

ONE VISION

FIVE CODES



CODE OF INNOVATION



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PRINCIPLES

Progress is based on new developments, whether in society, science or industry. For WACKER, coming up with innovations is an integral part of entrepreneurial actions. WACKER sees innovation as a crucial driving force for profitable growth at all business divisions.

For us, innovation means bringing out new products for global markets. Ideally, these products are not just needed to enhance the quality of life, but also to reduce resource consumption and to contribute to sustainability. Thanks to our products and solutions, we are a technology driver for many industrial sectors. At WACKER, it is equally important to improve and further develop our processes. Systematic process optimization is a key building block for success.

You can only be innovative if you recognize new trends in society and on the market early on and welcome new and creative ideas. This is exactly what we aim to do at WACKER, which is why we are creating an attractive setting for researchers.

To this end, we invest a substantial share of our sales in R&D and promote innovative strength at WACKER. Our aim is to make the company better and even more competitive and innovative. WACKER owes its success to its creative employees. As a company, it is dependent on its employees' ideas, suggestions and initiatives.

The Executive Board of Wacker Chemie AG
Munich, July 2012



1 INNOVATION THROUGH R&D

WACKER conducts R&D at two levels: centrally at our Corporate R&D department and decentrally at our business divisions. We have a portfolio-management process to ensure that our R&D project portfolio is transparent throughout the Group. We thus evaluate existing projects and select new ones in line with market needs.

Central R&D has the task of researching scientific correlations to develop new products and processes efficiently and to harness new business fields that complement the Group's core competencies.

Our business divisions conduct application-driven R&D. They focus on product and process innovations relating to semiconductor technology, on silicone and polymer chemistry, on biotechnology, as well as on new processes for producing polycrystalline silicon.

We also conduct application-driven R&D in the various regions (e.g. China, the Americas and India), so that we can serve our customers in line with market needs.

2 COLLABORATIONS

Collaborations are a key factor of successful innovations. We develop new applications and technologies together with customers, universities and research institutes. We support the setting up and maintenance of internal and external networks, where experts from different specialist areas work together.

WACKER has an excellent global research network. Where appropriate, we strengthen and enhance our contact with research institutes and selected industrial partners, both nationally and internationally. We research new fields of application with the WACKER-launched Chair of Polymer Chemistry and the Institute of Silicon Chemistry at the Technical University of Munich. It is our goal to permanently anchor silicon chemistry in Munich's research and teaching.



3 INNOVATION AWARDS

WACKER's innovation culture includes honoring scientific research achievements. For outstanding internal research projects, we award the Alexander Wacker Innovation Award every year. It rotates between the categories of product innovation, process innovation and basic research. WACKER has honored the creativity and commitment of its scientists and engineers with the prize since 2006. Employees from around the world are asked to take part in the competition.

For outstanding external research achievements, we honor scientists from the field of organosilicon chemistry with the WACKER Silicone Award every two years. The prize aims to promote research in silicon chemistry and to strengthen cooperation between industry and academic research.

4 PATENTS

Innovations are valuable and require protection. Every year, WACKER files patent applications at home and abroad. Our patent portfolio covers all areas of the company and encompasses several thousand registered patents that are based on well over a thousand individual inventions.

As employees in the scientific field, we protect our inventions by filing patent applications. We make sure that our patents are protected and take decisive action against patent infringements by third parties.



5 INNOVATION MANAGEMENT

WACKER has introduced the Project System of Innovation, which harmonizes innovation management's processes throughout the entire company. With the aid of this system, we evaluate and steer ideas and projects at various R&D stages. In our business divisions and at a Group level, we check the portfolio once a year and refocus where necessary.

All WACKER employees working on innovation projects are also asked to contribute to professional project management. Here, we attach particular importance to clearly defined project goals, transparency and rapid implementation. When initiating a project, we assess its feasibility and economic viability, as well as its toxicological, environmental and safety aspects. We carry out a pre-assessment study to check market needs, possible target markets and the competitive environment, technology-related benefits and risks, patent strategy, availability and sustainability of the raw materials, costs, and feasibility, e.g. via initial lab experiments.

In addition, we use phase reviews to analyze a project's intermediate results. These results form the basis for the next steps. For all of our innovation projects, we do our utmost to meet deadlines and stay within our budgets – after all, these indicators are also a measure of a project's success.

6 INNOVATION ENVIRONMENT

We consider and evaluate our customers' needs and their markets for problem solving and for new developments. This knowledge flows into our research strategy.

Furthermore, we consistently monitor any accessible information about our competitors' research facilities and expertise. We assess it without prejudice and, if relevant, consider it in setting our own targets.



7 CONTACTS

At WACKER, all our business divisions and many corporate departments contribute to innovation. Corporate R&D plays a key role.

For questions relating to innovation, please contact:

Corporate R&D

Munich site
Wacker Chemie AG
Dr. Fridolin Stary
Tel. +49 89 74844-210

WACKER POLYMERS

Burghausen site
Wacker Chemie AG
Dr. Theo Mayer
Tel. +49 8677 83-6844

WACKER SILICONES

Burghausen site
Wacker Chemie AG
Dr. Bernd Pachaly
Tel. +49 8677 83-2716

WACKER POLYSILICON

Burghausen site
Wacker Chemie AG
Dr. Karl Hesse
Tel. +49 8677 83-2219

WACKER BIOSOLUTIONS

Burghausen site
Wacker Chemie AG
Dr. Stefan Neumann
Tel. +49 8677 83-3141

Siltronic

Burghausen site
Siltronic AG
Dr. Rüdiger Schmolke
Tel. +49 8677 83-1874

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