

## Environmental and Social Data Sheet

### Overview

Project Name:	<i>WACKER CHEMIE AG RDI</i>	
Project Number:	<i>2016-0153</i>	
Country:	<i>GERMANY</i>	
Project Description:	<i>Financing of Wacker Chemie AG's investments in R&amp;D related to silicones, polymers, biosolutions, basic research and application technology</i>	
EIA required:		no
Project included in Carbon Footprint Exercise <sup>1</sup> :		no

### Environmental and Social Assessment

#### Environmental Assessment

The environmental impact of the RDI operations is negligible.

The project's activities are focussed on enabling the use of renewable energy where it will further develop solutions for wave energy and concentrated solar power applications. With regard to energy management and energy efficiency, the company's polymers division is developing products related to construction and insulation that will contribute to further improve the energy performance of buildings. Furthermore, Wacker is currently working on the application of specialty silicones for lithium-ion batteries that are seen as the solution for electro mobility and energy storage.

Wacker not only develops solutions for generating and storing energy, it also consumes a great deal of energy. Consequently, energy efficiency is a decisive factor in advancing their competitiveness. They are constantly on the lookout for ways of making more efficient use of raw materials and reducing energy consumption. Their key competitive advantages include implementation of highly integrated material and energy loops (closed loop production); taking the by-products of one production step and use them as the starting material for other chemical processes.

#### Other Environmental and Social Aspects

- **Company policy**

Sustainability is central to Wacker's business model; focusing on developing solution for harvesting/generating, storing and transporting renewable energy as well as efficient use and sustainable conservation of raw materials and further developments for a healthy and sustainable life. Their main products (80%) are based on the natural element silicon – the second most abundant element in the earth's crust. The unique properties of this element contribute to improving -amongst others- the performance, resistance, stability, strength and durability and as such the resource effectiveness and cost-efficiency of the final products.

Wacker' environmental protection targets include the reduction of specific CO<sub>2</sub> emissions by 15% between 2014 and 2020. By implementing the above mentioned closed-loop production system, they have reduced their specific energy consumption by a third between 2007

<sup>1</sup> Only projects that meet the scope of the Pilot Exercise, as defined in the EIB draft Carbon Footprint Methodologies, are included, provided estimated emissions exceed the methodology thresholds: above 100,000 tons CO<sub>2</sub>e/year absolute (gross) or 20,000 tons CO<sub>2</sub>e/year relative (net) – both increases and savings.

and 2014, despite increased volumes, which resulted in receiving the 2014 Energy Award awarded by the Bavarian government.

Since 2012, the company has been using an eco-assessment tool to evaluate systematically the risks and opportunities of their product line from an environmental perspective. As such, they take account of material, water and energy consumption, as well as ecotoxicity, over the entire product life cycle.

- **External certification**

Worldwide, the promoter applies health, safety, environmental protection and quality standards in line with ISO 9001 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 since 2014.

- **Sustainability and corporate responsibility**

Wacker signed the United Nations Global Compact – the world largest corporate social responsibility (CSR) initiative. Wacker reports on its CSR performance using the Global Reporting Initiative (GRI) guidelines and indicators in order to facilitate comparison and streamline reporting; reaching an Application level a as verified and approved by GRI.

The company applies the Responsible Care® Global Charter, meaning that they are working to consistently improve both their transparency and public dialogue, and their processes and services in terms of environmental protection, health, safety and quality. The principles of this charter are translated into the corporate strategy; with sustainable management being one of their five strategic goals.

Wacker has been a member of the Bavarian Environmental Pact since it was founded in 1995. From 2010 to 2015, the Pact has run under the slogan “Sustainable growth balanced by environmental and climate protection.” The Environmental Pact is an agreement between the Bavarian government and Bavarian industry, in which both parties have declared that natural resources can be better protected through voluntary, responsible cooperation between industry and state rather than by laws and regulations alone.

In 2015, Wacker joined the ‘Together for Sustainable procurement’ initiative. The goal of this initiative is to establish a standardised, global programme for responsible procurement of goods and services in the chemical industry and to raise the ecological and social standards of suppliers.

## **Conclusions and Recommendations**

Research and development activities on chemicals are not specifically mentioned under the EIA Directive. Furthermore, the project’s activities will be carried out in existing facilities without changing their already authorised scope. An Environmental Impact Assessment (EIA) is therefore not required by the EIA Directive 2011/92/EU as amended.

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 energy performance of buildings and upscaling of electro-mobility and alternative energy production. Wacker seeks to ensure that the products they bring to the market create little environmental impact as possible 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.