

Environmental and Social Data Sheet

Overview

Project Name:	WACKER CHEMIE SUSTAINABLE SOLUTIONS
Project Number:	2020-0479
Country:	Germany
Project Description:	Financing of Wacker Chemie's R&D activities in its different business divisions.

EIA required no

Project included in Carbon Footprint Exercise¹: no

Environmental and Social Assessment

Environmental Assessment

The project aims at supporting the company's innovation and sustainability strategy, and includes process and product innovations in the field of speciality chemicals and intermediates to increase the sustainability of the promoter's products, processes and technologies as well as aligning its products and production with circular economy principles.

The R&D activities will be managed and carried out in already existing and authorised R&D facilities, located in Germany and The Netherlands. As the project will not result in a change to the authorised scope of the RDI facilities, the project is not subject to the Environmental Impact Assessment Directive – Directive 2014/52/EU amending Directive 2011/92/EU.

Other Environmental and Social Aspects

Sustainability has been an integral part of the promoter's production and business processes. One of the company's greatest strengths is its closed material loops, where they use byproducts from one production stage as starting materials for making other products, resulting in a significantly reduced carbon intensity of input raw materials (about 1/3 less than conventional/virgin input materials). This integrated production technology not only reduces GHG emissions, it also enhances workplace and plant safety, simplifies logistics and improves production efficiency – an approach which exemplifies Europe's drive towards a circular economy. In terms of its product portfolio, the company has an increased focus on

¹ Only projects that meet the scope of the Carbon Footprint Exercise, as defined in the EIB Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: 20,000 tonnes CO2e/year absolute (gross) or 20,000 tonnes CO2e/year relative (net) – both increases and savings.

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materials used in renewable energy and battery technology, less toxic and more efficient and effective construction and insulation materials, and biopharmaceuticals.

The company uses a holistic innovation approach, where they use life cycle assessment to ensure that all of its products, if used correctly, are free of any risk to health and the environment throughout the product's entire life cycle – from the R&D stage through to production, use and disposal.

In 2018, the promoter launched its Sustainable Solutions programme that aims at developing a sustainable business strategy focussing on the following topics:

- Increasing the proportion of renewable raw materials in the chemical divisions
- Systematically evaluating the life cycle of the portfolio;
- Stepping up communication to customers about the added value of sustainable products.

In June 2020, the company presented its 2030 sustainability targets as parts of its roadmap towards carbon neutrality in 2050 based on three key guidelines:

1. *develop more sustainable products and solutions* – 90% of product portfolio has a neutral or positive sustainability contribution;
2. *lower direct (process) emissions and minimize carbon footprint* – reduce specific energy consumption by 50% (compared to 2007) and specific CO₂eq by 33% by 2030 (compared to 2012) by further optimizing their internal processes, integrated production, energy efficiency, and carbon capture and utilization, as well as investigating the circular economy and fossil-free steam generation.
3. *increase electrification rate of production processes and create a more sustainable supply chain* – 60% electrification of processes (with respect to total energy demand), with ongoing transition towards renewable energy, and 90% of key suppliers with a positive sustainability contribution.

In July 2020, the company joined the Operation Clean Sweep® (OCS) initiative. The initiative is committed to preventing the loss of plastic granules (flakes, powders and pellets) and their release into rivers lakes and oceans. Their goal is: Zero pellet loss.

Worldwide, the promoter applies health, safety, environmental protection and quality standards in line with ISO 9001, 18001 and 14001. With regard to energy, they ensure to meet the requirements of the energy management system as per ISO 50001 - which they have introduced and certified at all German sites of Wacker.

In terms of ensuring a sustainable supply chain, the company assesses its suppliers' sustainability performance using the Together for Sustainability (TfS)² auditing tools. Furthermore, the promoter is a member of the chemical industry's Responsible Care³ initiative and the UN's Global Compact⁴. Companies participating in these initiatives must comply with the specific rules and reporting requirements.

Conclusions and Recommendations

The R&D activities will be managed and carried out in already existing R&D facilities with no change to the authorised scope. As such, the project is not subject to the Environmental Impact Assessment Directive.

² <https://tfs-initiative.com/>

³ <https://cefic.org/our-industry/responsible-care/>

⁴ <https://www.unglobalcompact.org/>



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As it concerns RDI activities, the project per se does not have any significant impact on the environment. However, the results from the R&D activities will significantly contribute to the further improvement of the energy performance of buildings and upscaling of electro-mobility and renewable energy production. The company seeks to ensure that the products they bring to the market create a neutral or positive environmental & social impact from development up to production; supporting the protection of the environment and quality of life of people.

Considering all of the above, the project is acceptable for Bank financing.