

Annual General Meeting 2025

Key points speech Jochen Hanebeck, Chief Executive Officer

- **Infineon is shaping the transformation.** We are living in a time of upheaval. Markets, the economy, politics and society are changing. Particularly in times when change is happening so quickly and on so many levels at the same time, we need common sense, determination and courage. The transformation presents huge challenges, but also huge opportunities. Infineon is in an excellent position to help shape this change. We are using the levers that are available to us within the company, with strong partners and in attractive markets.
- **We are a driving force behind the energy transformation.** Energy is a prerequisite for growth and prosperity. Providing sustainable, safe and affordable energy is a core task. We are driving the expansion of renewable energy generation forward with our products, we are supporting electrification and are delivering powerful and highly efficient power supply solutions for all application areas that are crucial for the transformation.
- **Our products create a significant net ecological benefit.** We will further increase Infineon's positive climate contribution with ever more energy-efficient and intelligent semiconductor solutions. We actively support our customers in achieving their own climate targets. We create a new level of transparency with comprehensive data on the environmental footprint of our product families and are thus a pioneer in the semiconductor industry.
- **We are well on the way to making Infineon CO₂-neutral by 2030.** By the end of the 2025 fiscal year, we want to achieve 70 percent less emissions than in the 2019 base year. This interim target is within reach. We are strengthening our collaboration with our suppliers to reduce CO₂ along the entire value chain.

- **We use Artificial Intelligence (AI) as a lever to create added value.** At Infineon, we use AI on three levels: We power AI. We enable our customers to use AI. We use AI within our company itself.
- **We power AI.** The speed and bandwidth with which AI can be used depend on two factors in particular: Super-fast processors and a high-performance power supply. Our revenue potential with specialized power supply solutions for AI data centers is considerable. We help build a bridge between technological progress and sustainability with our solutions.
- **We enable our customers to use AI.** In addition to the cloud, AI is increasingly being used in end devices such as smartphones and cars ("edge AI"). Infineon is predestined to support this trend with suitable solutions. More and more of our customers are developing specialized AI applications for end devices. We support them with the corresponding semiconductors, software and tools. In this way, we make using AI possible, quickly and easily.
- **We use AI within our company.** We can use AI tools to drastically increase productivity and quality. AI and other digitalization tools are an important lever for Infineon's competitiveness. A central goal of our digitalization strategy "Infineon Digital 2030" is to use these tools systematically.
- **We are improving our competitiveness structurally.** We are making good progress with the implementation of the Step Up structural improvement program. Step Up will have a noticeable positive effect on the Segment Result.
- **We are navigating through the ongoing low demand phase.** The weakness in demand in our target markets will last much longer than we expected in our November 2023 outlook for the 2024 fiscal year. Revenues and profitability in the 2024 fiscal year were weaker than in the record 2023 fiscal year, but the figures are fully in line with our long-term financial targets through the semiconductor cycle. We anticipate a gradual demand recovery in the second half of the 2025 fiscal year.
- **We are preparing for the coming upturn.** Driven by the green and digital transformation, our customers' demand for semiconductors will rise sharply. We want to have the competitive production capacities necessary in the medium and long term. In Dresden, we are right on schedule with the construction of our Smart Power Fab. Our joint project with TSMC, Bosch and NXP ("European Semiconductor Manufacturing Company") is also taking shape. Furthermore, we are expanding our global footprint. At our site in Kulim, Malaysia, we opened the first expansion stage of our new silicon carbide fab in August. In Thailand, a new back-end fab is being built south of Bangkok.