

# SUSTAINABILITY: A COMPETITIVE ADVANTAGE

March 2025

# SUSTAINABILITY IS DEEPLY ANCHORED IN OUR **COMPANY'S CULTURE AND STRATEGY**



Top level priority and responsibility Management by KPIs and targets





Creating value for all stakeholders

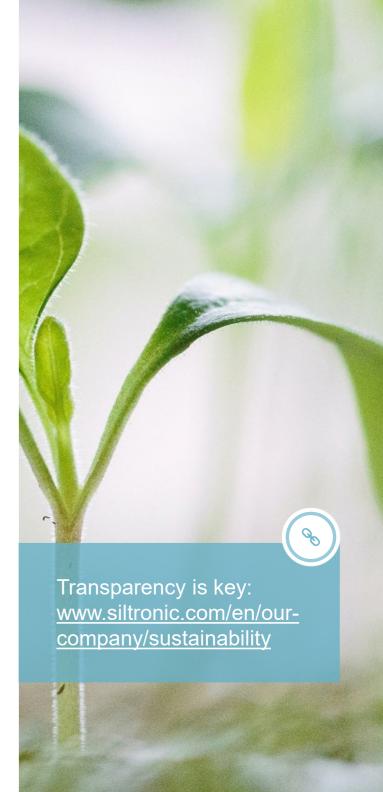






Training on sustainability topics for all employees ESG linked to Board and Executive remuneration





# SILTRONIC IS ENABLING TECHNOLOGIES FOR A SUSTAINABLE FUTURE

#### Power focus

Power chips are crucial for decarbonization and enable renewable energies and EV's







Focus on **Power** wafers

R&D focus in **special products** and new materials



New chip generations increase energy efficiency and need less power



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**Leading Edge** wafers

R&D focus on new design rules



# **Strategy**

on leading edge and power wafers support sustainability strategy



## **Investments**

needed to keep our equipment state of the art for leading edge wafers



# **R&D** focus

is crucial for sustainability strategy



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# **OUR GLOBAL COMMITMENTS**



Siltronic supports the 10 principles of the UN Global Compact.



We contribute to the sustainable development goals of the UN.



With our voluntary memberships and commitments, we go beyond legislation and engage in global and local networks.



As a supplier to the electronics industry, Siltronic is a "Regular" member of the Responsible Business Alliance (RBA).

We commit to RBA's principles and engage for sustainability in working groups. We also cooperate with our suppliers to adhere to standards defined by RBA.



Siltronic participates in CDP Climate change and Water security evaluations.

#### °CLIMATE GROUP RE100

With our membership at RE100, we are dedicated to make our contribution to global decarbonization.

# **AMBITIOUS TARGETS KEEP US GOING**

#### **Climate**



Targets				
2030	2045			
Scope 1+2 GHG emissions				
-42% <sup>1</sup>	Net zero <sup>2</sup>			
Share of renewable energy				
60%	100%			
	2030 GHG emissi -42% <sup>1</sup> newable end			

#### Resources



Status	Targets		
2024	2025	2030	
Water recycling ratio			
10.5%	+1.7%	+15%4	
Waste recycling ratio			
67.0%	+1.1%	+10%5	

#### **Safety**



Status	Targets			
2024	2025	2030		
LTIR - Loss time injury rate <sup>6</sup>				
2.3	1.5	0.5		

## **Human rights**



Status	Targets			
2024	2025	2030		
Share of key suppliers with human rights audits <sup>7</sup>				
75%	80%	90%		

- (1) absolute reduction, base year 2021; (2) net zero: GHG emissions released into the atmosphere equal the amount removed; (3) based on RE100 criteria;
- (4) from base year 2021 with 9.2% to 10.6% in 2030; (5) from base year 2021 with 72.4% to 80% in 2030; (6) LTIR= Loss time injury rate; work-related injuries with lost time per 1 mn working hours;

(7) key suppliers cover >50% of procurement volume; ESG audit including topic of human rights

# **SUSTAINABILITY HIGHLIGHTS**



in 2024

**GERMANY** 

Power Purchase Agreement on green energy starting from 2024, with annual volume of 60 GWh

SINGAPORE

RBA Platinum Award for results of sustainability audit in 2024



**-27%** absolute CO<sub>2</sub> emissions scope 1+2 in 2024 compared to 2021



>80,000 hours of training for our employees in 2024



**CDP A list** 

A score in CDP Water Security rating for the first time in 2024

## **CLIMATE PROTECTION – NET ZERO BY 2045**



#### Reaching Net Zero, science based target

2030

-42%

emissions<sup>1</sup>

4

2045

**Net zero** emissions<sup>2</sup>



60% renewable energy



100% renewable energy



CLIMATE GROUP RE100

#### **Supply chain**

 Climate protection as a key topic for cooperation with suppliers targeting the reduction of scope 3 emissions Scope 3 Target
75%, 80% and 95%
of key suppliers<sup>4</sup>
have science-based
targets by 2028,
2030 and 2045.

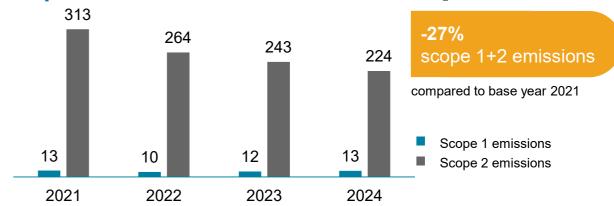
#### **Climate action plan**

- Lever 1: Reducing energy intensity
- Lever 2: Own production of renewable energy
- Lever 3: Use of renewable energy

Annual target: -5% CO<sub>2</sub> intensity<sup>3</sup> p.a.



#### Scope 1 and 2 emissions (in thousand tons CO<sub>2</sub>eq)



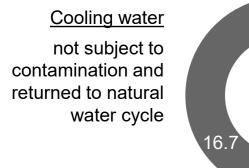
(1) absolute scope 1 and 2 GHG emissions compared to base year 2021; (2) net zero: GHG emissions released into the atmosphere equal the amount removed;

(3) t CO<sub>2</sub>eq (scope 1+2) per EUR mn sales on average 2021-2030; (4) key suppliers represent >50% of procurement volume and >80% of GHG emissions of all purchased goods and services

# PRECIOUS RESOURCES - CIRCULAR ECONOMY





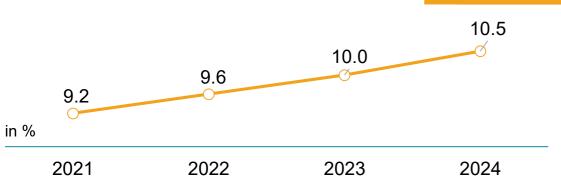


Process water

recycled or discharged in external wastewater treatment plants



**Target: +15%** recycling ratio2



#### Waste recycling ratio



#### Reuse of product packaging 2024

93% of 300 mm wafers shipped in reusable transport containers (Hyboxes)

1,814

tons of waste from disposable packaging avoided

(1) includes cooling and process water; (2) from base year 2021 with 9.2% to 10.6% in 2030; (3) from base year 2021 with 72.4% to 80% in 2030

in m m<sup>3</sup>

## SAFETY FIRST – ALWAYS AND EVERYWHERE

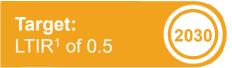


#### **Set-up to tackle safety risks**

- State-of-the art management and reporting systems
- Global safety organization, local safety officers
- Continuous improvement of safety standards
- Systematic safety analysis
- Learning from near-miss incidents
- Safety inspection tours
- Training courses
- Emergency drills

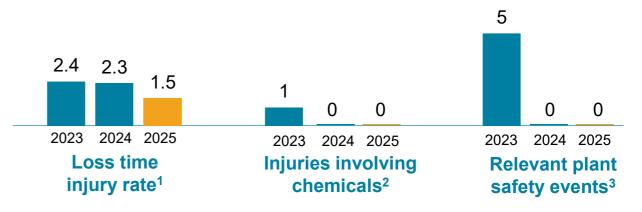


#### New target defined in 2024



- Ambitious reduction of LTIR<sup>1</sup>
- Target value for 2030: 0.5
- Annual interim targets defined
- Targets linked to Executive Board remuneration

#### Safety performance 2022-2024



(1) number of working injuries (employees and temporary workers) with lost time per 1 mn working hours; (2) with lost time involving chemicals; (3) PSI-Process Safety Incident according to CEFIC and ICCA definition

## **HUMAN RIGHTS IN THE SUPPLY CHAIN: RBA AND SILTRONIC**



#### RBA<sup>1</sup> and Siltronic



- Membership since May 2019
- Upgrade to level "Regular" in January 2024
- Commitment to RBA Code of Conduct
- Use of RBA toolboxes to control compliance
- Engagement in RBA working groups

#### **RBA** solutions in place

- Self-assessments (SAQ): online self-assessments on RBA platform, shared with selected members
- **Audits** (VAP): onsite audits covering 37 topics in the areas Labor, Health & Safety, Environment, Ethics, Supply chain management
- Both applied in our **production and our supply chain**

#### **Human rights in the supply chain**

We are having a close eye especially on human rights in our supply chain – with a focus on

- Fair working conditions
- Diversity and equal opportunities
- Exclusion of conflict minerals

#### New target defined in 2024

Our target is to increase the share of key suppliers<sup>2</sup> covered with human rights audits to more than 90% by 2030, starting from 75% in 2024.

> **Target: >90%** key suppliers<sup>2</sup> with ESG audits<sup>3</sup>

(1) RBA: Responsible Business Alliance, a leading industry coalition in the electronics industry with the mission to improve working and environmental conditions for members and their supply chains; (2) key suppliers cover >50% of procurement volume; (3) ESG audit including topic of human rights

# **RATINGS AND AWARDS REFLECT OUR PROGRESS**

	RELEVANCE	RESULTS 2024
11-CDP	Siltronic reports to CDP on the topics of climate change and water security since 2017; we also participate in the CDP Supply Chain program.	In 2024 we received again a stable management score of 'B' in the CDP Climate Change rating; for CDP Water Security we reached an 'A' for the first time.
ISS ESG ⊳	Since 2017, Siltronic has been analyzed and evaluated according to a wide range of sustainability criteria by the rating agency ISS-ESG.	With a ' <b>Prime</b> ' rating, Siltronic is one of the leading companies in the semiconductor industry in terms of sustainability.
M\(\text{RNINGSTAR}\) SUSTAINALYTICS	Our ESG performance is annually evaluated by Sustainalytics. Our rating results allowed us to place our first ESG-linked promissory note loan in 2022.	In 2024 we received a ESG Risk Rating of '21.8   Medium Risk' with a ESG Risk Management score of '62.6   Strong'.
MSCI	MSCI evaluates our performance in 6 key areas: Water Stress, Clean Tech, Human Resources Development, Corporate Governance and Behavior.	Siltronic has been upgraded to ' <b>BB</b> ' in the MSCI ESG rating in 2024 coming from 'B' in 2023.
Responsible Business Alliance  Advancing Sustainability Globally	RBA is a leading industry coalition in the electronics industry with the mission to improve working and environmental conditions for members and their supply chains.	In 2023 our production sites in Freiberg, Germany and Portland, USA were awarded with the 'RBA Platinum Award' for outstanding results in sustainability audits, followed by our Singapore site in 2024.



Detailed and audited information on sustainability can be found in the Siltronic Annual Report 2024

# **THANK YOU**

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