

Report of the Supervisory Board to the Annual General Meeting



Dr. Herbert Diess
Chairman of the Supervisory Board

Diess and Brantkammer,

More than virtually any other company, Infineon stands for decarbonization and digitalization, topics that look forward to the future. We aspire to be a technological leader in our core markets. This requires a capacity for innovation, which is already one of our distinguishing features that we continuously enhance. Our goal is to continue to build on Infineon's leading position as a global provider of semiconductor solutions for power systems and the Internet of Things.

In power electronics, this applies not only to silicon but especially to the new semiconductor materials, silicon carbide and gallium nitride, that enable particularly efficient, carbon-saving solutions. Recently, Infineon was nominated for the "Deutscher Zukunftspreis", the Federal President's Award for Technology and Innovation, for the development of a new type of energy-saving chip based on silicon carbide. Following the conclusion of our acquisition of Canadian company GaN Systems, Infineon has also reached another milestone, with our recent successful development of the world's

first 300-millimeter GaN wafer technology for power electronics. Infineon is also driving innovation in the field of IoT. Of particular relevance here is artificial intelligence, which is increasingly being used in end devices. Our extensive portfolio is designed to respond to this trend.

Infineon defines success not only by the goals we achieve but also by the route we take to get there, with sustainability playing a key role. Sustainable action goes beyond business and commercial viability. In our view, sustainable corporate governance and responsible commitment to the common good are essential. The inclusion of Infineon once again in the 2024 fiscal year in the Dow Jones Sustainability™ World Index is evidence of our approach. We are also broadening our climate strategy to include a science-based target and the calculation of our Product Carbon Footprint.

At Infineon, we are putting our stamp on the present and adopting innovative, sustainable solutions to shape the future. I would like to thank you, dear shareholders, for accompanying us on our way.

Meetings and main activities of the Supervisory Board

In the 2024 fiscal year, the full Supervisory Board convened six times, holding four ordinary meetings and two extraordinary meetings. Additionally, three resolutions were passed on the basis of written communication. The attendance rate at Supervisory Board meetings was just under 99 percent. The attendance rate at the Supervisory Board's committee meetings was 100 percent. Details of the individual attendance record of Supervisory Board members at full Supervisory Board and committee meetings are provided in a table in the Statement on Corporate Governance.

www.infineon.com/declaration-on-corporate-governance

One of the two extraordinary meetings of the full Supervisory Board was conducted virtually, while all other Supervisory Board meetings were face-to-face. Of the eight

meetings of the Executive Committee, three were in a virtual format, and all the others were face-to-face. All the meetings of the Investment, Finance and Audit Committee, the Nomination Committee, and the Strategy and Technology or Technology and Digitalization Committee were, without exception, face-to-face meetings.

In preparation for ordinary Supervisory Board meetings, separate preliminary meetings were held for both the shareholder representatives and the employee representatives. The Supervisory Board and the Investment, Finance and Audit Committee also convened regularly without the presence of the Management Board.

Limited share buyback

In September 2023, the Management Board resolved, with the approval of the Supervisory Board, to acquire up to 7,000,000 own shares via the stock exchange at a total purchase price of up to €300 million. The sole purpose of the buyback was to allocate shares to employees of the Company or affiliated companies, and to members of the Management Board of the Company as well as members of the management boards or boards of directors of affiliated companies, as part of existing employee participation programs. The buyback was carried out on behalf of Infineon in February and March 2024 by an independent credit institution via Xetra trading on the Frankfurt Stock Exchange.

Personnel matters relating to the Management Board

Constanze Hufenbecher resigned from her position as a member of the Management Board, with effect from 31 October 2023; her employment contract terminated as scheduled on 14 April 2024. The Supervisory Board appointed her successor, Elke Reichart, as a new member of the Management Board from 1 November 2023 until 31 October 2026. Infineon has thus succeeded in recruiting an experienced digitalization expert, who, in her role as the Group's Chief Digital and Sustainability Officer, is also determined to promote sustainability.

Furthermore, the Supervisory Board extended the contract of Dr. Rutger Wijburg as Chief Operations Officer for a further year until 31 March 2026. The Supervisory Board also extended the contract of Andreas Urschitz, Chief Marketing Officer, by five years until 31 May 2030.

Management Board remuneration

On 26 November 2024, on the recommendation of its Executive Committee, the Supervisory Board resolved to make changes to the remuneration system for Management Board members. The main changes were as follows:

- In the future, Management Board members will receive part of their short-term variable remuneration (Short-Term Incentive – STI) in shares. They must hold the allocated shares at least until they have accumulated the shareholding required by the Share Ownership Guidelines.
- As regards the long-term variable remuneration of Management Board members (Long-Term Incentive – LTI), adjustments are being made to the target structure with respect to the financial targets. On the one hand, two equally weighted peer groups will apply in the future for the Total Shareholder Return (TSR) target. The first of these will be a focused peer group of competitors, compiled on the basis of clear, pre-defined criteria, while the second peer group, just like the peer group used until now for the appropriateness test, will consist of the DAX 40 (excluding financial services providers). On the other hand, a new target is being added in the form of the Target Operating Model (TOM) with its long-term financial performance indicators: the ratio of adjusted Free Cash Flow to revenue, Segment Result Margin and revenue growth. The TSR and TOM targets will each comprise 40 percent of the total target, while the ESG (environmental, social & governance) targets will comprise 20 percent of the total target.

These are structural changes rather than an increase in remuneration (not even in maximum remuneration). It is intended that the revised Management Board remuneration system be implemented in all current Management Board employment contracts with effect from 1 October 2024.

Further details about Management Board remuneration are provided in the Remuneration Report. As in the previous year, the Management Board and the Supervisory Board decided to ask the auditors to perform a review of the content of the Remuneration Report in addition to their formal audit of the report. Deloitte issued an unqualified audit opinion on the Remuneration Report.

Litigation/Qimonda insolvency proceedings

During the 2024 fiscal year, the Supervisory Board was again provided with in-depth information on a regular basis regarding major legal disputes. These included, in particular, the longstanding legal dispute with the insolvency administrator of Qimonda AG pertaining to alleged residual liability claims. A milestone in these proceedings was reached at the beginning of January 2024 with the submission of the court-appointed expert's assessment, which the Supervisory Board subjected to a thorough examination. Given the importance of the proceedings, the Supervisory Board gave its approval for a potential settlement. Finally, an agreement was reached with the insolvency administrator. All aspects of this agreement were reviewed in detail by the Supervisory Board. After careful consideration, the Management Board and the Supervisory Board reached the conclusion that the settlement was in Infineon's interests and therefore approved the settlement, enabling the case to be closed in the 2024 fiscal year.

Personnel matters relating to the Supervisory Board

In April 2023, the Munich (Germany) Local Court appointed Ute Wolf as a new member of the Supervisory Board for a limited period of time until the Company's next Annual General Meeting. Her term of office therefore terminated at the end of the Annual General Meeting held on 23 February 2024. At the Annual General Meeting, Ute Wolf was elected as a member of the Supervisory Board for a further four years until the end of the 2028 Annual General Meeting.

Furthermore, Dr. Manfred Puffer resigned from his position on the Supervisory Board, with effect from the end of the Annual General Meeting held on 23 February 2024.

Dr. Puffer had been a Supervisory Board member since 2009 and showed great commitment and support for Infineon for over one and a half decades.

At the Annual General Meeting on 23 February 2024, Prof. Hermann Eul was elected as a new member of the Supervisory Board for four years until the end of the 2028 Annual General Meeting. Prof. Hermann Eul began his career at Siemens and has spent many years working at Infineon, including a period from 2005 to 2011 as a member of the Management Board. He is an acknowledged expert in the semiconductor sector, both in terms of his education and his professional career.

Basic and ongoing training

Supervisory Board members are responsible for undertaking any basic or ongoing training considered necessary to perform their duties, and they receive appropriate support from Infineon to do so. In-house information events are held to provide targeted training. A recent training, for example, covered current regulatory developments affecting the Supervisory Board as well as sustainability topics. Also, a full-day workshop with experts from the semiconductor industry was held. As part of the onboarding process for new Supervisory Board members, comprehensive briefings are offered on a range of subjects, including its individual operating segments, the principles and key elements of its corporate strategy, investment planning, and its manufacturing strategy.

Committee work

The Supervisory Board's various committees are responsible for drawing up resolutions and preparing other major topics that need to be dealt with by the full Supervisory Board. Moreover, the Supervisory Board has delegated certain decision-making powers to its committees. The chairs of each committee are required to report on matters discussed in their committee meetings at the next full Supervisory Board meeting.

Mediation Committee

The Mediation Committee did not need to convene during the reporting year.

Nomination Committee

The Nomination Committee held two meetings in the 2024 fiscal year. The topics discussed at the meetings included the confirmation of Ute Wolf and the election of Prof. Hermann Eul at the 2024 Annual General Meeting. The committee also addressed the qualifications matrix and general succession planning.

Executive Committee

The Executive Committee held a total of eight meetings in the 2024 fiscal year. These focused, in particular, on drawing up resolutions for the Supervisory Board to determine the variable remuneration of the Management Board and on the personnel issues and issues relating to Management Board remuneration referred to above. In addition, the Executive Committee addressed the issue of Supervisory Board remuneration.

Investment, Finance and Audit Committee

The Investment, Finance and Audit Committee held four ordinary meetings and one extraordinary meeting in the 2024 fiscal year.

Its activities centered on monitoring the financial reporting process, reviewing the half-year and quarterly financial statements, conducting the preliminary audit of the Separate Financial Statements, Consolidated Financial Statements and Combined Management Report for Infineon Technologies AG and the Infineon Group, and discussing the audit reports with the auditor. The Committee also conducted an assessment of the quality of the audit. In addition, the Committee examined Infineon's financial and investment budget. It also received regular reports on the internal control, internal audit, risk management and compliance management systems and deliberated on their appropriateness and effectiveness. The Committee was also provided with continuous updates on additional risks and significant legal disputes.

The extraordinary meeting focused on the court-appointed expert's assessment with regard to the Qimonda insolvency proceedings.

The Committee's recommendation to the full Supervisory Board to propose to shareholders at the 2024 Annual General Meeting that Deloitte GmbH Wirtschaftsprüfungsgesellschaft, Munich, (Deloitte) be elected as Company and Group auditor was based on a Declaration of Independence obtained from Deloitte as well as an analysis of the non-audit services provided by Deloitte. There were no indications of conflicts of interest, grounds for exclusion or other lack of independence on the part of the auditor. The Committee also considered the fee arrangements, issued contracts for the relevant audit engagements, and defined supplementary areas for audit emphasis.

Representatives of the auditor attended the regular meetings of the Investment, Finance and Audit Committee and reported in detail on the audit procedures performed. At each of the meetings, there was also a closed session involving the auditor and the members of the Investment, Finance and Audit Committee without the Management Board being present. This also applied to the full Supervisory Board meeting that considered the financial statements.

The Committee also devoted time to the Remuneration Report and the separate combined Non-Financial Report and, in this context, considered other sustainability topics.

The onboarding of Deloitte as the new auditor was successfully conducted and completed.

Strategy and Technology Committee (now Technology and Digitalization Committee)

The Supervisory Board's Strategy and Technology Committee (now Technology and Digitalization Committee) convened three times during the reporting year. The Management Board provided it with reports on a number of topics, including key aspects of the macroeconomic market and competitive environment, as well as progress to date on Infineon's digitalization strategy. Other matters discussed at committee meetings were strategic considerations with regard to the set-up for internal venture projects, other growth and innovation areas, and artificial intelligence in Infineon's products.

Corporate Governance

Declaration of Compliance 2024

In the Declaration of Compliance dated November 2024, the Management Board and Supervisory Board jointly declared that, since the submission of the last Declaration of Compliance in November 2023, all the recommendations of the German Corporate Governance Code contained in the version dated 28 April 2022 have been complied with and will continue to be complied with in the future.

The actual wording of the Declaration of Compliance 2024 and all previous Declarations of Compliance are available on Infineon's website.

<https://www.infineon.com/declaration-of-compliance>

Self-assessment by the Supervisory Board

The Supervisory Board regularly assesses how effective the Supervisory Board as a whole and the Supervisory Board committees are at performing their duties. In the 2024 fiscal year, as in 2023, this assessment was conducted using an internal questionnaire. The last review, carried out with the support of an external consultant, took

place in the 2022 fiscal year (including personal interviews with all the members of the Supervisory Board and Management Board). The questionnaire examined the following topics: reporting by the Management Board to the Supervisory Board, the handling of Infineon's corporate strategy, the organization of the Supervisory Board committees and their relationship with the full Supervisory Board, the quality of the audit of the financial statements, dealing with sustainability topics, and succession planning for the Management Board. The results of the questionnaire were then discussed at a Supervisory Board meeting and in the course of a full-day workshop. No major shortcomings were identified, but very specific measures were agreed. These included the full Supervisory Board becoming even more involved in the future with strategic issues. The committee that has been known to date as the Strategy and Technology Committee will therefore focus to a greater extent on technology and digitalization topics (and hence has been renamed the Technology and Digitalization Committee). In addition to the results of the self-assessment questionnaire, the workshop also dealt with general strategic topics and discussed an outside-in perspective on Infineon with three external semiconductor specialists from research, business and consulting.

Examination of potential conflicts of interest

Members of the Management Board and of the Supervisory Board are required to disclose any conflicts of interest to the Supervisory Board without delay. In connection with the settlement relating to the Qimonda insolvency proceedings, Prof. Hermann Eul highlighted his role as a former member of Infineon's Management Board and indicated his wish to avoid creating even the appearance of a potential conflict of interest. Therefore, he did not participate in the Supervisory Board's discussions on this subject or in the passing of resolutions, nor was he given access to the relevant documents.

Prior to Management Board members assuming sideline activities, particularly supervisory board mandates outside the Company, the German Corporate Governance Code requires that permission be granted by the Supervisory Board. No conflicts of interest were discernible in any of the sideline activities performed. In fact, they were all in Infineon's best interests and were therefore approved by the Supervisory Board and/or its Executive Committee.

Further information on the topic of corporate governance is presented in the Statement of Corporate Governance.

www.infineon.com/declaration-on-corporate-governance

Rules of procedure for the Supervisory Board and the Management Board

All rules of procedure for the Supervisory Board and the Management Board are available on the Infineon website.

www.infineon.com/cms/en/about-infineon/investor/corporate-governance/articles-of-association/

Related party transactions

Publicly listed companies such as Infineon require the approval of the Supervisory Board or one of its committees before entering into certain transactions with related parties. In order to identify related party transactions that require approval and to treat them in accordance with the law, Infineon has implemented a procedure based on a global Group guideline. The Supervisory Board has delegated responsibility in this area to its Investment, Finance and Audit Committee, particularly for resolutions requiring approval. There were no related party transactions requiring approval in the 2024 fiscal year.

Separate and Consolidated Financial Statements

Deloitte audited the Separate Financial Statements of Infineon Technologies AG and the Consolidated Financial Statements as of 30 September 2024, as well as the Combined Management Report of Infineon Technologies AG and the Infineon Group, and issued unqualified opinions thereon.

The Half-Year Financial Report was also reviewed by Deloitte. No issues were identified that might indicate that the condensed Interim Consolidated Financial Statements or the Interim Group Management Report were not prepared in accordance with the applicable provisions in all material respects. Deloitte also conducted a review of the quarterly press releases.

The 2024 fiscal year (1 October 2023 to 30 September 2024) was the first time Deloitte audited the Separate Financial Statements of Infineon Technologies AG and the Consolidated Financial Statements of the Infineon Group and reviewed the Interim Consolidated Financial Statements. Therefore, the 2024 fiscal year was also the first time that the auditor responsible for the engagement, Alexander Hofmann, signed the auditor's report, and the first time it was co-signed by Christoph Schenk.

At the meeting of the Investment, Finance and Audit Committee held on 8 November 2024 and continued in a conference call on 21 November 2024, thorough discussions were held with the auditor regarding the Separate Financial Statements, the Consolidated Financial Statements, the Combined Management Report, the appropriation of profit, and the auditor's findings. The Committee deliberated at length on the key audit matters disclosed in the auditor's report as well as on the related audit procedures. Based on the insights gained in the course of these deliberations, the Investment, Finance and Audit Committee resolved to suggest to the Supervisory Board that the financial statements drawn up and presented by the Management Board be approved and the proposed appropriation of profit agreed to.

The Separate Financial Statements, the Consolidated Financial Statements and the Combined Management Report (all prepared by the Management Board), as well as the Management Board's proposal for the appropriation of unappropriated profit and Deloitte's long-form audit reports, were made available to the Supervisory Board at its meeting on 26 November 2024. At this meeting, the Chair of the Investment, Finance and Audit Committee reported in depth on the corresponding recommendations of the Committee. In addition, all material issues relevant to the financial statements and the audit, including the key audit matters, were exhaustively discussed with the auditor and closely examined by the Supervisory Board. The examination also covered the proposal to pay a dividend of €0.35 per share entitled to dividend.

After detailed discussions, the Supervisory Board concluded that it had no objections to the financial statements and the audits performed by the auditor. In its opinion, the Combined Management Report complied with all legal requirements. The Supervisory Board also concurred with the assertions regarding Infineon's future development

contained therein, as well as with the results of the audit of the financial statements. It therefore approved the Separate Financial Statements of Infineon Technologies AG and the Consolidated Financial Statements of the Infineon Group for the 2024 fiscal year. The Separate Financial Statements were adopted accordingly. The Supervisory Board also approved the Management Board's proposal for the appropriation of unappropriated profit.

Moreover, the Investment, Finance and Audit Committee and the full Supervisory Board deliberated on the combined separate Non-Financial Report for the year ended 30 September 2024, drawn up by the Management Board, and the Remuneration Report prepared together with the Management Board. Deloitte performed a reasonable assurance engagement for the Remuneration Report and a limited assurance engagement for some parts of the combined separate Non-Financial Report and a reasonable assurance engagement for other parts of that report. In both cases, Deloitte issued an unqualified opinion thereon. The documents were carefully examined by the Investment, Finance and Audit Committee at its meeting on 8 November 2024, which was continued in a conference call on 21 November 2024, and by the Supervisory Board at its meeting on 26 November 2024. The Supervisory Board approved the Remuneration Report and positively acknowledged the combined separate Non-Financial Report prepared by the Management Board.

The Supervisory Board wishes to thank all Infineon employees and the Management Board for their great commitment and excellent performance in the 2024 fiscal year, a year of challenges.

Neubiberg, November 2024
On behalf of the Supervisory Board



Dr. Herbert Diess
Chairman of the Supervisory Board