to collect" business model and measured at amortized cost. If it is both intended and, in economic terms, to be expected with sufficient certainty that securities or fixed-term deposits will be held to collect, they are measured at amortized cost using the effective interest method. Otherwise, securities are measured at fair value provided they meet the SPPI criteria, with changes in fair value recognized in other comprehensive income (FVOCI). Unrealized gains and losses are recognized in other equity items – taking deferred taxes into account. When financial instruments are derecognized, the cumulative gains and losses recognized in equity are recognized in profit or loss.

As fund shares and investments generate cash flows from dividends and other distributions, and thus do not satisfy the SPPI criterion, they are assigned to the "trading" business model and measured at fair value through profit or loss (FVPL). The investments in question are primarily small, regional ones in non-profit organizations operating infrastructure facilities, as well as investments in start-ups. The information available for these companies is not sufficient to calculate a fair value as there are neither stock market prices nor market values available, and nor does WACKER receive any internal information on

these companies. WACKER is of the opinion that the cost of these equity instruments sufficiently approximates their fair value. Derivative financial instruments do not fall into any measurement category: they are measured at fair value through profit or loss. If they are intended for strategic hedging relationships, they are accounted for directly in equity.

Primary financial liabilities are subsequently measured at amortized cost using the effective interest method. Under reverse-factoring agreements, WACKER places its trade payables on a platform for its suppliers, enabling them, where necessary, to initiate payment of their invoices earlier than the agreed payment date. The items in question are still recognized as trade payables because the original payment deadlines are unchanged. WACKER is not exposed to any liquidity risk, as no extended payment deadlines are agreed with the factor and no other changes are made to the original liability. Liabilities with long payment deadlines outside the customary business cycle are reclassified to other financial liabilities where reverse-factoring agreements are in place.

Impairments of financial assets

IFRS 9 stipulates that, with the exception of derivative financial instruments, trade receivables and other financial assets must be recognized at amortized cost. Securities are measured at fair value or amortized cost either through other comprehensive income or through profit or loss. Risk provisioning takes place in the form of loss allowances. Loss allowances are recognized for receivables on initial recognition of the financial assets on the basis of the potential losses expected at that point in time. If the credit risk is not significantly higher on the reporting date than it was on initial recognition, WACKER recognizes a loss allowance in the amount of the 12-month expected credit losses (Level 1) – meaning the credit losses that can be expected to arise from possible default events within the next 12 months. IFRS 9 requires recognition of a loss allowance in the amount of the default of receivables expected over the full remaining term to maturity for those financial assets whose credit risk has become significantly higher (Level 2) and of assets that are defaulted as of the reporting date (Level 3). WACKER considers the credit risk to have become significantly higher if the counterparty's credit rating has been downgraded substantially and the receivable is more than 30 days past due. The main indicators WACKER uses to determine whether an asset has become defaulted (Level 3) are insolvency, internal dunning level 4 and more than 90 days past due. Regardless of this, each case must be assessed individually in line with the credit management process. In this process, the assets – particularly trade receivables – are assigned to internally defined risk classes. The internal credit classes contain forward-looking information and take account of both macroeconomic factors and payment behavior history.

WACKER applies the simplified approach when calculating impairments of trade receivables. Under this approach, the loss allowance is determined immediately upon origination on the basis of the lifetime expected credit losses. Further changes in the credit risk (expected credit losses, ECL) do not need to be tracked. The expected credit losses are determined using an impairment matrix, which defines fixed default rates per past-due category on the basis of the risk classes of the past-due receivables.

The lifetime expected credit losses reflect all possible loss events that could occur until the expected maturity of the financial asset. WACKER determines the expected credit loss by taking into account the entire contractual period during which the Group is exposed to the credit risk.

WACKER applies three key parameters to assess the expected credit loss for noncurrent and current interest-bearing receivables (loans and fixed-interest securities): the probability of default (PD), the loss given default (LGD) and the estimated exposure at default (EAD). In the case of loans and fixed-interest securities, WACKER determines a loss allowance equivalent to the 12-month expected credit losses, as the former are financial instruments with a low credit risk.

A financial asset is derecognized if the company no longer has any expectation of receiving the corresponding outstanding cash flow. Before a receivable is derecognized, a special assessment of the individual case is carried out. That includes offsetting against the gross value of the receivable – and thus utilizing – any impairments recognized. Expenses from expected impairments are reported under other operating expenses.

Cash and cash equivalents comprise cash in hand, demand deposits, and financial assets that can be converted into cash at any time, are subject to only slight fluctuations in value and have a term of up to three months. They are measured at amortized cost, which is equivalent to their nominal values.

The general impairment model is applied to bank deposits and fixed-term deposits. These are classified as financial instruments with a low credit risk, given that WACKER enters into banking relationships only with investment-grade counterparties. Impairments are not recognized for deposits with banks participating in Germany's Deposit Protection Fund because these deposits are secured via the fund in adherence to statutory requirements.

If the contractual conditions of an asset are modified and the modification does not result in its derecognition under IFRS 9, a gain or loss is recognized in the income statement. The amount recognized is the difference between the original contractual cash flows and the modified cash flows (both discounted using the original effective interest rate). For WACKER, however, modifications of this kind are exceptional, and none have arisen to date.

Derivative financial instruments

Derivative financial instruments are used solely for hedging purposes, the aim being to reduce both the Group's exposure to exchange-rate, interest-rate and commodity-price risks arising from operating activities and the resulting financing requirements. Derivative financial instruments are recognized as of the trade date. They are always recognized at fair value, irrespective of the purpose or intention for which they were concluded. Positive fair values are recognized as receivables and negative fair values as liabilities. Differences are recognized in profit or loss separately from hedge accounting.

Where derivative financial instruments are used to hedge risks stemming from future cash flows (cash flow hedge) or to hedge items in the statement of financial position, WACKER applies hedge accounting in accordance with the requirements of IAS 39. The effects from the hedging of future cash flows are recognized in other equity items – taking deferred taxes into account – until the hedged item has been realized. When the hedge item is realized, the profit contribution of the hedging transaction is recognized in the statement of income under other operating income and expenses, or under net interest result. If such a derivative is sold or the hedging relationship is discontinued, the change in its value continues to be recognized in other equity items until the underlying transaction occurs. Ineffective parts of the hedging transaction are recognized immediately in profit or loss. Fair value hedges of recognized assets or liabilities and/or unrecognized fixed contractual obligations entail the recognition in profit or loss of market value changes for both the hedged item and the financial derivative (as the hedging instrument). WACKER does not currently hedge the fair values of assets and liabilities or hedge a net investment in a foreign entity through a hedge of a net investment in a foreign operation.

Contracts 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 exceptional cases, contract clauses may result in a contract being treated as a derivative financial instrument. Such instruments are recognized at fair value under other operating income/expense in the statement of income. Hedge accounting is applied if the prerequisites for it are met.

Currency hedges for planned sales are recognized under other operating income and expenses, while interest rate hedges are recognized under net interest income. Currency hedges from intra-Group financing and foreign-exchange derivatives concluded to hedge financing liabilities in foreign currencies are shown under other financial result. Changes in the fair value of commodity hedges are recognized under cost of goods sold.

Inventories

Inventories are measured at cost using the average cost method. Lower net realizable values or prices as of the reporting date are taken into account by writing down inventories to their fair value less costs to sell. The cost of goods sold includes directly attributable costs, appropriate portions of indirect material and labor costs, and straight-line depreciation. Costs for the company pension plan and voluntary social benefits are also included if they are production-related. Due to the relatively short-term nature of the production processes, no financing costs are recognized. For production-related reasons specific to the chemical industry, unfinished and finished goods are reported together. Raw materials and supplies also include spare parts for the day-to-day maintenance of production facilities. They are measured in accordance with their periods of storage and potential usability.

Guarantees of Origin

Guarantees of Origin (GoOs) for renewable electricity are recognized at cost under inventories. On utilization, they are expensed under cost of goods sold. There is no obligation to surrender these guarantees.

Income tax receivables and other non-financial assets

Income tax receivables and other non-financial assets are recognized at amortized cost. Changes in income tax receivables are posted under income taxes in the statement of income. Income tax receivables also contain uncertain tax positions. Noncurrent receivables that are non-interest-bearing or low-interest-bearing are discounted.

Provisions for pensions and similar obligations

Defined-benefit pension plans are measured in accordance with the projected unit credit method. This method takes account not only of known pensions and entitlements to future pensions as of the reporting date, but also of expected increases in salaries and pensions. Moreover, measurement is based on actuarial valuations and takes account of biometric and financial calculation principles. The fair value of the plan assets is subtracted from the present value of the pension obligations (defined benefit obligation, DBO), resulting in either a net liability or net asset of the defined benefit plans. The prior year's underlying DBO assumptions are used to determine the current service cost. The net interest cost for the fiscal year is determined by applying the discount rate set at the beginning of the year to the net liability calculated at the same time. The net interest from the net pension liability is the difference between the calculated interest income from plan assets and the interest expense from the defined benefit obligation. Remeasurements comprise actuarial gains and losses stemming from the difference between the estimate at the start of the period and actual developments during the period – or a newer estimate as of the reporting date – in relation to probable mortality rates, retirement and salary trends, or discount rates. Remeasurements are recognized directly in other comprehensive income. Similarly, differences between the interest income from plan assets calculated at the start of the period and the actual income from plan assets determined at the end of the period are recognized in other comprehensive income.

If the present value of a defined benefit obligation changes due to a plan amendment or curtailment, WACKER recognizes the resulting effect as past service cost. This is recognized in profit or loss as soon as it occurs. The profits and losses resulting from settlement are also recognized in the statement of income as soon as settlement takes place. Administrative expenses that are not related to the management of plan assets are also recognized in profit or loss when incurred.

The expense from current and past service cost is allocated to the costs of the functional areas concerned. The net interest is shown under other financial result.

Provisions for phased early retirement and anniversaries are measured and recognized in accordance with actuarial appraisals. Owing to their structure, provisions for phased early retirement also constitute other noncurrent employee benefits in accordance with IAS 19, since they are linked to the rendering of future service. WACKER uses only a block model when structuring phased-early-retirement agreements. The corresponding provisions are recognized pro rata over the service period of the claim during the work phase.

Provisions

Provisions are recognized in the statement of financial position for present legal or constructive obligations toward third parties if an outflow of resources to settle these obligations is probable and its amount can be estimated reliably. The amounts recognized are those estimated to be required to cover the Group's future payment obligations, identifiable risks and contingencies.

Noncurrent provisions are measured at the discounted settlement value as of the reporting date. The discount rate applied is the market interest rate for risk-free investments with terms corresponding to the residual term of the obligation to be settled. Expected refunds, provided that they are sufficiently secure or legally enforceable, are not offset against provisions. Instead, they are capitalized as separate assets if their realization is virtually certain.

Provisions for restructuring costs are recognized if a detailed formal plan for restructuring has been drawn up and conveyed to the affected parties. Provisions for contingent losses arising from onerous contracts are recognized if the expected benefits to be derived from a contract are lower than the unavoidable costs of meeting the contractual obligations. Provisions for environmental protection are recognized if future cash outflows for complying with environmental legislation or for cleanup measures are likely, the costs can be estimated with sufficient accuracy and no future acquired benefit can be expected from the measures.

If an amended estimate results in a reduction in the scope of the obligations, a proportion of the provision is reversed and the earnings are allocated to the functional area originally charged with the expense when the provision was recognized.

Financing liabilities and other financial liabilities

On initial recognition, primary financial liabilities are measured at fair value less any transaction costs incurred. They are subsequently measured at amortized cost using the effective interest method. Derivative financial instruments are recognized at fair value. Lease liabilities are shown as financing liabilities at the present value of the future lease installments.

Contingent liabilities / contingent assets

Contingent liabilities are potential obligations toward third parties or existing obligations for which an outflow of resources is unlikely or the amount of the obligation cannot be estimated with sufficient certainty. Contingent liabilities are not recognized in the statement of financial position.

Contingent assets are potential assets resulting from past events and whose existence will not be confirmed until the occurrence of one or more uncertain future events that are beyond the Group's influence.

Disclosures on the consolidated statement of income and the consolidated statement of financial position

01 Revenues from contracts with customers

Revenues from sales comprise those from contracts with customers and those from other sources:

Breakdown of revenues

| € million | 2025 | 2024 |
|--|----------------|----------------|
| Revenues from contracts with customers | | |
| Proceeds from deliveries of products and merchandise | 5,332.4 | 5,549.7 |
| Proceeds from other services | 143.6 | 165.9 |
| Total revenues from contracts with customers | 5,476.0 | 5,715.6 |
| Other revenues | 9.3 | 6.2 |
| Total revenues | 5,485.3 | 5,721.8 |

WACKER generally recognizes its sales on a specific delivery date. WACKER's customary business model is to sell chemical products on the basis of binding individual orders from customers with or without framework agreements. Customer orders usually result in a specific performance obligation, which is satisfied at a point in time. Revenue is recognized when economic control has been transferred to the customer in accordance with Incoterms. In the Polysilicon division, there are also medium and long-term supply contracts featuring a predefined contractual volume and advance payments. Here, too, sales are recognized at a point in time.

In the case of customer-specific orders at Biosolutions, sales are recognized over time. Among other things, its business model entails providing development services to the pharmaceutical industry under service contracts that are fulfilled and documented using milestones. The division also manufactures customer-specific products in connection with supply contracts for pharmaceutical intermediates. Both the output and the input method are used to measure progress. Revenue for contracts that largely relate to development services is calculated based on the value of the finalized milestones. Revenue from the production of intermediates is calculated based on the ratio of the costs incurred to the total expected costs. Each of these methods is based on directly observable and reliable parameters and was considered suitable for adequately assessing the outcome of service provision. In certain cases, customers make advance payments before a product is delivered or provision of a service commences. The Biosolutions division also concludes medium-term supply contracts. A small amount of license income is generated from licensing process expertise.

No long-term payment terms exist that could qualify as a financing component. As a general rule, payment is due within 30 to 120 days. Deliveries to customers with poor credit ratings are contingent upon advance payment or provision of a bank guarantee. The statutory warranty obligations for quality defects apply at WACKER, and exact specifications are defined in framework agreements with customers.

The "Other" segment generates sales from the supply of media (largely electricity, gas and steam) to, and from the administration of, chemical-industry parks on behalf of third-party companies, particularly at the site in Burghausen, Germany. This segment also generates revenue from the sale of salt and from the backfill business. Revenue is recognized at the time of delivery for the supply of industrial gases and refrigerants, the supply of salt and the backfill business.

At WACKER, sales per segment corresponds to the Group's different product categories. The differences between chemical products, and also between market and customer groups, are evident in the segments. The particular region to which WACKER supplies its products also has a major impact on sales. The following table shows the breakdown of revenues:

Breakdown of revenues

| € million | Silicones | | Polymers | | Biosolutions | | Polysilicon | | Other/ consolidation | | Total | |
|------------------------------------|----------------|----------------|----------------|----------------|--------------|--------------|--------------|--------------|-------------------------|--------------|----------------|----------------|
| | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 | 2025 | 2024 |
| Revenue by region | | | | | | | | | | | | |
| Europe | 1,188.3 | 1,188.6 | 570.6 | 593.1 | 192.0 | 176.3 | 138.7 | 126.1 | 130.3 | 129.0 | 2,219.9 | 2,213.1 |
| The Americas | 488.3 | 498.6 | 414.7 | 444.7 | 91.2 | 96.9 | 21.7 | 26.1 | – | – | 1,015.9 | 1,066.3 |
| Asia | 875.3 | 917.6 | 263.1 | 307.5 | 69.2 | 92.1 | 708.2 | 797.0 | – | – | 1,915.8 | 2,114.2 |
| Other regions | 181.3 | 200.5 | 130.1 | 118.0 | 8.0 | 9.6 | 14.3 | – | – | 0.1 | 333.7 | 328.2 |
| Total | 2,733.2 | 2,805.3 | 1,378.5 | 1,463.3 | 360.4 | 374.9 | 882.9 | 949.2 | 130.3 | 129.1 | 5,485.3 | 5,721.8 |
| Revenues outside of IFRS 15 | | | | | | | | | | | | |
| | 0.7 | 0.6 | – | – | 0.9 | – | – | – | 7.7 | 5.6 | 9.3 | 6.2 |
| Time of revenue recognition | | | | | | | | | | | | |
| Point in time | 2,733.2 | 2,805.3 | 1,378.5 | 1,463.3 | 227.4 | 237.6 | 882.9 | 949.2 | 130.3 | 129.1 | 5,352.3 | 5,584.5 |
| Over time | – | – | – | – | 133.0 | 137.3 | – | – | – | – | 133.0 | 137.3 |
| Total | 2,733.2 | 2,805.3 | 1,378.5 | 1,463.3 | 360.4 | 374.9 | 882.9 | 949.2 | 130.3 | 129.1 | 5,485.3 | 5,721.8 |

Trade receivables mainly comprise receivables from contracts with customers.

» See Note 10.

The sales contract liabilities reported in WACKER's statement of financial position include customer advance payments on polysilicon deliveries, customer advance payments in the Biosolutions segment and customer advance payments for infrastructure projects in the chemical-industry parks in WACKER's "Other" segment. In the Polysilicon segment, a fixed portion of the advance payment received is realized as revenue every time polysilicon is delivered to the customer, reducing the liability. In Biosolutions, customer advance payments are recognized as revenue based on selected measures of progress over time. Sales shown in the "Other" segment are realized from orders within the term of medium- or long-term customer contracts.

The advance payments received are mainly customer advance payments on polysilicon deliveries with a term of up to eight years. In addition, discount accruals are recognized as contract liabilities. Discount accruals are contractually agreed discounts that are granted when certain thresholds are exceeded and that reduce sales in the following period. These accruals are estimated on the basis of past experience and usually settled in the following period at the latest.

Development of contract liabilities

| € million | Advance payments received | Discount accruals | Total |
|---|------------------------------|-------------------|--------------|
| As of Jan. 1, 2025 | 277.0 | 23.3 | 300.3 |
| Revenues recognized as advance payments in prior period | -56.8 | - | -56.8 |
| Revenues less discounts | - | 9.4 | 9.4 |
| Reversals recognized in income | -3.4 | -1.2 | -4.6 |
| Cash receipts (+) | 75.7 | - | 75.7 |
| Revenues recognized in 2025 from cash receipts (-) | -38.4 | - | -38.4 |
| Cash payments (-) | - | -18.4 | -18.4 |
| Exchange-rate differences | -0.2 | -0.3 | -0.5 |
| Change in the scope of consolidation | - | - | - |
| As of Dec. 31, 2025 | 253.9 | 12.8 | 266.7 |

| € million | Advance payments received | Discount accruals | Total |
|---|------------------------------|-------------------|--------------|
| As of Jan. 1, 2024 | 305.1 | 11.6 | 316.7 |
| Revenues recognized as advance payments in prior period | -78.6 | - | -78.6 |
| Revenues less discounts | - | 20.3 | 20.3 |
| Reversals recognized in income | -2.6 | -2.0 | -4.6 |
| Cash receipts (+) | 125.8 | - | 125.8 |
| Revenues recognized in 2024 from cash receipts (-) | -72.7 | - | -72.7 |
| Cash payments (-) | - | -6.9 | -6.9 |
| Exchange-rate differences | - | 0.2 | 0.2 |
| Change in the scope of consolidation | - | 0.1 | 0.1 |
| As of Dec. 31, 2024 | 277.0 | 23.3 | 300.3 |

Contract assets were recognized in the amount of €3.1 million (prior year: €4.5 million).

Under multi-year framework agreements, WACKER guarantees some customers the availability of specific quantities per year. Generally, the actual quantities and prices are only fixed for a maximum period of one year and are agreed in detailed negotiations that take place during the year. Minimum purchase quantities result in future performance obligations (orders on hand) with terms as shown in the following table:

Orders on hand

| € million | Dec. 31, 2025 | Dec. 31, 2024 |
|-----------------------------|----------------|----------------|
| Up to 2 years | 2,107.5 | 2,417.7 |
| Over 2 years to 3 years | 843.4 | 1,044.5 |
| Over 3 years to 4 years | 643.6 | 806.9 |
| Over 4 years to 5 years | 436.7 | 574.5 |
| Over 5 years | 630.3 | 824.7 |
| Total orders on hand | 4,661.5 | 5,668.3 |

02 Cost of goods sold / other operating income / other operating expenses

| € million | 2025 | 2024 |
|---|-----------------|----------|
| Cost of goods sold | -4,828.0 | -4,735.1 |
| Cost of goods sold includes the following reversals (+) / recognitions (-) of valuation allowances on inventories | -38.7 | -37.6 |
| Other operating income | | |
| Income from currency transactions | 65.8 | 63.2 |
| Income from reversal of provisions | 6.6 | 6.5 |
| Insurance compensation | 13.0 | 0.5 |
| Income from reversal of valuation allowances on trade receivables | 2.2 | 9.6 |
| Income from disposal of property, plant and equipment and financial assets | 1.1 | 0.5 |
| Income from incentives/grants | 5.3 | 8.3 |
| Income from the termination of long-term supply contracts/damages | 7.2 | 15.4 |
| Other operating income | 32.9 | 31.7 |
| Total | 134.1 | 135.7 |
| Other operating expenses | | |
| Losses from currency transactions | -65.9 | -59.3 |
| Losses from valuation allowances on trade receivables | -1.1 | -6.5 |
| Losses from disposal of assets | -11.8 | -9.3 |
| impairment charges | -102.3 | -10.0 |
| Other operating expenses | -19.6 | -13.2 |
| Total | -200.7 | -98.3 |

The functional costs included depreciation and amortization of €504.1 million (prior year: €462.7 million). In 2025, impairment losses in the amount of €102.3 million (previous year: €10.0 million). These mainly result from the impairment of goodwill in the Biosolutions division in the amount of €89.1 million and the impairment of individual production facilities. Expenses for production facilities are generally allocated to production costs. In the previous year, intangible assets of €10.0 million were impaired.

Of the total restructuring expenses of €102.6 million, €90.2 million were incurred in terms of the cost of goods sold and €12.4 million in the area of administration.

The cost of goods sold includes government grants in connection with legally valid notices for energy subsidies in the amount of €170.4 million (previous year: €181.7 million). The grants were awarded for expenses in the previous year. In addition, subsidies of €18.9 million (previous year: €30.7 million) received under the US Inflation Reduction Act for polysilicon manufactured in the USA have been included in the cost of goods sold.

03 Financial result

| € million | 2025 | 2024 |
|---|---------------|-------|
| Result from investments in joint ventures and associates | -334.7 | 19.1 |
| Of which impairment losses | -307.8 | - |
| Of which income from disposal | - | 3.3 |
| Of which share of income from associates | -26.9 | 15.8 |
| Other investment income | 5.0 | 0.1 |
| Other investment expenses | - | - |
| Total | -329.7 | 19.2 |
| Net interest income | | |
| Interest income | 28.5 | 41.4 |
| Of which from financial instruments (FVOCI) | 0.1 | 0.1 |
| Of which from financial instruments (amortized cost) | 26.3 | 40.9 |
| Interest expenses | -63.4 | -45.6 |
| Of which from financing liabilities (excluding leases) | -54.4 | -41.7 |
| Total | -34.9 | -4.2 |
| Other financial result | | |
| Other financial income | 94.1 | 64.5 |
| Other financial expenses | -128.1 | -92.0 |
| Of which interest effect of interest-bearing provisions/liabilities | -27.9 | -30.5 |
| Total | -34.0 | -27.5 |

Income from investments in associates relates to the investment in Siltronic AG and a company in Asia. It comprises not only the prorated net income for the year, but also the effects of the elimination of prorated interim profits and losses, the effects of remeasurement gains/losses and other Group adjustments. The pro rata net income for the year of Siltronic AG amounts to €-28.7 million (2024: €12.7 million). As of December 31, 2025, this also resulted in an impairment loss on the equity-accounted investment in Siltronic AG in the amount of €307.8 million. In the previous year, the stake in WACKER Dymatic Silicones (Shunde) Co., Ltd., Foshan, China, was sold to the joint-venture partner. This generated proceeds from disposal of €3.3 million.

Borrowing costs of €2.5 million were capitalized in the reporting period (prior year: €6.7 million), resulting in a corresponding improvement in the net interest result. The annual average borrowing interest rate applied by the Group in the reporting year was 3.4 percent (prior year: 3.2 percent).

The interest effect of interest-bearing provisions includes net interest expenses from the unwinding of discounted pension obligations and calculated returns from plan assets totaling €20.3 million (prior year: €24.4 million), and net interest expenses from the discounting of provisions and unwinding of discounted provisions in the amount of €5.6 million (prior year: €6.1 million).

Other financial income and expenses resulted primarily from interest-rate effects in connection with financial transactions and their hedging, the effects of remeasurement gains/losses from securities, and interest on tax positions.

04 Income taxes

This item comprises income taxes paid or owed in the individual countries as well as deferred taxes. In Germany, in addition to a corporate tax of 15.0 percent (prior year: 15.0 percent), a solidarity surcharge of 5.5 percent applies (prior year: 5.5 percent). Trade income tax of 13.0 percent (prior year: 13.0 percent) must also be paid. It varies depending on the municipality in which a company is located.

The combined current tax rate is 28.8 percent (previous year: 28.8 percent) for 2025. Due to the annual corporate tax reduction of 1 percentage point each year from 2028 to 2032, the combined deferred tax rates to be applied for Germany are between 23.6 percent and 28.8 percent, depending on the future reversal of temporary differences and loss carryforwards. The current taxes of foreign subsidiaries are determined in accordance with domestic tax laws and rates valid in the country in which the respective company is based. The respective current and deferred income tax rates applied in each country for our foreign companies ranged from 9.0 percent to 35.0 percent (versus 9.0 percent to 35.0 percent).

Deferred taxes on undistributed profits of subsidiaries were recognized only where distribution is planned. The amount of €597.5 million is available for distribution (prior year: €778.1 million). WACKER did not recognize a deferred tax liability of €7.0 million (prior year: €11.2 million not recognized) for the resultant temporary difference of €29.9 million (prior year: €38.9 million), as it is able to control the timing and no distributions are planned in the foreseeable future.

Income taxes include current tax expenses from previous years amounting to €1.0 million (previous year: €1.9 million) and current tax income from previous years amounting to €15.5 million (previous year: €14.7 million). Deferred tax expenses for previous years amounted to €0.6 million (previous year: €0.0 million) and deferred tax income for previous years amounted to €0.1 million (previous year: €5.4 million).

Reconciliation of actual tax result

| € million | 2025 | 2024 |
|--|---------------|--------------|
| Current taxes, Germany | 6.7 | -23.8 |
| Current taxes, international | -29.7 | -36.4 |
| Current taxes | -23.0 | -60.2 |
| Deferred taxes, Germany | -181.5 | 30.1 |
| Deferred taxes, international | -22.1 | 32.4 |
| Deferred taxes | -203.6 | 62.5 |
| Income taxes | -226.6 | 2.3 |
| Derivation of the effective tax rate | | |
| Income before taxes | -578.3 | 258.4 |
| Income tax rate for Wacker Chemie AG (%) | 28.8 | 28.8 |
| Expected tax income/expenses | 166.6 | -74.4 |
| Tax rate divergences | -3.8 | 12.1 |
| Tax effect of non-deductible expenses | -24.7 | -19.8 |
| Tax effect of tax-free income | 4.4 | 4.8 |
| Taxes relating to other periods (current result) | 14.0 | 18.2 |
| Change in the utilization of deferred tax assets on loss carryforwards and tax credits | -125.5 | 13.0 |
| Change in the utilization of deferred tax assets on temporary differences | -160.9 | 43.8 |
| Group profit from investments in joint ventures and associates | -96.7 | 4.6 |
| Other differences | - | - |
| Total income tax | -226.6 | 2.3 |
| Effective tax rate (%) | -39.2 | -0.9 |

The deferred tax expense of €203.6 million in the current financial year (previous year: income of €62.5 million) is mainly the result of a valuation adjustment on deferred tax assets in Germany. The deferred tax expense for Germany amounted to €181.5 million for the whole of 2025. This includes a deferred tax expense of €165.5 million from valuation adjustments and a deferred tax expense of €16.0 million from tax rate-related changes. Outside of Germany, deferred tax assets were recognized in Brazil. The deferred tax expense from this amounted to €4.2 million. The deferred tax income in the previous year in the amount of €30.1 million resulted from previously unrecognized deferred tax assets at the US subsidiaries.

Allocation of deferred taxes

| € million | 2025 | | 2024 | |
|---|---------------------|--------------------------|---------------------|--------------------------|
| | Deferred tax assets | Deferred tax liabilities | Deferred tax assets | Deferred tax liabilities |
| Intangible assets | 4.7 | 15.3 | 8.2 | 19.6 |
| Property, plant and equipment | 46.2 | 45.5 | 72.7 | 38.2 |
| Other financial assets | 2.1 | 19.4 | 8.3 | 12.8 |
| Right-of-use assets | – | 63.9 | – | 68.5 |
| Sundry assets | 55.9 | 20.8 | 128.0 | 21.8 |
| Provisions for pensions | 1.7 | 29.8 | 14.3 | 9.1 |
| Other provisions | 14.3 | 7.0 | 30.0 | 5.2 |
| Lease liabilities | 49.2 | – | 80.4 | – |
| Other liabilities | 48.7 | 32.9 | 105.1 | 38.9 |
| Loss carryforwards/tax credits | 15.1 | – | 13.4 | – |
| Setting off for companies with group taxation | –3.5 | –3.5 | –12.8 | –12.8 |
| Total | 234.4 | 231.1 | 447.6 | 201.3 |
| Setoffs | –210.1 | –210.1 | –177.1 | –177.1 |
| Amount recorded in statement of financial position | 24.3 | 21.0 | 270.5 | 24.2 |

The balance of deferred tax assets and liabilities decreased by €243 million in 2025 (prior year: increase of €27.4 million). Of this amount, €203.6 million was recorded as an expense (prior year: income of €62.5 million), while expense of €39.4 million (prior year: expense of €33.3 million) was recognized directly as changes in the other equity items.

The amounts recognized in other equity items primarily comprise deferred tax expenses from variations in actuarial gains and losses stemming from provisions for pensions in the amount of €33.3 million (prior year: expense of €34.9 million). Other deferred tax expenses not recognized in the income statement result from securities in the amount of €0.4 million (prior year: expense of €1.4 million). Deferred tax expenses not recognized in the income statement results from derivative financial instruments in the amount of €4.6 million (prior year: expense of €3.0 million).

The existing tax loss carryforwards could be utilized over the following periods:

| € million | 2025 | 2024 |
|-------------------------|--------------|--------------|
| Within 1 year | – | – |
| Within 2 years | – | – |
| Within 3 years | 19.6 | – |
| Within 4 years | 0.7 | 24.3 |
| Within 5 years or later | 557.6 | 188.9 |
| Total | 577.9 | 213.2 |

The total loss carryforwards generated amounted to €577.9 million (prior year: €213.2 million). This includes tax losses of €535.5 million (prior year: €165.5 million) that are unlikely to be realized. No deferred taxes were recognized on part of the loss carryforwards. In theory, however, an amount of €128.5 million (prior year: €41.5 million) would be calculated. Of the loss carryforwards that are not realizable for tax purposes, the amount of €486.2 million (prior year: €133.6 million) is unlimited as to time and amount. As of the reporting date, an amount of €19.6 million was limited until December 31, 2028, €0.7 million until December 31, 2029, and €29.7 million until December 31, 2030. There are tax credits of €33.6 million (prior year:

€5.3 million), €29.0 million (prior year: €4.4 million) of which are unlikely to be realized. The tax credits are available for an indefinite period.

In 2025, no loss carryforwards were utilized for which no deferred tax assets had been previously recognized (prior year: €38.0 million). This reduced actual tax expenses by €9.3 million in the previous year. In 2025, valuation allowances of €2.4 million were recognized year over year for deferred taxes on loss carryforwards and tax credits (prior-year valuation allowance: €0.0 million). In 2025, there was no capitalization of loss carryforwards and tax credits (previous year: €6.7 million) that had not previously been recognized.

As of December 31, 2025, deferred tax assets were not recognized for tax-deductible temporary differences in the amount of €821.1 million (prior year: €249.0 million) as they were not considered to be recoverable. The increase is largely due to the non-recognition of temporary differences in Germany. In theory, there would have been deferred tax assets of €214.9 million (prior year: €55.4 million). In 2025, no deferred taxes on temporary differences that had still been impaired in the prior year (prior-year capitalization of €23.4 million) were capitalized.

As of December 31, 2025, deferred tax assets were recognized on temporary differences and tax loss carryforwards in the amount of €24.3 million (prior year: €270.5 million). They were not offset by a corresponding amount of deferred tax liabilities. WACKER assumes that future taxable income will be sufficient to realize these deferred tax assets.

The WACKER Group is covered by the OECD Global Anti-Base Erosion Model Rules for international minimum taxation, known as the Pillar Two rules. In 2023, the EU directive implementing the Pillar Two rules was transposed into German law in the form of the German Minimum Tax Act (*Mindeststeuergesetz*). Its provisions came into force on January 1, 2024, and may increase current income tax expense in the future. Tax effects resulting from the future application of the Pillar Two rules for global minimum taxation were not included when calculating the amounts recognized for deferred tax assets and liabilities.

Some subsidiaries of Wacker Chemie AG in foreign countries have lower tax rates than the rate of 15 percent set out in the Minimum Tax Act. In some countries, foreign subsidiaries also receive temporary tax rebates on investments, and may be subject to minimum taxation. Current income taxes of €0.2 million (previous year: €0.5 million) were incurred in connection with the Global Anti-Base Erosion Rules in 2025. The tax expense is included in the tax reconciliation under "Tax rate divergences".

05 Intangible assets and property, plant and equipment

Intangible assets

| € million | Goodwill | Customer base | Technology | Other intangible assets ¹ | Intangible assets |
|--|----------|---------------|------------|--------------------------------------|-------------------|
| 2025 | | | | | |
| Balance as of Jan. 1, 2025 | 172.2 | 161.6 | 71.8 | 170.8 | 576.4 |
| Additions | – | – | – | 14.3 | 14.3 |
| Disposals | – | – | – | –35.9 | –35.9 |
| Transfers | – | – | – | 2.6 | 2.6 |
| Changes in the scope of consolidation | – | – | – | – | – |
| Exchange-rate differences | –6.6 | –6.7 | –3.8 | –4.4 | –21.5 |
| Gross carrying amount as of Dec. 31, 2025 | 165.6 | 154.9 | 68.0 | 147.4 | 535.9 |
| Cumulative depreciation/amortization and impairments | –89.9 | –111.5 | –40.6 | –56.2 | –298.2 |
| Changes in the scope of consolidation | – | – | – | – | – |
| Carrying amount as of Dec. 31, 2025 | 75.7 | 43.4 | 27.4 | 91.2 | 237.7 |
| Depreciation/amortization | – | –8.5 | –5.1 | –6.5 | –20.1 |
| Impairment losses | –89.1 | – | – | – | –89.1 |
| 2024 | | | | | |
| Balance as of Jan. 1, 2024 | 168.3 | 157.4 | 65.5 | 142.8 | 534.0 |
| Additions | – | – | – | 45.8 | 45.8 |
| Disposals | – | –1.6 | – | –25.7 | –27.3 |
| Transfers | – | – | – | 6.8 | 6.8 |
| Changes in the scope of consolidation | 0.8 | 4.1 | 4.3 | – | 9.2 |
| Exchange-rate differences | 3.1 | 1.7 | 2.0 | 1.1 | 7.9 |
| Gross carrying amount as of Dec. 31, 2024 | 172.2 | 161.6 | 71.8 | 170.8 | 576.4 |
| Cumulative depreciation/amortization and impairments | –0.8 | –105.7 | –37.1 | –56.1 | –199.7 |
| Changes in the scope of consolidation | – | – | – | – | – |
| Carrying amount as of Dec. 31, 2024 | 171.4 | 55.9 | 34.7 | 114.7 | 376.7 |
| Depreciation/amortization | – | –9.0 | –4.8 | –7.8 | –21.6 |
| Impairment losses | –0.8 | –1.2 | –3.7 | –2.5 | –8.2 |

¹ Due to a change in accounting policy, emission certificates are presented under intangible assets (€66.5 million; prior year: €88.1 million). Previously, they were presented under inventories. Further details can be found in the section "Change in accounting policies".

Intangible assets include industrial property rights, software and similar rights, and other assets that are acquired against payment. These are initially recognized at cost and have useful lives of between three and five years. Business combinations lead to the purchase of technologies, customer bases and other assets, which are amortized over a period of three to 15 years. Any resulting goodwill is not amortized and is subject to annual impairment testing at the level of the cash-generating unit (CGU).

In 2025, an impairment loss on goodwill in the BioIngredients CGU amounted to €89.1 million. The impairment was due to the fact that customer demand fell short of expectations. As a result, the sales and earnings growth forecasts were adjusted. The recoverable amount of the CGU was determined on the basis of the value in use and amounted to €148 million. This was offset by a carrying amount of the CGU of €236 million. For reasons of simplification and materiality assessment, the entire goodwill of the CGU was written down. The calculation is based on a discount rate of 8 percent and a long-term growth rate of 2 percent. The impairment was recognized in the Biosolutions segment.

The annual goodwill impairment tests took place in the fourth quarter of 2025. The impairment test takes into account both the capital structure and the beta coefficient of the respective peer group as well as the average tax rate of each cash-generating unit. A weighted post-tax cost of capital was used for impairment testing.

The recoverable amounts for the BioPharma CGU, the BioIngredients CGU and the SICO Performance Material CGU were determined by applying the value in use for each CGU. The value in use was calculated on the basis of planning figures approved by management and the cash flows derived therefrom for the next five to seven years. For the time period thereafter, a terminal value is calculated by extrapolating the last detailed planning year as a perpetual annuity. Planning is based on experience, current business performance and management's best possible estimate of future development of specific influencing factors, e.g. sales, raw-material and energy prices, profit margins and capital expenditures, all of which were used to calculate projected EBITDA and related EBITDA margins. Macroeconomic and industry-specific sources are consulted when making assumptions about the market and market growth in the relevant customer sectors. The value in use of the BioPharma business unit was calculated taking into account the dynamic market environment, especially the high margins in the first few years of planning due to the pandemic preparedness plan for the company in Germany. This is the reason for the extended planning horizon of seven years before the terminal value was determined.

The impairment tests for the BioPharma CGU and SICO Performance CGU did not reveal any indications of impairment. The goodwill of the BioIngredients CGU was written off in full due to significantly reduced planning assumptions.

After the recoverable amounts were calculated for the cash-generating units, none of the possible divergences from key assumptions for the BioPharma CGU were expected to cause the units' carrying amounts to exceed their respective recoverable amounts. Key assumptions include EBITDA and the discount rate. Values would not be impaired even if EBITDA were to vary by ten percent over the planning period, or the weighted cost of capital by one percent. If the EBITDA of the BioIngredients CGU were to be reduced by 10%, this would result in a further write-down of €32 million. A change in the discount rate of 1 percent would result in a further write-down of €27 million. The SICO Performance Materials CGU had headroom of around €6 million as at the measurement date. An average EBITDA return of 20 percent was taken into account. A 10 percent reduction in EBITDA would lead to an impairment of €3 million. A change in the discount rate of 1 percent would result in a devaluation of €9 million.

Goodwill of the cash-generating units

| € million | 2025 | | | 2024 | | |
|---|-------------|---|----------------|--------------|---|----------------|
| | Goodwill | Weighted post-tax cost-of-capital ratio % | Growth rates % | Goodwill | Weighted post-tax cost-of-capital ratio % | Growth rates % |
| Cash-generating unit | | | | | | |
| BioPharma Business Unit | 16.5 | 7.6 | 2.0 | 18.5 | 7.9 | 2.0 |
| SICO Performance Material (Shandong) Co., Ltd., Jining, China | 59.2 | 9.8 | 2.0 | 63.8 | 11.3 | 2.0 |
| BioIngredients Business Unit | – | 8.0 | 2.0 | 89.1 | 9.0 | 2.0 |
| Goodwill as of Dec. 31 | 75.7 | | | 171.4 | | |

The weighted cost of capital before taxes was 9.3 percent for the BioPharma CGU (prior year: 9.9 percent), 11.7 percent for the SICO Performance Material CGU (prior year: 13.4 percent) and 9.9 percent for the BioIngredients CGU (prior year: 10.8 percent).

Property, plant and equipment

| € million | Land, buildings and similar rights | Technical equipment and machinery | Other equipment, factory and office equipment | Assets under construction | Property, plant and equipment |
|--|--|--|--|------------------------------|-------------------------------------|
| 2025 | | | | | |
| Balance as of Jan. 1, 2025 | 2,005.4 | 9,746.9 | 723.8 | 738.2 | 13,214.3 |
| Additions | 48.4 | 174.7 | 22.5 | 206.0 | 451.6 |
| Disposals | -2.3 | -23.0 | -13.7 | -2.9 | -41.9 |
| Transfers | 100.1 | 389.7 | -4.1 | -488.3 | -2.6 |
| Changes in the scope of consolidation | - | - | - | 0.2 | 0.2 |
| Exchange-rate differences | -98.9 | -339.4 | -10.6 | -21.2 | -470.1 |
| Gross carrying amount as of Dec. 31, 2025 | 2,052.7 | 9,948.9 | 717.9 | 432.0 | 13,151.5 |
| Cumulative depreciation/amortization and impairments | -1,211.2 | -8,140.1 | -594.1 | -6.8 | -9,952.2 |
| Changes in the scope of consolidation | - | - | - | - | - |
| Carrying amount as of Dec. 31, 2025 | 841.5 | 1,808.8 | 123.8 | 425.2 | 3,199.3 |
| Depreciation/amortization | -50.3 | -349.8 | -37.8 | - | -437.9 |
| Impairment losses | -0.3 | -7.7 | - | -5.2 | -13.2 |
| 2024 | | | | | |
| Balance as of Jan. 1, 2024 | 1,821.2 | 9,085.7 | 674.6 | 863.7 | 12,445.2 |
| Additions | 52.5 | 211.6 | 42.4 | 357.1 | 663.6 |
| Disposals | -4.1 | -61.1 | -27.0 | -2.0 | -94.2 |
| Transfers | 97.1 | 352.4 | 30.1 | -486.4 | -6.8 |
| Changes in the scope of consolidation | 1.3 | 4.6 | 0.2 | 0.4 | 6.5 |
| Exchange-rate differences | 37.4 | 153.7 | 3.5 | 5.4 | 200.0 |
| Gross carrying amount as of Dec. 31, 2024 | 2,005.4 | 9,746.9 | 723.8 | 738.2 | 13,214.3 |
| Cumulative depreciation/amortization and impairments | -1,220.2 | -8,084.2 | -584.8 | -1.8 | -9,891.0 |
| Changes in the scope of consolidation | - | - | - | - | - |
| Carrying amount as of Dec. 31, 2024 | 785.2 | 1,662.7 | 139.0 | 736.4 | 3,323.3 |
| Depreciation/amortization | -46.3 | -316.1 | -35.7 | - | -398.1 |
| Impairment losses | - | - | - | -1.8 | -1.8 |

In 2025, the acquisition costs for property, plant and equipment were reduced by investment grants of €0.3 million (previous year: €11.3 million).

In the reporting year, borrowing costs of €2.5 million (prior year: €6.7 million) were capitalized as part of the acquisition or construction costs of qualifying assets. The average financing cost rate was 3.4 percent (prior year: 3.2 percent).

06 Leases

Right-of-use assets

The following table shows assets that are accounted for as right-of-use assets under lease agreements:

| € million | Land and buildings | Technical equipment and machinery | Other equipment, factory and office equipment | Right-of-use assets |
|---|--------------------|--------------------------------------|---|---------------------|
| 2025 | | | | |
| Balance as of Jan. 1, 2025 | 382.9 | 32.2 | 40.0 | 455.1 |
| Additions | 22.7 | 3.0 | 22.5 | 48.2 |
| Disposals | -22.0 | -0.6 | -6.2 | -28.8 |
| Transfers | - | - | - | - |
| Changes in the scope of consolidation | - | - | - | - |
| Exchange-rate differences | -12.6 | -3.1 | -0.1 | -15.8 |
| Gross carrying amount as of Dec. 31, 2025 | 371.0 | 31.5 | 56.2 | 458.7 |
| Cumulative depreciation/amortization and impairments | -137.6 | -25.6 | -24.7 | -187.9 |
| Changes in the scope of consolidation | - | - | - | - |
| Carrying amount as of Dec. 31, 2025 | 233.4 | 5.9 | 31.5 | 270.8 |
| Depreciation/amortization | -29.6 | -2.3 | -12.2 | -44.1 |
| Impairment losses | - | - | - | - |
| 2024 | | | | |
| Balance as of Jan. 1, 2024 | 306.6 | 80.1 | 50.3 | 437.0 |
| Additions | 73.3 | 1.5 | 8.2 | 83.0 |
| Disposals | -6.5 | -50.9 | -19.9 | -77.3 |
| Transfers | - | - | - | - |
| Changes in the scope of consolidation | 1.3 | - | - | 1.3 |
| Exchange-rate differences | 8.2 | 1.5 | 1.4 | 11.1 |
| Gross carrying amount as of Dec. 31, 2024 | 382.9 | 32.2 | 40.0 | 455.1 |
| Cumulative depreciation/amortization and impairments | -135.9 | -26.5 | -19.5 | -181.9 |
| Changes in the scope of consolidation | - | - | - | - |
| Carrying amount as of Dec. 31, 2024 | 247.0 | 5.7 | 20.5 | 273.2 |
| Depreciation/amortization | -29.9 | -2.3 | -9.1 | -41.3 |
| Impairment losses | - | - | - | - |

As regards land and buildings, WACKER rents properties, including office space and storage areas. Right-of-use assets for technical machinery and other equipment mainly concern rented operating equipment and infrastructure facilities. Rented factory and office equipment includes vehicles and transportation equipment such as tanks and railcars. Longer-term rental agreements exist, especially for property and operating equipment.

Leases may contain extension and termination options. Lease provisions are individually negotiated and contain a wide range of different terms and conditions. Extension options can result in future cash outflows. As of the reporting date, material extension options existed in the amount of €178 million that were not recognized in the statement of financial position. In connection with the rental of administration buildings, storage areas and production buildings, WACKER will recognize obligations of €2 million annually from 2025 onwards under leases that are yet to commence.

As in the previous year, WACKER made no lease prepayments

Lease liabilities

| € million | 2025 | | | 2024 | | |
|-------------------|-------|---------------------|------------------|-------|---------------------|------------------|
| | Total | Of which noncurrent | Of which current | Total | Of which noncurrent | Of which current |
| Lease liabilities | 323.0 | 276.9 | 46.1 | 330.7 | 289.9 | 40.8 |

In 2025, lease liabilities of €34.5 million were repaid (prior year: €35.9 million) and lease-related interest of €11.2 million was paid (prior year: €10.6 million) (see also Note 21, Notes to the statement of cash flows).

As of the reporting date, future cash outflows totaled €385.9 million (prior year: €404.3 million). The following schedule for lease payments applies.

| € million | 2025 | 2024 |
|--------------------------------------|---------------|---------------|
| Lease payment within 1 year | -50.3 | -44.4 |
| Lease payment between 1 and 5 years | -146.6 | -134.6 |
| Lease payment over more than 5 years | -189.0 | -225.3 |
| Total | -385.9 | -404.3 |

Income and expenses from leases

The statement of income includes the following expenses and income in relation to leases:

| € million | 2025 | 2024 |
|---|-------|-------|
| Sales | | |
| Income from operating leases | - | - |
| Income from subleases | 3.2 | 1.3 |
| Income from sale and leaseback transactions | - | - |
| Functional costs | | |
| Expenses from short-term leases | -12.5 | -11.7 |
| Expenses from leases of low-value assets | -6.1 | -6.0 |
| Expenses from variable lease payments | - | - |
| Other expenses from leases (incidental costs) | - | - |
| Amortization | | |
| Amortization of right-of-use assets | -44.1 | -41.3 |
| Impairments of right-of-use assets | - | - |
| Financial result | | |
| Interest expenses from lease liabilities | -11.2 | -10.6 |
| Income from foreign currency translation of lease liabilities | - | - |
| Expenses from foreign currency translation of lease liabilities | - | - |

WACKER as the lessor

WACKER acts as a lessor in connection with the sublease for its Munich headquarters. These leases are recognized as operating leases. WACKER bears the rental risk for the rented premises. In the reporting year, income from these leases amounted to €3.2 million (previous year: €1.3 million). Lease payments of €2.4 million are expected in the following year (previous year: €2.4 million), with €6.1 million (previous year: €8.2 million) expected for the years 2027 to 2030 and €0.8 million (previous year: €0.8 million) after 2030.

07 Investment property

Wacker Chemie AG owns real estate at its production site in Cologne, Germany. This comprises land and infrastructure facilities (for energy, wastewater, etc.). The land is rented out or leased on a long-term basis. These properties and the associated infrastructure are operated, maintained and looked after by third parties, who charge any costs incurred directly to the tenants or leaseholders. WACKER has undertaken to carry out future maintenance measures to the extent necessary in the next few years. WACKER has also concluded a sublease for parts of its headquarters in Munich.

| € million | 2025 | 2024 |
|--|-------------|-------------|
| Jan. 1 | 42.8 | 11.2 |
| Additions | 0.5 | 31.6 |
| Disposals | -6.0 | - |
| Gross carrying amount as of Dec. 31 | 37.3 | 42.8 |
| Cumulative amortization | -11.8 | -11.5 |
| Of which depreciation/amortization | -2.0 | -1.7 |
| Carrying amount as of Dec. 31 | 25.5 | 31.3 |
| Fair value | 41.7 | 47.3 |
| Rental income | 2.7 | 0.9 |
| Costs | -2.7 | -1.3 |

The fair value of property at the production site in Cologne is based on an appraisal by an external expert and is updated periodically, most recently in 2022. The fair value was calculated as the market value based on the potential proceeds from liquidation of the business. Investment property measured at fair value is allocated to Level 2 of the fair value hierarchy. The residual carrying amount relates to the land. No changes have been made to the valuation process since the previous valuation date. The fair value of the right-of-use asset corresponds to the pro rata carrying amount of this right of use, since a market-based rent is generated.

08 Investments in associates accounted for using the equity method

The Group applies the equity method to account for associates. One major investment accounted for using the equity method is Siltronic AG, including its subsidiaries.

The Siltronic Group is one of the world's leading producers of silicon wafers for the semiconductor industry. WACKER supplies Siltronic with polysilicon, the key base material for producing silicon wafers.

Material investments in associates

| Company's name and registered office: Siltronic AG, Munich, Germany, and its subsidiaries | 2025 | 2024 |
|---|-----------|-----------|
| Ownership interest (%) | 30.83 | 30.83 |
| Proportion of voting rights (%) | 30.83 | 30.83 |
| Total non-controlling interests (units) | 9,250,000 | 9,250,000 |
| Xetra closing price at year-end (€) | 48.9 | 46.5 |
| Market capitalization of shares (€ million) | 452.3 | 430.1 |
| Dividends received (€ million) | 1.9 | 11.1 |

Summarized financial information on Siltronic AG and its subsidiaries¹ on a 100-percent basis

| € million | 2025 | 2024 |
|--|----------------|----------------|
| Current assets | 1,026.0 | 1,198.1 |
| Noncurrent assets excluding goodwill | 3,794.1 | 3,975.2 |
| Current liabilities | 509.5 | 570.3 |
| Noncurrent liabilities | 2,245.8 | 2,327.4 |
| Net assets (100%) | 2,064.8 | 2,275.6 |
| Less share of non-controlling interests | -186.3 | -208.8 |
| Group's share of net assets | 579.2 | 637.3 |
| Elimination of unrealized interim profits and losses | - | - |
| Goodwill | 245.7 | 245.7 |
| Impairment | -307.8 | - |
| Carrying amount of share in associate | 517.1 | 883.0 |
| Sales | 1,346.7 | 1,412.8 |
| Group net income for the year | -93.2 | 41.1 |
| Other comprehensive income | -91.5 | 79.3 |
| Total | -184.7 | 120.4 |

¹ Consolidated financial statements of Siltronic AG in accordance with IFRS

Reconciliation of the equity carrying amount of Siltronic AG

| € million | 2025 | 2024 |
|--|---------------|--------------|
| Carrying amount of equity-accounted investments | | |
| At the beginning of the year | 883.0 | 857.4 |
| Pro rata net income for the year | -28.7 | 12.7 |
| Impairment losses | -307.8 | - |
| Other changes recognized in profit or loss | - | -0.3 |
| Change recognized in profit or loss | -336.5 | 12.4 |
| Dividends | -1.8 | -11.1 |
| Change in other equity | -27.5 | 24.3 |
| At the end of the year | 517.2 | 883.0 |

As of December 31, 2025, the amount of the equity-accounted book value in Siltronic AG was written down by €307.8 million. The impairment loss was recognized under investments in associates and allocated to the Other segment.

As part of the impairment test, the company valuation performed showed a recoverable amount that was below the carrying amount of the investment. The value in use determined within the scope of a valuation was applied as the recoverable amount; this value corresponded to €55.91/share and was hence above the share price as at the reporting date, which amounted to €48.90/share. A discount rate of 9.97 percent was used in the perpetual annuity. An increase in the share price of €1 above €55.91/share would result in an increase in the carrying amount of €9.3 million.

Taken individually, the remaining associates are not material to the Group's earnings, net assets or financial position. The following table shows the reporting-period change in the total carrying amounts of investments:

Summarized pro rata financial information for associates that are immaterial individually

| € million | 2025 | 2024 |
|--|-------------|-------------|
| Carrying amount of equity-accounted investments | | |
| At the beginning of the year | 92.7 | 92.4 |
| Pro rata net income for the year | 2.3 | 3.0 |
| Share of change in other equity | -7.0 | 3.3 |
| Overall result of the companies | -4.7 | 6.3 |
| Disposal/dilution | - | - |
| Impairment loss reversal of equity-accounted investments | - | - |
| Dividends | -6.0 | -6.0 |
| At the end of the year | 82.0 | 92.7 |

Differences between the pro rata profit for the period and the profit from investments in associates, as well as between the pro rata equity and the carrying amount of equity-accounted investments, are due primarily to fair value adjustments and consolidation measures.

The following shows the key figures for companies accounted for using the equity method:

| € million | 2025 | | 2024 | |
|-----------------------------------|---------------|------------------------|--------------|------------------------|
| | Total | Attributable to WACKER | Total | Attributable to WACKER |
| Key figures for associates | | | | |
| Net income for the year | -85.6 | -26.9 | 53.5 | 15.8 |
| Other comprehensive income | -145.1 | -43.1 | 69.5 | 20.7 |
| Total | -230.7 | -70.0 | 123.0 | 36.5 |

09 Inventories

| € million | 2025 | 2024 |
|--|----------------|----------------|
| Raw materials and supplies | 471.0 | 558.9 |
| Unfinished and finished products, merchandise | 968.1 | 1,148.4 |
| Services not charged | 0.2 | 0.1 |
| Total¹ | 1,439.3 | 1,707.4 |
| Of which recorded at net realizable value if lower | 292.2 | 234.8 |

¹ Due to a change in accounting policy, emission certificates are presented under intangible assets (€66.5 million; prior year: €88.1 million). Previously, they were presented under inventories. Further details can be found in the section "Change in accounting policies".

Cost of goods sold includes inventory expenses totaling €4.8 billion (prior year: €4.7 billion). Impairment losses recognized as an expense increased by €38.7 million in the reporting period. In the previous year, there was an increase of €37.6 million.

10 Financial and non-financial assets / receivables

Trade receivables mainly comprise receivables from contracts with customers.

Receivables are shown at amortized cost, which corresponds to their market value. Adequate loss allowances have been established to cover default risks, to the extent that these are not covered by insurance, bank guarantees or advance payments received.

WACKER takes the simplified approach when calculating loss allowances for trade receivables in accordance with IFRS 9. Under this approach, the loss allowance is determined immediately upon origination on the basis of the lifetime expected credit losses. Further changes in the credit risk (expected credit loss, ECL) do not need to be tracked. The expected credit losses are determined using an impairment matrix, which defines fixed default rates per past-due category on the basis of the risk classes of the past-due receivables.

Financial and non-financial assets / receivables

| € million | 2025 | | | 2024 | | |
|--------------------------------------|--------------|---------------------|------------------|--------------|---------------------|------------------|
| | Total | Of which noncurrent | Of which current | Total | Of which noncurrent | Of which current |
| Trade receivables | 689.0 | – | 689.0 | 764.6 | – | 764.6 |
| Investments | 27.2 | 27.2 | – | 26.5 | 26.5 | – |
| Loans to associates | – | – | – | 16.0 | 15.5 | 0.5 |
| Receivables from associates | 14.8 | – | 14.8 | 1.2 | – | 1.2 |
| Loan and interest receivables | 1.9 | – | 1.9 | 1.4 | – | 1.4 |
| Derivative financial instruments | 58.9 | 46.2 | 12.7 | 43.6 | 34.1 | 9.5 |
| Receivables from suppliers | 42.0 | – | 42.0 | 25.8 | – | 25.8 |
| Deposits | 4.2 | 4.0 | 0.2 | 3.7 | 2.7 | 1.0 |
| Restricted cash and cash equivalents | 0.1 | – | 0.1 | 0.1 | – | 0.1 |
| Sundry assets | 5.9 | 0.3 | 5.6 | 4.7 | 0.4 | 4.3 |
| Other financial assets | 155.0 | 77.7 | 77.3 | 123.0 | 79.2 | 43.8 |
| Prepaid expenses | 25.3 | 1.0 | 24.3 | 31.3 | 0.7 | 30.6 |
| Plan assets | 46.8 | 41.8 | 5.0 | 73.3 | 63.3 | 10.0 |
| Advance payments made | 30.3 | 0.2 | 30.1 | 11.3 | 0.5 | 10.8 |
| Other tax receivables | 87.2 | – | 87.2 | 117.9 | 6.0 | 111.9 |
| Sundry assets | 26.1 | – | 26.1 | 30.5 | – | 30.5 |
| Other non-financial assets | 215.7 | 43.0 | 172.7 | 264.3 | 70.5 | 193.8 |
| Income tax receivables | 32.3 | – | 32.3 | 43.3 | – | 43.3 |

The following table shows a breakdown of loss allowances and expected loss rates for trade receivables:

Development of past-due trade receivables as of Dec. 31, 2025

| € million | Carrying amount | Loss allowance | Expected loss rate (%) |
|-----------------------------------|-----------------|----------------|------------------------|
| Not past due | 624.4 | –5.4 | –0.86 |
| Up to 30 days past due | 59.5 | –0.9 | –1.51 |
| 31 to 60 days past due | 6.3 | –0.2 | –3.17 |
| 61 to 90 days past due | 1.0 | –0.1 | –10.00 |
| Individually impaired receivables | 10.2 | –5.8 | – |
| Total as of Dec. 31, 2025 | 701.4 | –12.4 | –1.77 |

Development of past-due trade receivables as of Dec. 31, 2024

| € million | Carrying amount | Loss allowance | Expected loss rate (%) |
|-----------------------------------|-----------------|----------------|------------------------|
| Not past due | 692.2 | -5.3 | -0.77 |
| Up to 30 days past due | 59.0 | -0.9 | -1.53 |
| 31 to 60 days past due | 11.0 | -0.3 | -2.73 |
| 61 to 90 days past due | 3.1 | -0.1 | -3.23 |
| Individually impaired receivables | 15.2 | -9.3 | - |
| Total as of Dec.31, 2024 | 780.5 | -15.9 | -2.04 |

The lifetime expected credit losses reflect all possible loss events that could occur until the expected maturity of the financial asset. WACKER determines the expected credit losses by looking at the default risk over the entire contract term during which the Group is exposed to the credit risk.

WACKER applies three key parameters to assess the expected credit loss for noncurrent and current interest-bearing receivables (loans and fixed-interest securities): the probability of default (PD), the loss given default (LGD) and the estimated exposure at default (EAD). In the case of loans and fixed-interest securities, WACKER determines a loss allowance equivalent to the 12-month expected credit losses, as the former are financial instruments with a low credit risk.

Valuation allowances and past-due debts developed as follows:

Development of loss allowances for trade receivables

| € million | 2025 | 2024 |
|---|-------------|-------------|
| As of Jan. 1 (as per IFRS 9) | 15.9 | 22.7 |
| Increase/decrease in loss allowances recognized in profit or loss | -3.5 | -6.6 |
| Receivables impaired as uncollectible | - | - |
| Change in scope of consolidation | - | - |
| Exchange-rate differences | - | -0.2 |
| As of Dec. 31 | 12.4 | 15.9 |

The loss allowances relate exclusively to revenue from contracts with customers. There was no material credit risk as of December 31, 2025.

We continuously monitor the creditworthiness of our debtors to assess the recoverability of the corresponding receivables; where appropriate, we take out credit default insurance. In addition, customers make advance payments and provide bank guarantees. The maximum default risk is equal to the carrying amount of the uninsured receivables. No loans or receivables were renegotiated to prevent an overdue debt or possible loss allowances. Based on past experience and on the conditions prevailing as of the reporting date, there are no restrictions with regard to credit quality.

11 Cash and cash equivalents / securities / liquidity

| € million | 2025 | 2024 |
|---|----------------|---------|
| Securities and fixed-term deposits¹ | 379.2 | 209.4 |
| Of which current | 379.2 | 167.6 |
| Of which noncurrent | – | 41.8 |
| Cash and cash equivalents | 1,103.7 | 1,046.7 |
| Cash equivalents | 637.3 | 559.6 |
| Bank deposits, cash on hand | 466.4 | 487.1 |
| Total liquidity | 1,482.9 | 1,256.1 |

¹ This item mainly comprises funds, bonds and fixed-term deposits of various issuers. See Note 20, Financial Instruments, for how these securities are assigned to the categories given in IFRS 9.

Bank deposits and cash on hand are shown at their nominal amounts. Cash equivalents comprise fixed-term deposits and commercial paper (from issuers with first-class credit standing) classified as “held to collect, amortized cost.” The general impairment model is applied to bank deposits and fixed-term deposits. These are classified as financial instruments with a low value risk, given that WACKER enters into banking relationships only with investment-grade counterparties. In the case of banks covered by Germany’s Deposit Protection Fund, no impairments are determined as these deposits are secured via the Fund. None of WACKER’s cash funds are subject to currency export restrictions. As part of its move to establish an internal reinsurance company, WACKER made a commitment to pay €25 million to cover the risks assumed by the insurance company and paid this amount into the company. The means of payment are not subject to any restrictions on disposal.

Securities include fixed-term deposits assigned to the “held-to-collect and for sale” category. The IFRS 9 impairment model is applied to these financial instruments as well. As WACKER’s investment regulation states that the company may purchase only investment-grade securities, the impairment risk is low. Fund shares assigned to the “trading / FVTPL” category are not covered by the IFRS 9 impairment model.

12 Equity / non-controlling interests / capital structure management

The subscribed capital (capital stock) of Wacker Chemie AG amounts to €260,763,000 and comprises 52,152,600 no-par-value shares (total). This corresponds to a notional par value of €5 per share. All of the shares are common shares; no other share classes have been issued. As of the reporting date, no capital had been authorized for the issue of new shares. The Executive Board is authorized – in compliance with the provisions of Section 71 (1) No. 8 of the German Stock Corporation Act – to acquire treasury shares totaling a maximum of 10 percent of the capital stock.

The following table shows the development in the year under review and in the prior year:

| Units | 2025 | 2024 |
|--|-------------------|-------------------|
| Shares outstanding at the start of the year | 49,677,983 | 49,677,983 |
| Shares outstanding at the end of the year | 49,677,983 | 49,677,983 |
| Treasury shares in portfolio | 2,474,617 | 2,474,617 |
| Total shares | 52,152,600 | 52,152,600 |

For more information on Wacker Chemie AG's shareholder structure, please refer to the "Related party disclosures" section.

» See Note 24

Capital reserves include the amounts generated in previous years through the issue of shares above their nominal values, as well as other contributions made to equity and share-based payments.

Retained earnings include: the amounts of accrued reserves generated at Wacker Chemie AG in previous years; transfers from the Group's earnings for the year; the earnings of the consolidated companies less amounts due to non-controlling interests; changes to consolidated items affecting income; and changes in the scope of consolidation.

Other equity items include the differences arising from currency translation of the financial statements of foreign subsidiaries using reporting currencies other than the euro, and the effects of the measurement of financial instruments, cash flow hedge accounting, pensions and effects of net investments in foreign operations.

Disclosure of non-controlling interests

Information on each subsidiary of the Group with non-controlling interests before intra-Group eliminations:

| € million | Wacker Asahi Kasei Silicone Co. Ltd. | Wacker Metroark Chemicals Pvt. Ltd. | Wacker Chemicals Fumed Silica (ZJG) Holding Co. | SICO Performance Material (Shandong) Co. Ltd. |
|--|---|--|---|---|
| 2025 | | | | |
| Percentage of non-controlling interests | 50% | 49% | 49% | 40% |
| Noncurrent assets | 19.3 | 26.8 | 35.7 | 131.4 |
| Current assets | 27.7 | 109.3 | 43.9 | 58.2 |
| Noncurrent liabilities | -4.5 | -0.8 | - | -16.3 |
| Current liabilities | -30.7 | -21.9 | -10.2 | -21.6 |
| Net assets (100%) | 11.8 | 113.4 | 69.4 | 151.7 |
| Net assets of non-controlling interests | 5.9 | 55.6 | 34.0 | 60.7 |
| Sales (100%) | 60.5 | 170.9 | 68.7 | 90.1 |
| Net income for the year (100%) | 1.1 | 27.8 | 6.2 | -2.3 |
| Other comprehensive income (100%) | -1.4 | -21.2 | -5.0 | -20.7 |
| Total comprehensive income | -0.3 | 6.6 | 1.2 | -23.0 |
| Net income for the year attributable to non-controlling interests | 0.6 | 13.6 | 3.0 | -0.9 |
| Dividends for the year attributable to non-controlling interests | - | 12.5 | - | - |
| Cashflow (100%) | | | | |
| Cash flows from operational activities | 5.4 | 40.0 | 13.1 | 14.3 |
| Cash flows from investing activities | -5.4 | -12.9 | -3.7 | -11.3 |
| 2024 | | | | |
| Percentage of non-controlling interests | 50% | 49% | 49% | 40% |
| Noncurrent assets | 18.8 | 28.5 | 38.2 | 144.5 |
| Current assets | 34.6 | 133.6 | 38.2 | 63.7 |
| Noncurrent liabilities | -8.9 | -1.2 | - | -20.0 |
| Current liabilities | -32.3 | -28.4 | -14.4 | -22.3 |
| Net assets | 12.2 | 132.5 | 62.0 | 165.9 |
| Net assets of non-controlling interests | 6.1 | 64.9 | 30.4 | 66.4 |
| Sales | 60.9 | 201.2 | 67.3 | 100.0 |
| Net income for the year | 2.2 | 33.1 | 4.9 | - |
| Other comprehensive income | -0.5 | 4.1 | 1.8 | 9.2 |
| Total comprehensive income | 1.7 | 37.2 | 6.7 | 9.2 |
| Net income for the year attributable to non-controlling interests | 1.1 | 16.2 | 2.4 | - |
| Dividends for the year attributable to non-controlling interests | 1.2 | 18.7 | - | - |
| Cashflow (100%) | | | | |
| Cash flows from operational activities | 5.4 | 31.4 | 13.5 | -11.0 |
| Cash flows from investing activities | -9.6 | -22.7 | -13.9 | -13.3 |

For further information on individual companies, please refer to the "Breakdown of shareholdings" section.

» See Note 23

Information on capital structure management

The goal of the WACKER Group's capital structure management policy is to ensure that the company remains a going concern in the long term and to generate an appropriate return on capital employed for the company's shareholders. The capital structure management instruments employed to achieve this goal include dividend payments to shareholders and stock buybacks.

In managing the structure of its capital, Wacker Chemie AG complies with the legal stipulations on capital maintenance. The company's Articles of Association contain no requirements regarding capital. No special capital terminology is used. The Group's general dividend policy is to distribute about 50 percent of Group net income to shareholders, provided the business situation permits and the committees responsible agree.

Above and beyond this, WACKER actively manages its debt capital; this is aimed at achieving a balanced financing portfolio, diversified maturities profile and ample liquidity reserves as well as optimizing its cost of capital. WACKER raises funds by taking out long-term loans. In accordance with our policy of value-based management, net financial debt functions as a supplementary financial performance indicator.

» See the "Management processes and financial position" section of the Group management report.

As of the reporting date, the WACKER Group's capital structure was as follows:

Capital structure

| € million | 2025 | 2024 |
|--|----------------|----------------|
| Equity attributable to Wacker Chemie AG shareholders | 3,599.4 | 4,669.2 |
| Share of total capital (%) | 60.3 | 70.6 |
| Noncurrent financing liabilities | 2,206.8 | 1,725.5 |
| Current financing liabilities | 161.8 | 221.2 |
| Total | 2,368.6 | 1,946.7 |
| Share of total capital (%) | 39.7 | 29.4 |
| Total capital | 5,968.0 | 6,615.9 |

13 Provisions for pensions

Various post-employment pension plans are available to WACKER Group employees. They depend on the legal, economic and fiscal conditions prevailing in the respective countries. These pension plans generally take account of the employees' length of service and salary levels.

Company pension plans are either defined contribution or defined benefit plans. Defined contribution plans lead to no further obligation for the company beyond paying contributions to special-purpose funds. WACKER has both defined contribution and defined benefit plans, some of which are financed via the pension fund Pensionskasse der Wacker Chemie VVaG, funds or contractual trust arrangements (CTAs). Pension obligations result from defined benefit plans in the form of entitlements to future pensions and ongoing payments for eligible active and former employees of the WACKER Group and their surviving dependents. The various pension plans generally guarantee employees either a life-long pension on the basis of their average salary during employment at WACKER or lump-sum payments.

Pension entitlements in Germany are protected against insolvency by the pension guarantee fund (Pensionssicherungsverein a.G.). This insolvency insurance is capped.

The Group maintains the following retirement benefit plans:

Retirement benefits supplied by the company pension fund (defined benefit plan)

Employees at Wacker Chemie AG and other German Group companies are granted a basic pension model via Pensionskasse der Wacker Chemie VVaG, a legally independent German pension fund. The pension fund is financed by member and company contributions. The promised benefits include retirement, disability and surviving dependents' benefits.

The pension fund is a small mutual insurance company within the meaning of Section 210 of the German Insurance Supervision Act and is regulated by Section 233 (1) of that act. It is thus subject to the regulations that apply to German insurers and is monitored by the Federal Financial Supervisory Authority (BaFin). Statutory minimum financing obligations apply.

Employees who joined the pension plan before the end of 2004 receive guaranteed payments based on a defined benefit amount, which must be taken into consideration when determining pension obligations. The pension paid out does not depend on the employee's age when contributions are paid, nor on the interest generated from assets. A new basic-pension model applies to employees who joined the pension fund after 2004 and before 2022. Under that model, the benefits are based on guaranteed interest rates and the benefit amount depends on the age at which the employee pays contributions. Annual profit shares can increase the future payment.

In addition, employees in Germany may make voluntary payments to the "PK+" supplementary insurance fund of Pensionskasse der Wacker Chemie VVaG. These contributions are made primarily as voluntary payments to the supplementary insurance fund as part of the pension provision under the collective agreements, namely based on the collective agreement on one-off payments and pension provision, and the collective agreement on working life and demography.

Retirement benefit obligations of the WACKER Group (defined benefit plan)

In addition to the pension fund commitments, employees in Germany receive direct commitments in the form of a supplementary pension. The supplementary pension covers that part of an employee's salary that exceeds the pension insurance contribution assessment ceiling. Employees who joined the company before the end of 2004 – and their surviving dependents – are entitled to receive a pension. The amount of that pension depends on the average salary earned during the period of employment with WACKER. In the case of employees who joined the company between 2005 and the end of 2021, WACKER contributes a percentage of the portion of the salary exceeding the pension insurance contribution assessment ceiling. The resulting capital accrues interest. The benefits may be paid out as a life-long pension or, in the case of commitments made from 2005 onward, as a lump sum. Employees and their surviving dependents are eligible to receive benefits. Entitlements are included when measuring pension obligations, regardless of whether the employees joined the company before the end of 2004 or after the beginning of 2005.

Employees joining the company since the beginning of 2022 are granted a direct pension commitment (up to the applicable contribution assessment ceiling for national pension insurance). The commitment is financed bilaterally by the employer and the employee, is dependent on capital market returns and is secured by a trust arrangement ("WACKER pension plan 2022"). For that portion of their salary above the contribution assessment ceiling, employees receive a solely employer-financed contribution to their company retirement benefits.

In addition to this, employees are free to set aside further amounts under the deferred-compensation model. The commitments are underpinned by what is known as a contractual trust arrangement (CTA). A trust company that utilizes its assets solely for the purpose of financing the company's pension commitments invests the accrued pension capital in the capital markets. Under this arrangement, WACKER guarantees at least the amount of the respective pension contributions. Capital market returns can increase the employees' pension capital. The CTA protects the pension assets against any corporate insolvency. Employees and their surviving dependents are eligible to receive benefits. They can draw the pension capital as a retirement benefit, either as a one-off payout or in annual installments (over a maximum of 20 years). Benefits are, furthermore, payable in cases of disability.

Executive Board members are granted individual pension commitments. For more information on Executive Board member pension plans, please refer to the compensation report.

Employees in Germany with salaries above the standard pay scale may pay into an employee-financed pension plan (deferred compensation). This plan affords employees the option of converting part of their future salary claims into equivalent pension capital. Pension capital accrues interest based on the date the pension plan was entered into (commitment): at either 7 percent (1996–2001), 6 percent (2002–2010) or 5 percent (2011–2013). Plans bearing 7 percent or 6 percent interest may be drawn in the form of either a pension or a lump sum. Plans bearing 5 percent interest are paid out exclusively in lump-sum form. Since 2015, management employees have been able to contribute a portion of their salary to an employee-financed pension plan with a variable interest rate. The variable interest rate is linked to the five-year running yield on German bearer bonds and amounts to at least 2.5 percent and at most 5 percent. Disbursement is as a lump sum only. Pension commitments made before or on December 31, 2000, are measured (in accordance with the projected unit credit method) at m/nth of their present value, whereas any commitments made on or after January 1, 2001, are measured at the present value of the defined benefit obligation or at the equivalent of the accumulated capital.

Since 2021, a contractual trust arrangement (CTA) has been in place to finance and secure part of the pension obligations arising out of direct commitments and deferred compensation entered into before 2022.

Pension commitments outside of Germany

Various pension plans are available to employees of foreign subsidiaries, subject to the statutory provisions applicable in the respective countries. Of these commitments, only the US pension plans are material to the Group.

In the US, defined benefit plans exist for employees of Wacker Chemical Corporation, Ann Arbor. These plans were closed for new applications effective December 31, 2003, and remain in force for legacy policies only. Retirement benefits are paid out from age 65 in the form of a monthly pension and are based on the last average salary paid. Special regulations apply to early retirement from the age of 55 onwards, depending on length of service. In view of their pension-like quality, obligations relating to medical care for retired employees and to severance payments are likewise included under pension provisions. New employees in the USA are offered only defined contribution plans.

The present value of defined benefit plans may be reconciled with the provisions recognized in the balance sheet as follows:

Net liability of defined benefit obligations

| € million | 2025 | | | 2024 | | |
|--|--------------|---------------|--------------|--------------|---------------|--------------|
| | Germany | International | Total | Germany | International | Total |
| Present value of the at least partially financed defined benefit obligations | 3,069.2 | 81.8 | 3,151.0 | 3,314.0 | 91.3 | 3,405.3 |
| Fair value of plan assets | -2,714.6 | -123.9 | -2,838.5 | -2,648.8 | -135.0 | -2,783.8 |
| Funded status | 354.6 | -42.1 | 312.5 | 665.2 | -43.7 | 621.5 |
| Present value of unfunded defined benefit obligations | - | 8.7 | 8.7 | 0.2 | 9.6 | 9.8 |
| Impact of asset ceiling | 261.3 | 1.8 | 263.1 | 55.0 | 1.9 | 56.9 |
| Net defined benefit liability | 615.9 | -31.6 | 584.3 | 720.4 | -32.2 | 688.2 |
| Surplus recognized as an asset | 2.3 | 40.0 | 42.3 | 22.9 | 41.3 | 64.2 |
| Provisions for pensions and similar obligations | 618.2 | 8.4 | 626.6 | 743.3 | 9.1 | 752.4 |

Pension commitments that are recognized as an asset lead to future economic benefits for the WACKER Group in the form of lower contributions. Retirement benefits from the pension fund exclude reimbursements.

Changes in the net liability of defined benefit obligations

| € million | Present value of pension plan obligations | Market value of plan assets | Total |
|---|--|--------------------------------|--------|
| As of Jan. 1, 2024 | 3,421.8 | -2,633.6 | 788.2 |
| Current service cost | 61.1 | - | 61.1 |
| Interest expense/(income) | 113.0 | -88.6 | 24.4 |
| Past service cost | 1.2 | - | 1.2 |
| Remeasurements | | | |
| Gains (-) / losses (+) from plan assets without amounts already recognized in interest income | - | -73.5 | -73.5 |
| Gains (-) / losses (+) from changes in demographic assumptions | 0.1 | - | 0.1 |
| Gains (-) / losses (+) from changes in financial assumptions | -74.4 | - | -74.4 |
| Gains (-) / losses (+) from experience adjustments | -30.1 | - | -30.1 |
| Effect of asset ceiling | - | 54.4 | 54.4 |
| Effects of exchange-rate differences | 5.5 | -6.9 | -1.4 |
| Contributions by | | | |
| Employer | - | -16.7 | -16.7 |
| Pension plan beneficiaries | 25.8 | -25.8 | - |
| Transfers | - | - | - |
| Pension payments | -108.9 | 63.8 | -45.1 |
| As of Dec. 31, 2024 | 3,415.1 | -2,726.9 | 688.2 |
| Current service cost | 61.2 | - | 61.2 |
| Interest expense/(income) | 117.5 | -97.2 | 20.3 |
| Past service cost | - | - | - |
| Remeasurements | | | |
| Gains (-) / losses (+) from plan assets without amounts already recognized in interest income | - | -0.3 | -0.3 |
| Gains (-) / losses (+) from changes in demographic assumptions | - | - | - |
| Gains (-) / losses (+) from changes in financial assumptions | -325.4 | - | -325.4 |
| Gains (-) / losses (+) from experience adjustments | -8.6 | 0.3 | -8.3 |
| Effect of asset ceiling | - | 211.9 | 211.9 |
| Effects of exchange-rate differences | -11.4 | 14.9 | 3.5 |
| Contributions by | | | |
| Employer | - | -15.3 | -15.3 |
| Pension plan beneficiaries | 27.6 | -27.6 | - |
| Transfers | - | - | - |
| Pension payments | -116.3 | 64.8 | -51.5 |
| As of Dec. 31, 2025 | 3,159.7 | -2,575.4 | 584.3 |

Pension obligations contain effect of asset ceiling (€212 million) mainly from one overfunded plan (Pensionskasse);
DBO €2,066 million/Fair Value Plan Assets €2,329 million.

In 2025, the item "Gains (-) / losses (+) from experience adjustments" mainly comprised current and expected pension adjustments for the next two years.

Assumptions

The pension obligations are calculated by taking account of company-specific and country-specific biometric calculation principles and parameters. The calculations are based on actuarial reports that factor in the following parameters:

Actuarial assumptions

| % | 2025 | 2024 |
|----------------------------------|-----------|-----------|
| Germany | | |
| Discount rate | 4.27 | 3.45 |
| Salary growth rate | 3.00 | 3.00 |
| Pension growth rate ¹ | | |
| Basic and supplementary pension | 2,0 / 1,0 | 2,0 / 1,0 |
| Deferred compensation | 2,5 / 1,0 | 2,5 / 1,0 |
| USA | | |
| Discount rate | 5.24 | 5.54 |
| Salary growth rate | 3.00 | 3.00 |

¹ Varies according to the date on which the employee joined the company and/or the effective date of the different plan generations.

The life-expectancy calculations for Germany are based on Heubeck AG's "Richttafeln 2018G" generation tables. These take into account the latest life expectancy rates and socio-economic factors, and currently offer the best estimate of life expectancy. The mortality tables used in the USA are regularly updated to take account of the latest mortality data.

The discount rates and salary increase rates used in calculating the pension obligation were determined in line with general economic conditions and in accordance with uniform standards. The yield curve was refined in the 2025 financial year in that the underlying bond portfolio was expanded and is now no longer based on an AA average rating, as was previously the case, but on an AA rating from at least one major rating agency. The discount rate applied for pension obligations will change by 1 basis point as at December 31, 2025, and by 3-5 basis points for secondary obligations (anniversary/partial retirement). The DBO increases by a total of €3.6 million due to the use of the refined yield curve.

Sensitivity analysis

The following sensitivity analysis involves an adjustment of only one assumption – i.e. the other assumptions remain unchanged from the original valuation, so that the sensitivity of each individual assumption can be observed in isolation. As a consequence, possible correlation effects between the individual assumptions are not taken into consideration.

The table below shows the possible changes in the present value of pension obligations resulting from changes in the key actuarial assumptions.

Sensitivity analysis

| | Dec. 31, 2025 | | Dec. 31, 2024 | |
|---|---|------------|---|------------|
| | Defined benefit obligation in € million | Change (%) | Defined benefit obligation in € million | Change (%) |
| Effect on defined benefit obligation | | | | |
| Present value of pension obligations as of the reporting date | 3,159.7 | | 3,414.8 | |
| Present value of pension obligations if | | | | |
| the discount rate increases by 0.5 percentage points | 2,983.4 | -5.6 | 3,201.3 | -6.3 |
| the discount rate decreases by 0.5 percentage points | 3,356.5 | 6.2 | 3,655.0 | 7.0 |
| salaries increase by 0.5 percentage points | 3,168.2 | 0.3 | 3,426.6 | 0.3 |
| salaries decrease by 0.5 percentage points | 3,151.7 | -0.3 | 3,403.9 | -0.3 |
| future pension increases are 0.25 percentage points higher | 3,230.4 | 2.2 | 3,495.7 | 2.4 |
| future pension increases are 0.25 percentage points lower | 3,092.5 | -2.1 | 3,337.5 | -2.3 |
| life expectancy goes up by one year | 3,248.3 | 2.8 | 3,518.7 | 3.0 |

The sensitivity assumptions for the actuarial interest rate, salary trend and pension increases correspond to the expected fluctuations during a fiscal year.

Composition of plan assets

In Germany, Pensionskasse der Wacker Chemie VVaG invests the relevant plan assets in accordance with statutory requirements and the terms of its by-laws. The company pension fund invests around half of its assets in equity funds and fixed-income funds. The other half is invested directly in promissory notes (German Schuldscheine), real estate, real estate loans, private debt and private equity. The remainder is held as liquid assets. The investment strategy follows the investment guideline set down by the board of the pension fund.

The money paid to the contractual trust arrangements (CTAs) in Germany is invested in funds, stocks, bonds and private equity or held in cash. Future investments will be made in accordance with the investment principles set out in the trust agreements and in the investment guidelines. The plan assets of pension funds set up in the US are invested mainly in stocks and funds in accordance with the applicable investment rules. The composition of the Group's plan assets is shown in the following table:

Composition of plan assets

| € million | Dec. 31, 2025 | | | Dec. 31, 2024 | | |
|---------------------------------|--|---|----------------|--|---|----------------|
| | Quoted market prices in an active market | No quoted market prices in an active market | Total | Quoted market prices in an active market | No quoted market prices in an active market | Total |
| Real estate | – | 505.4 | 505.4 | – | 507.7 | 507.7 |
| Loans/fixed-interest securities | 667.1 | 559.8 | 1,226.9 | 576.8 | 578.8 | 1,155.6 |
| Shares/funds | 642.8 | 396.2 | 1,039.0 | 592.5 | 443.3 | 1,035.8 |
| Cash and cash equivalents | – | 39.7 | 39.7 | – | 53.2 | 53.2 |
| Derivatives | 27.5 | – | 27.5 | 31.4 | – | 31.4 |
| Total | 1,337.4 | 1,501.1 | 2,838.5 | 1,200.7 | 1,583.0 | 2,783.7 |

WACKER concluded a long-term rental agreement with the pension fund for the headquarters building in Munich. The fair value of the building amounted to €283.2 million as of the reporting date.

Risks

In addition to the usual actuarial risks, the risk inherent in the defined benefit obligation relates in particular to financial risks in connection with plan assets. In Germany, substantial amounts of the defined benefit obligation are administered by the pension fund. In the course of an annual asset-liability study, the current and future relationships between portfolio structure and obligations are analyzed and projections made. This results in the long-term return required of the pension fund, on the basis of which the pension fund defines a strategic target portfolio. In this way, the required return, company contributions of sponsoring entities and strategic asset allocation are reviewed annually and reconciled with each other.

Under the CTAs, capital is invested in trust companies that use their assets solely to finance the pension commitments. External specialists provide investment support, taking a balanced risk-opportunity profile into account.

All capital investments are exposed to market price fluctuation risks. These can consist of changes in interest rates, share prices and exchange rates. WACKER aims to limit losses to a pre-defined amount by means of overlay management. In some cases, derivatives are used for hedging purposes.

The defined benefit plans in the US are subject not only to actuarial risks, but also to market-price fluctuation risks – because plan assets there are invested in stocks and funds.

Applicable statutes and by-laws require WACKER to reduce under-funding of pension plans by increasing the amount of company contributions in cash.

Further risks arise in particular in connection with the life expectancy of the beneficiaries, the interest rate guarantee, and the salary and pension growth rates. The interest rate guarantee risk is regularly monitored as part of the risk management process. It constitutes a major focus of the company pension fund when determining the long-term interest requirements and how to fulfill them. Interest rate guarantee risks also affect the deferred compensation plans.

Pension plan financing

In 2025, benefits in the amount of €109.8 million (prior year: €100.5 million) were paid under pension plans in Germany and €6.4 million (prior year: €8.4 million) under pension plans outside of Germany. WACKER anticipates that pension payments will reach approximately €121 million in the following year. The employer's ongoing contributions to plan assets will amount to around €36 million in 2026. The weighted duration of pension obligations as of December 31, 2025, was 12.7 years in Germany (prior year: 14.2 years) and 9.4 years in the United States (prior year: 9.4 years).

Expected pension payments due

| € million | Dec. 31, 2025 | Dec. 31, 2024 |
|---------------------|---------------|---------------|
| Less than one year | -121.3 | -114.7 |
| One to two years | -131.3 | -127.3 |
| Two to three years | -134.8 | -132.5 |
| Three to four years | -142.7 | -135.7 |
| Four to five years | -148.8 | -143.8 |

Composition of pension expenses

| € million | 2025 | 2024 |
|---|---------------|---------------|
| Current service cost from defined benefit plans | -61.2 | -61.1 |
| Past service cost | - | -1.2 |
| Net interest expense for defined benefit plans | -20.3 | -24.4 |
| Defined contribution plan expenses | -7.3 | -7.7 |
| Other pension expenses | -8.6 | -7.8 |
| Contributions to state pensions | -80.8 | -76.6 |
| Total | -178.2 | -178.8 |

14 Other provisions

| € million | 2025 | | | 2024 | | |
|--|--------------|---------------------|------------------|--------------|---------------------|------------------|
| | Total | Of which noncurrent | Of which current | Total | Of which noncurrent | Of which current |
| Personnel | 109.4 | 101.9 | 7.5 | 115.3 | 108.3 | 7.0 |
| Restructuring | 102.8 | 46.6 | 56.2 | 1.9 | 1.0 | 0.9 |
| Sales/purchasing | 5.2 | 2.5 | 2.7 | 3.8 | 3.2 | 0.6 |
| Environmental protection | 67.1 | 64.6 | 2.5 | 76.9 | 74.1 | 2.8 |
| Levy on greenhouse gas emission rights | 23.3 | – | 23.3 | 29.9 | – | 29.9 |
| Sundry | 39.6 | 25.4 | 14.2 | 44.6 | 26.0 | 18.6 |
| Other provisions | 347.4 | 241.0 | 106.4 | 272.4 | 212.6 | 59.8 |

Provisions for personnel

Provisions for personnel include obligations to grant long-service anniversary bonuses and death benefits, as well as provisions based on (phased) early retirement models. Personnel provisions fell due to outflows within the provision for phased early retirement models that exceeded the additions due to newly concluded agreements.

Provisions for restructuring

As part of a restructuring plan, which is part of the "PACE" cost-saving project, WACKER has provided for severance payments for employees in Germany. The majority of the payments are expected to be made in 2026 and 2027. There are uncertainties regarding the number of employees who will accept the offer of voluntary redundancy and the ongoing negotiations with employee representatives in Germany regarding the specific amount of severance payments. A small portion of the provision relates to partial retirement agreements from the "Shape the Future" program concluded in 2022, which will be reduced over the next two years. Additions to provisions were recognized in production costs and administrative expenses, and allocated to the "Other" segment.

Sales/purchasing provisions

These provisions cover warranty and product-liability obligations. The greater part of these provisions is likely to be used for payouts over the next two years.

Provisions for environmental protection

Provisions for environmental protection are recognized for anticipated obligations regarding contaminated-site remediation, water pollution control, the recultivation of landfills, the clean-up of contaminated storage and production sites, and similar environmental measures. The noncurrent provisions for environmental protection are likely to be utilized within a period of 25 years.

Greenhouse gas emission allowances

The provision for the obligation to surrender greenhouse gas emission allowances covers the expected outflow of CO₂ certificates to meet the obligations under the German emissions trading system or comparable systems in other countries. The provision is calculated based on quarterly emissions and will lead to outflows in the following year.

Sundry provisions

Sundry provisions relate to a large number of apparent individual risks and uncertain liabilities (e.g. compensation for damages, reimbursement claims, litigation costs). In addition to risks in connection with property and wealth taxes, they also cover risks stemming from interest and penalties not recognized under income taxes.

Depending on the situation in the individual countries, discount rates of up to 3.99 percent were used to determine the provisions, mainly those for phased early retirement and for anniversaries.

Other provisions

| € million | Jan. 1, 2025 | Utilization | Reversal | Addition | Interest effect | Exchange-rate differences | Changes in scope of consolidation, other ¹ | Dec. 31, 2025 |
|--------------------------------|--------------|---------------|--------------|--------------|-----------------|---------------------------|---|---------------|
| Personnel | 115.3 | -73.7 | -3.2 | 64.9 | 4.6 | -0.9 | 2.4 | 109.4 |
| Restructuring | 1.9 | -0.9 | - | 101.8 | - | - | - | 102.8 |
| Sales/purchasing | 3.8 | -0.5 | - | 2.3 | - | -0.4 | 0.0 | 5.2 |
| Environmental protection | 76.9 | -2.8 | -10.0 | 2.9 | 0.4 | -0.3 | -0.0 | 67.1 |
| Greenhouse gas emission rights | 29.9 | -29.4 | -0.5 | 23.3 | - | - | - | 23.3 |
| Sundry | 44.6 | -11.5 | -3.1 | 13.4 | 0.4 | -0.2 | -4.0 | 39.6 |
| Other provisions | 272.4 | -118.8 | -16.8 | 208.6 | 5.4 | -1.8 | -1.6 | 347.4 |

¹ "Other" includes the change of €-2.6 million (prior year €-8.6 million) in plan assets for phased-early-retirement commitments within provisions for personnel.

15 Financing liabilities

| € million | 2025 | | | 2024 | | |
|------------------------------------|----------------|---------------------|------------------|----------------|---------------------|------------------|
| | Total | Of which noncurrent | Of which current | Total | Of which noncurrent | Of which current |
| Liabilities to banks | 2,031.3 | 1,926.3 | 105.0 | 1,594.5 | 1,431.6 | 162.9 |
| Liabilities from lease obligations | 323.0 | 276.9 | 46.1 | 330.7 | 289.9 | 40.8 |
| Other financing liabilities | 14.3 | 3.6 | 10.7 | 21.5 | 4.0 | 17.5 |
| Financing liabilities | 2,368.6 | 2,206.8 | 161.8 | 1,946.7 | 1,725.5 | 221.2 |

In 2025, WACKER repaid due tranches of a promissory note from in the amount of €150 million. It issued a new promissory note in the amount of €435 million, with terms until 2028, 2030 and 2032.

In addition, a bilateral bank loan of €150 million was agreed with the European Investment Bank (EIB) and disbursed, the term of which will last until 2031.

No collateral exists for financing liabilities, nor are they secured through liens or similar rights. Some of the liabilities to banks are fixed-interest while others have variable interest rates.

WACKER has used interest rate swaps (payer swaps) to hedge variable-interest loans in the amount of €317 million from the risk of rising lending rates.

In certain cases, WACKER has fixed-interest loans with exercisable termination options. Due to the high penalties payable on early termination, these options currently have no notional positive value and their fair value is negligible. WACKER does not recognize these for reasons of immateriality.

A total of €640 million of the liabilities to banks were granted on condition of compliance with particular covenants, including compliance with a specific financial ratio of a debt parameter to an earnings parameter (net debt to EBITDA ratio). The calculation of the covenants was adjusted to the new EBITDA definition, in which the investment income is no longer included in EBITDA. In addition, restructuring expenses will no longer be included in the calculation of the covenants from the 2025 financial year. WACKER met all of the minimum requirements in 2025. There is no reason to suggest that WACKER will not comply with the covenant in 2026. Assessments take place partly quarterly, partly on an annual basis. Falling below the lower EBITDA forecast threshold by 40 percent in 2026 would not yet lead to a breach of covenant.

There were no payment arrears or defaults or contract breaches in connection with loans payable in 2025.

As of December 31, 2025, WACKER has two syndicated loans of €200 million and €400 million that serve as backup loans for the Group and have not been drawn down yet and are also subject to the financial ratio net debt/EBITDA). They will run until 2028 and 2029, respectively. Thus, WACKER has unused long-term lines of credit amounting to €600 million (prior year: €600 million).

The liabilities to banks comprise the following:

| € million | 2025 | | | | 2024 | | | |
|--|----------|------------------------------|---|----------|----------|------------------------------|---|----------|
| | Currency | Carrying amount € million | Of which with variable interest rates | Maturity | Currency | Carrying amount € million | Of which with variable interest rates | Maturity |
| Promissory note (German Schuldschein) | EUR | – | – | 2025 | EUR | 150.0 | 43.0 | 2025 |
| Promissory note (German Schuldschein) | EUR | 74.0 | 5.5 | 2026 | EUR | 74.0 | 5.5 | 2026 |
| Promissory note (German Schuldschein) | EUR | 175.5 | 164.5 | 2028 | EUR | – | – | 2028 |
| Promissory note (German Schuldschein) | EUR | 200.0 | 146.0 | 2029 | EUR | 200.0 | 146.0 | 2029 |
| Promissory note (German Schuldschein) | EUR | 238.5 | 147.0 | 2030 | EUR | – | – | 2030 |
| Promissory note (German Schuldschein) | EUR | 200.0 | 81.0 | 2031 | EUR | 200.0 | 81.0 | 2031 |
| Promissory note (German Schuldschein) | EUR | 21.0 | 2.0 | 2032 | EUR | – | – | 2032 |
| Bank loan | EUR | 290.0 | 290.0 | 2027 | EUR | 290.0 | 290.0 | 2027 |
| Bank loans | EUR | 110.0 | – | 2028 | EUR | 110.0 | – | 2028 |
| Bank loans | EUR | 90.0 | – | 2028 | EUR | 90.0 | – | 2028 |
| Bank loan | EUR | 100.0 | – | 2028 | EUR | 100.0 | – | 2028 |
| Bank loan | EUR | 50.0 | – | 2028 | EUR | 50.0 | – | 2028 |
| Bank loan | CNY | 58.0 | 58.0 | 2029 | CNY | 65.0 | – | 2029 |
| Bank loan | EUR | 100.0 | – | 2029 | EUR | 100.0 | – | 2029 |
| Bank loan | EUR | 150.0 | 75.0 | 2030 | EUR | 150.0 | 75.0 | 2030 |
| Bank loan | EUR | 150.0 | 75.0 | 2031 | EUR | – | – | 2031 |
| Other | | 24.3 | – | | | 15.5 | – | |
| Total | | 2,031.3 | – | | | 1,594.5 | – | |
| Fair value | | 2,033.2 | – | | | 1,606.4 | – | |

| € million | 2025 | | | | 2024 | | | |
|---------------------------------------|----------|------------------------------|---|----------|----------|------------------------------|---|----------|
| | Currency | Carrying amount € million | Of which with variable interest rates | Maturity | Currency | Carrying amount € million | Of which with variable interest rates | Maturity |
| Sundry other financing liabilities | | 14.3 | – | | | 21.6 | – | |
| Total | | 14.3 | – | | | 21.6 | – | |
| Fair value | | 14.3 | – | | | 21.6 | – | |

The carrying amounts of current financing liabilities correspond to the repayment amounts.

The following table shows the future redemption and interest payments for the bank liabilities and other financing liabilities:

| € million | 2026 | 2027 | 2028 | 2029 | 2030 |
|-----------|-------|-------|-------|-------|-------|
| Repayment | 106.1 | 294.9 | 527.1 | 358.1 | 388.5 |
| Interest | 66.6 | 60.0 | 45.4 | 31.0 | 23.9 |

16 Financial and non-financial liabilities

| € million | 2025 | | | 2024 | | |
|--|--------------|---------------------|------------------|--------------|---------------------|------------------|
| | Total | Of which noncurrent | Of which current | Total | Of which noncurrent | Of which current |
| Trade payables | 692.3 | – | 692.3 | 851.5 | – | 851.5 |
| Derivative financial instruments | 7.3 | 2.9 | 4.4 | 18.5 | 6.2 | 12.3 |
| Sundry financial liabilities | 50.9 | 3.1 | 47.8 | 45.4 | 6.1 | 39.3 |
| Other financial liabilities | 58.2 | 6.0 | 52.2 | 63.9 | 12.3 | 51.6 |
| Payables relating to social security | 8.5 | – | 8.5 | 9.9 | – | 9.9 |
| Payroll liabilities | 10.4 | – | 10.4 | 11.2 | – | 11.2 |
| Variable compensation | 20.6 | – | 20.6 | 97.6 | – | 97.6 |
| Other personnel liabilities | 32.2 | 1.4 | 30.8 | 33.6 | – | 33.6 |
| Other tax liabilities | 41.3 | – | 41.3 | 41.0 | – | 41.0 |
| Deferred income | 1.2 | 1.2 | – | 1.6 | 1.3 | 0.3 |
| Sundry non-financial liabilities | 10.0 | –0.0 | 10.0 | 23.4 | 0.0 | 23.4 |
| Other non-financial liabilities | 124.2 | 2.6 | 121.6 | 218.3 | 1.3 | 217.0 |
| Advance payments received | 253.9 | 183.5 | 70.4 | 277.0 | 217.8 | 59.2 |
| Discount accruals | 12.8 | – | 12.8 | 23.3 | – | 23.3 |
| Contract liabilities | 266.7 | 183.5 | 83.2 | 300.3 | 217.8 | 82.5 |
| Income tax liabilities | 110.4 | 57.4 | 53.0 | 143.2 | 104.0 | 39.2 |

WACKER takes part in a supplier finance arrangement allowing suppliers to opt to receive earlier payment for their invoices via the participating banks. This arrangement aims to facilitate efficient payment processes and offer participating suppliers early payment dates that lie before the due dates of the invoices concerned. The technicalities behind this supplier finance arrangement are processed via a fintech platform, while the financing is provided by various banks. The participating banks all have investment grade ratings. In 2025, the agreed payment deadlines for liabilities not included in a reverse-factoring agreement were 30-120 days (2024: 30-120 days). Liabilities included in a reverse-factoring agreement had payment deadlines of between 50-120 days (2024: 60-120 days). From the Group's perspective, while the arrangement does not extend the payment term to any considerable degree compared with the standard terms agreed with other non-participating suppliers, it does offer participating suppliers the advantage of early payment. What is more, WACKER is not charged any additional interest by the bank for payment of the supplier liabilities. As a result, the amounts covered by this arrangement are reported under trade payables, as their essence and function are identical to other trade payables.

| | 2025 | 2024 |
|--|-------------|--------------|
| Carrying amount of outstanding liabilities within supplier financing agreements (€ million) | 80.3 | 121.9 |
| Of which payments received by the supplier from the financial service provider (€ million) | 69.9 | 112.7 |

Income tax liabilities contain amounts for current income tax obligations as well as for uncertain tax positions. Payables relating to social security refer in particular to social-insurance contributions that have yet to be paid. Other personnel liabilities include, in particular, vacation and flextime credits, as well other HR-related liabilities.

The advance payments received relate primarily to future deliveries of polysilicon.

No collateral exists for other liabilities, nor are they secured through liens or similar rights.

17 Contingent liabilities, contingent assets, other financial obligations and other risks

The values of contingent liabilities correspond to the extent of the liability as of the reporting date. At WACKER, contingent liabilities primarily concern agreed guarantees totaling €39.7 million (prior year: €39.6 million). It is unlikely that the guarantees will be utilized.

Obligations from orders for planned investment projects (commitments) amounted to €106.6 million (prior year: €192.1 million) and concern the operating segments.

The Group ensures capacity utilization at the equity-accounted company Dow Siloxane Co. Ltd. via long-term purchasing commitments for an annual amount of around €81.9 million (prior year: €98.2 million).

As regards its current raw-material supplies, WACKER has entered into long-term agreements to purchase strategic raw materials, electricity and gas. As a result, the company had, on balance, other financial obligations in the amount of €0.59 billion arising from material minimum-purchasing arrangements in the reporting period (prior year: €0.84 billion). The agreements have terms of between one and more than ten years.

In addition, there are contractual payment obligations from a long-term IT service contract (SaaS) in the amount of €77.4 million.

The Group receives public grants and allowances for investing activities. These incentives are granted on condition that a certain number of jobs are created or maintained at certain sites. If these contractual commitments are not fulfilled, all or part of any funding received must be paid back. The Group has a limited time period during which to fulfill its contractual commitments. The Group also receives energy subsidies in Germany, which are granted subject to certain conditions, in particular the implementation of specific energy efficiency measures. If these conditions are not met, the Group is obliged to repay the subsidies in full or in part. WACKER does not currently expect to have to pay these subsidies back.

Together with its partner CordenPharma, WACKER signed a pandemic preparedness contract with the German federal government to keep capacity available for the production of vaccines based on messenger ribonucleic acid (mRNA). WACKER and CordenPharma are expected to manufacture 80 million vaccine doses per year in the event of a pandemic. The two companies will receive an annual stand-by fee for keeping production capacity available. The preparedness phase started in 2024 after the companies had established the necessary capacities and will end in 2029. Since the start of the preparedness phase in 2024, WACKER and CordenPharma have been keeping production capacity available in case it is needed. WACKER has thus committed to having the corresponding materials and employees ready for an emergency situation and, where appropriate, to terminating existing orders.

From time to time, WACKER is involved in judicial and arbitration proceedings as well as in official investigations and procedures. Pending proceedings can have a negative impact on WACKER's earnings, net assets and financial position. At the present time, WACKER does not expect any material negative effects from pending proceedings.

As part of the European emissions trading system, the Norwegian Ministry of Climate and Environment reached a decision in July 2025 on whether CO₂ emissions from reduction processes, such as those occurring at WACKER, should be treated as direct process emissions (Type B) or as waste gas combustion (Type C). The Ministry noted that several EU states apply broader system boundaries and that this practice has been accepted by the EU Commission. To ensure equal treatment and competitiveness, the previous allocation decisions for EUAs (EU allowances) in Norway were revoked and referred back to the national Environment Agency for recalculation. The revaluation is intended to extend the system limits and lead to a higher free allocation retroactively for the years 2021 to 2025. As the ministry responsible is suggesting a reassessment and

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

Information regarding compensation for the Executive and Supervisory Boards:

Compensation for the Executive and Supervisory boards

| € | Fixed compensation | Short-term incentives (STI) ³ | Long-term incentives (LTI) | Retirement benefit plan ¹ | Total |
|---|--------------------|--|----------------------------|--------------------------------------|------------|
| Executive Board compensation 2025 | 3,347,948 | 753,300 | 1,660,900 | 842,931 | 6,605,079 |
| Executive Board compensation 2024 | 3,262,386 | 1,342,666 | 2,170,234 | 819,593 | 7,594,879 |
| Pension commitments for active members of the Executive Board 2025 | | | | | 12,974,510 |
| Pension commitments for active members of the Executive Board 2024 | | | | | 12,996,032 |
| Compensation for former members of the Executive Board and their surviving dependents 2025 | | | | | 3,443,173 |
| Compensation for former members of the Executive Board and their surviving dependents 2024 | | | | | 3,400,705 |
| Pension commitments for former members of the Executive Board and their surviving dependents 2025 | | | | | 37,785,367 |
| Pension commitments for former members of the Executive Board and their surviving dependents 2024 | | | | | 42,996,817 |
| Supervisory Board compensation 2025 ² | 2,550,000 | – | – | – | 2,550,000 |
| Supervisory Board compensation 2024 ² | 2,537,703 | – | – | – | 2,537,703 |

¹ The compensation for retirement benefits is based on service cost. Interest expense amounted to €448,365 after €390,835 in the prior year.

² In addition, employee representatives on the Supervisory Board continue to receive their regular salaries in line with their respective employment contracts.

³ Outstanding as of reporting date

Total compensation to active members of the Executive Board amounted to €5,762,148 (prior year: €6,775,286).

The variable compensation for the Executive Board comprises short-term incentives (STI) and long-term incentives (LTI). Both components incentivize a sustainable corporate policy and encourage profitable growth as well as sustainable growth in the company's value. The STI is measured by the achievement of defined, weighted financial indicators such as ROCE, BVC, EBITDA margin and net operating cash flow. The LTI is based on the multi-year target achievement of weighted financial and non-financial key figures. Whereas an STI is paid out in cash, the arithmetic net payout of an LTI is invested in company stock and held in a blocked personal account for each Executive Board member for a period of three years. An LTI is earned after the first year and there is no further service obligation. The fair value at the grant date, calculated on the basis of a target achievement of 100 percent, amounts to €2.5 million (prior year: €2.5 million). Each Board member bears the risks and opportunities associated with changes in the value of the stock and with the right to receive dividends. The actual number of shares purchased for the LTI is determined by the Xetra closing price of the company's stock on the first trading day following the Annual Shareholders' Meeting for the relevant business year. As of the reporting date, the number of shares with a holding period acquired as part of an LTI amounted to 16,722 (prior year: 11,665). Further details of Executive Board compensation are provided in the compensation report, which is published on Wacker Chemie AG's website (<https://wacker.com>).

In terms of the net payout, an LTI is a share-based payment within the meaning of IFRS 2. As a "shares to the value of" agreement, the arithmetic net payout is recognized at fair value. For this reason, the expense as well as the acquisition and allocation of the shares are recognized in equity.

The LTI recognized at fair value in capital reserves amounted to €0.7 million (prior year: €1.1 million). As in the previous year, no members of the Executive Board or Supervisory Board were granted advances or loans in 2025.

Other business relations with members of the Executive and Supervisory Boards comprise the purchase and sale of shares in Wacker Chemie AG. Such transactions take place at customary market terms and conditions. These transactions were published in Germany's Company Register and on the Wacker Chemie AG website.

The members of Wacker Chemie AG's Supervisory Board and Executive Board are listed in the "Further information" section.

25 Events after the reporting date

No major events subject to reporting requirements occurred between the reporting date (December 31, 2025) and the date of authorization of the consolidated financial statements (March 04, 2026). There were no material or fundamental changes in the WACKER Group's overall economic and business environment. WACKER's legal and organizational structure remained largely unchanged in the reporting year.

Munich, March 4, 2026
Wacker Chemie AG

Dr. Christian Hartel

Dr. Christian Kirsten

Dr. Tobias Ohler

Angela Wörl