Enabling Sustainable Transformation

Issue 1, July 2026

www.infineon.com

Agenda

Driving decarbonization and digitalization. Together.

In the coming years, decarbonization and digitalization will fundamentally change the world we live in. We are at the beginning of a profound economic and social transformation. To overcome challenges in the areas of energy efficiency, resource management, mobility, networking, and security, we need an approach that combines technology with determination.

Under the motto “Driving decarbonization and digitalization. Together.”, Infineon makes an active contribution to global CO_2 emission reduction and to the implementation of the goals of the Paris Climate Agreement.

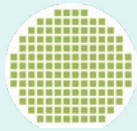
Sustainability Highlights 2025

100%
green electricity

32%
water recycling rate

76%
highest waste recycling rate[2]

2025
SBTi validated[3]



PCF[1] for 50%
of the product portfolio

1:53
net ecological benefit[4] went up from 1:45

-84%
emissions compared with 2019 baseline

External recognition of our performance

Ecovadis Platinum Award

MSCI ESG

In 2025, Infineon Technologies AG received an Rating of AAA

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

Listed in Dow Jones World Sustainability Index

CDP DISCLOSURE INSIGHT ACTION

B Climate Change and Water Security, CDP

ISS ESG

Prime Status ISS ESG Corporate Rating

SUSTAINALYTICS

Industry Top Performer

1 Product Carbon Footprint 2 Compared to past sustainability reports 3 Science-based target 4 Please see application examples within chapter sustainable portfolio

Global demand for energy is rising rapidly. This development requires technological progress and climate protection to be consistently considered together. Infineon is pioneering this green transformation, as our semiconductors reduce energy consumption in many applications. We also live up to this aspiration ourselves by making our manufacturing and processes resource-efficient. The combination of innovative strength and sustainable business practices makes Infineon a role model in our industry.

Jochen Hanebeck, Chief Executive Officer of Infineon

“

For Infineon, sustainability is a key lever for competitiveness and resilience. Our climate targets are science-based and validated by the Science Based Targets initiative. On our path to carbon neutrality by 2030, we are consistently focusing on resource efficiency and renewable energy. At the same time, we support our customers in advancing digitalization while we are driving our own digital transformation forward. Digitalization is a megatrend that opens up opportunities but also increases energy demand. Our energy-efficient semiconductors reduce this demand and make the digital future more sustainable.

Elke Reichart, Member of the Management Board and Chief Digital and Sustainability Officer at Infineon

Infineon at a glance

As a global semiconductor leader in power sytems and Internet of Things (IoT), we enable game-changing solutions for green and efficient energy, clean and safe mobility, and smart and secure IoT.

Key figures

57,077 (57,072[1])
employees, of whom 25 percent work in research and development

More than 105 sites
and 32 countries, with more than 115 nationalities in our teams

€14,662 million
in revenue

Figures relating to our taxonomy-eligible economic activities[2]

€8,810 million revenue
(60 percent)

€1,477 million capital expenditure
(50 percent)

€1,416 million operational expenditure
(49 percent)

1 In accordance with the European Sustainability Reporting Standards (ESRS), in this report we disclose our number of employees, excluding the five Management Board members.

2 Annex I to the EU Commission Delegated Regulation 2021/2139.

Infineon’s sustainability strategy is streamlined around five strategic priorities that shape our company-wide initiatives and our product portfolio

The following chapters highlight key projects, milestones, and strategies, based on these five areas.

Sustainable Portfolio

Sustainable and economically efficient – how Infineon’s innovative products create value for customers

Climate

Infineon’s transition plan – Corinna Wolf, Head of Global Sustainability and Human Rights Officer, on goals, priorities, and measures in the area of sustainability

Circularity

Resource use and circular economy – how Infineon supports the circular economy

Water

Every drop counts – how Infineon conserves water resources

Social

People & Responsibility – creating an impact within and beyond

1 Sustainable Portfolio

Sustainable and economically efficient

As one of the world's leading providers of semiconductor solutions for energy systems and the Internet of Things (IoT), Infineon helps its customers to make their business more sustainable and remain profitable.

In addition, as an early mover in the industry, Infineon provides a **Product Carbon Footprint (PCF)** for the most important product categories. The PCF is a **key figure** that describes the **total greenhouse gas emissions associated with the manufacture of a product**. It is usually expressed in kilograms of carbon dioxide equivalent (kg CO_2e), which makes it possible to compare the climate impact of different products.

This applies to all four business divisions:

Automotive

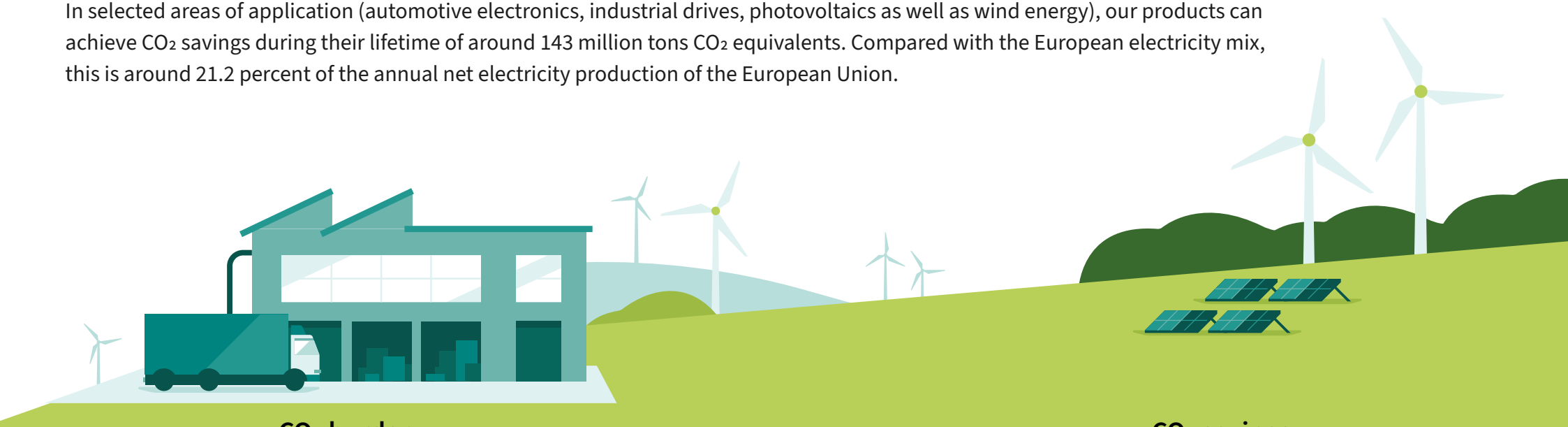
Green Industrial Power

Power & Sensor Systems

Connected Secure Systems

How Infineon's innovative products create value for customers

In selected areas of application (automotive electronics, industrial drives, photovoltaics as well as wind energy), our products can achieve CO_2 savings during their lifetime of around 143 million tons CO_2 equivalents. Compared with the European electricity mix, this is around 21.2 percent of the annual net electricity production of the European Union.



CO_2 burden

2.7 million[1]

tons of CO_2 equivalents

Ratio around 1:53

CO_2 savings

143 million[2]

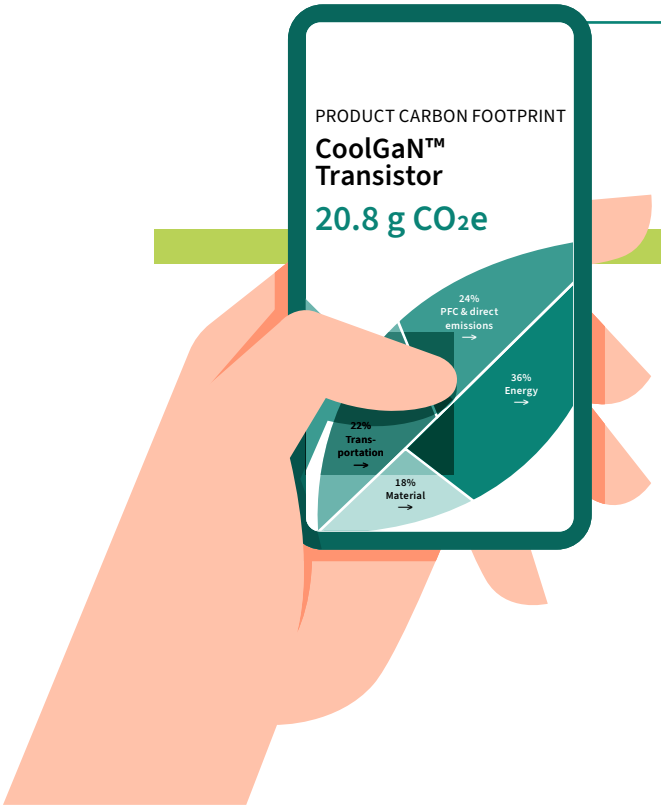
tons of CO_2 equivalents

Net ecological benefit: CO_2 emissions reduction of more than 140 million tons

1 This figure takes into account all reporting of Scope 1 (direct emissions from energy, PFC gases), scope 2 (electricity, heating and cooling), and scope 3 (purchased goods and services, capital goods, energy-related Scope 3, upstream transportation, waste, business travel, employee commuting and leased assets) emissions. It is based on data reported internally and publicly available emission factors and relates to the 2025 fiscal year.

2 This figure relates to the 2024 calendar year and takes into account the following application areas: electric vehicles, renewable energy (wind and photovoltaic) and industrial drives – CO_2 savings are calculated based on the potential savings generated by the technologies in which semiconductors are used. The CO_2 savings are allocated based on Infineon's market share, semiconductor share in the final application, and the lifetime of the technology concerned, based on internal and external experts' estimations.

As an early mover in the industry, Infineon provides Product Carbon Footprint data, enabling our customers to reduce their emissions



PCF: CO_2 emissions from cradle to gate

Materials

- Chip and material direct emissions (BE): Material in final product
- Indirect material emissions used during production (chemicals, water, waste, …)

Direct emissions

- PFC gases from manufacturing sites
- Direct emissions emitted by our sites

Energy

- Electricity and other energy sources used in production

Transportation

- Global transportation of the product
- Including transportation between production sites
- Including average transportation to customers

~50% of our portfolio can be calculated already.
17 products are freely available at www.infineon.com/pcf

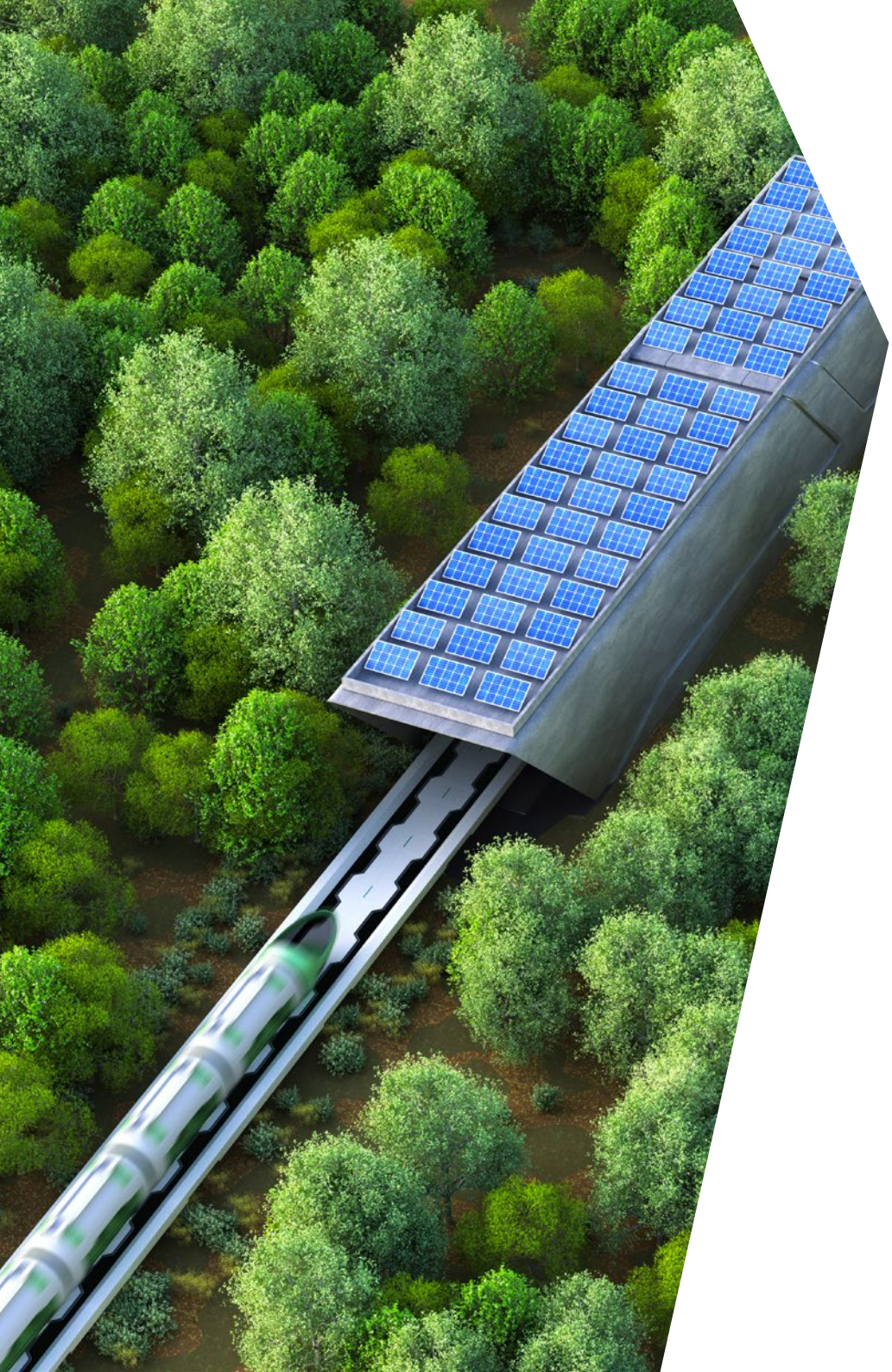
The following pages show some practical examples of how Infineon's technologies make a difference.

Automotive (ATV)

The ATV division is shaping the **future of mobility** with products and solutions that drive decarbonization and digitalization in the automotive sector. Our ambition is to **make vehicles clean, safe, and smart**.

Greater range in e-mobility

Making electric mobility accessible to a broader market requires a combination of **high performance and efficiency** at a comparatively low cost. Infineon achieves exactly that with the **HybridPACK™ Drive G2 Fusion**. This plug-and-play power module combines Infineon's silicon and silicon carbide (SiC) technologies for the first time. This innovative solution strikes an ideal **balance between performance and cost efficiency**. It meets the **demand for greater range** in e-mobility: the module delivers impressive performance without increasing system complexity for automotive suppliers and vehicle manufacturers.



Green Industrial Power (GIP)

The GIP division is driving the global energy transition and paving the way for an increasingly electrified, more sustainable future.

Higher efficiency and longer service life for industrial applications

Industrial applications such as fast electric vehicle charging with direct current (DC charging) or energy storage systems face particular challenges. They are exposed to fluctuating loads and significant temperature changes. This requires high efficiency and resilience as well as a long lifetime. To meet these requirements, Infineon has launched **EasyPACK™ C**. The first modules in this new package integrate **CoolSiC™ MOSFETs 1200 V** and enable **more than 30% higher power density and up to 20 times longer lifetime** compared to the previous generation of silicon carbide MOSFETs. Combined with the high temperature resilience, the modules address the growing energy demand in industrial applications.

Power & Sensor Systems (PSS)

The PSS division is driving Infineon's vision of decarbonization and digitalization with a wide range of energy-efficient and digital solutions.

Energy efficiency of AI data centers

AI is driving exponential growth in global data generation. This is leading to increasing energy requirements for the chips that support this enormous data growth. This is just one example showing where Infineon's power modules come into play. They offer high power density and industry-leading efficiency. These modules can achieve significant energy savings for each data center. Over the lifetime of the system, this means savings in the millions.

In this context, Infineon has also conducted an analysis of the environmental **impact of two different voltage regulator solutions in AI servers. The result: over a three-year lifespan, around 150 tons of CO_2 can be saved. This is equivalent to driving an average car over 1,000,000 km.**

Connected Secure Systems (CSC)

Smart IoT and Edge AI solutions for a sustainable tomorrow.

More sustainable payment transactions

With **SECORA™ Pay Green**, Infineon offers an intelligent answer to the changing market conditions in the financial sector and at the same time is revolutionizing the conventional payment card. This solution enables the payment card body to be fully recycled and creates new opportunities for the use of locally available and more environmentally friendly materials such as recycled PVC, PETG, or even wood. This **reduces the carbon footprint** of material sourcing and logistics **by over 60%** compared with traditional payment cards.

At the end of the card's lifecycle, the SECORA™ Pay Green module can be easily removed from the card and recycled separately from the card body.

2 Climate

Infineon’s transition plan

Interview

Infineon’s transition plan – Corinna Wolf on goals, priorities, and measures

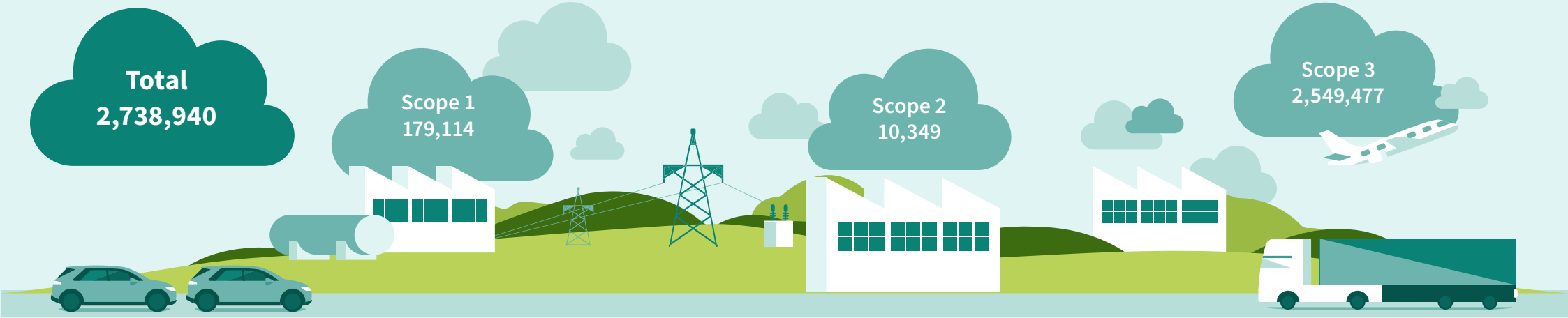
Infineon has published its first transition plan for climate protection in order to expand its own sustainability strategy.

Corinna Wolf, Head of Global Sustainability & Human Rights Officer

Infineon measures and discloses the environmental impact of its operations and products

CO_2 burden 2025

in tons of CO_2 equivalents



Scope 1 – Direct
i.e., Gas, oil, own vehicles

Scope 2 – Indirect
i.e., Electricity, district heating

Scope 3 – Indirect
i.e., Raw materials & supplies, transportation

In the calculation[1] of our carbon footprint, we have considered:

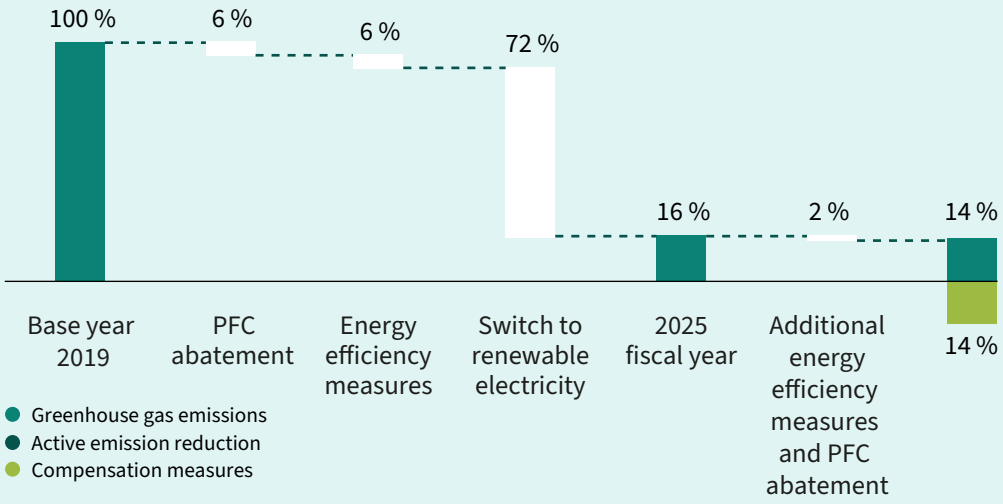
1 The manufacturing process, including all of the utilities (raw materials and supplies)
2 Internal and external logistics including final distribution to customers
3 Operational materials and other process media, goods transportation, own vehicles, travel, and energy supply activities (for example, transmission losses), as well as manufacturing service providers
4 New categories in FY25: Employee commuting and downstream leased assets have been calculated and reported for the first time in FY25

1 Data disclosed through the CDP

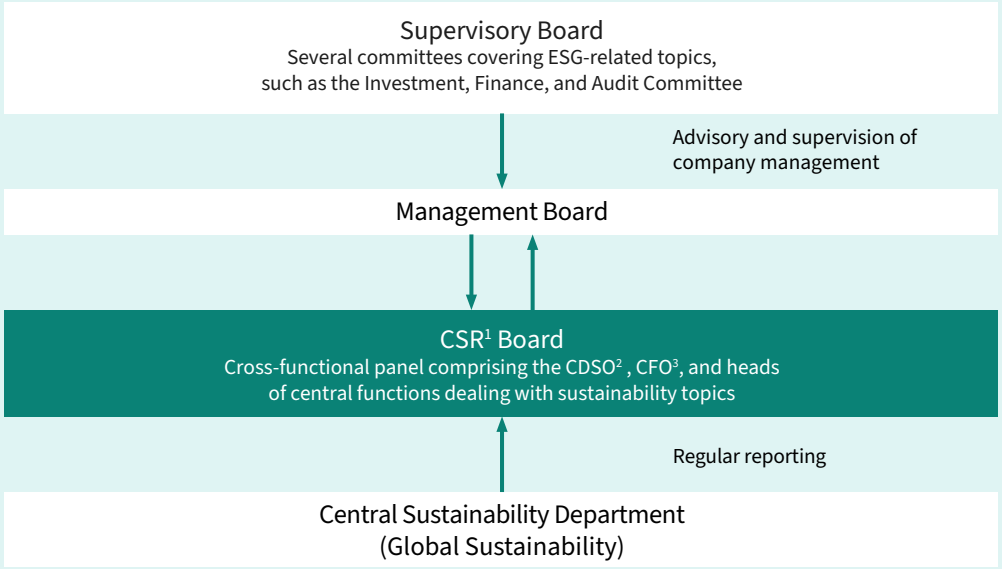
Ms. Wolf, Infineon published a transition plan for the first time this year. What were the reasons for this?

As a leading global provider of semiconductor solutions, we have a responsibility to operate sustainably and reduce our emissions. Infineon has set itself the goal of **driving sustainability in all areas of the company** and making the greatest possible contribution to decarbonization through its products. At the same time, **Infineon wants to contribute to limiting global warming to 1.5°C**. Our sustainability strategy serves as a strategic framework for all sustainability activities and defines the necessary priorities and measures. The transition plan complements this strategy in the area of climate protection. It is integrated into Infineon's overall business strategy and financial planning. (In the 2025 fiscal year, €2.2 million of capital expenditure (CapEx) was allocated to the decarbonization levers described, with an additional €4.9 million relating to operating expenses (OpEx).) And it is regularly updated by the CSR Board.

Levers and measures of Infineon's climate strategy



Internal Control System (ICS)



1 CSR – Corporate Social Responsibility
2 CDSO – Chief Digital and Sustainability Officer
3 CFO – Chief Financial Officer

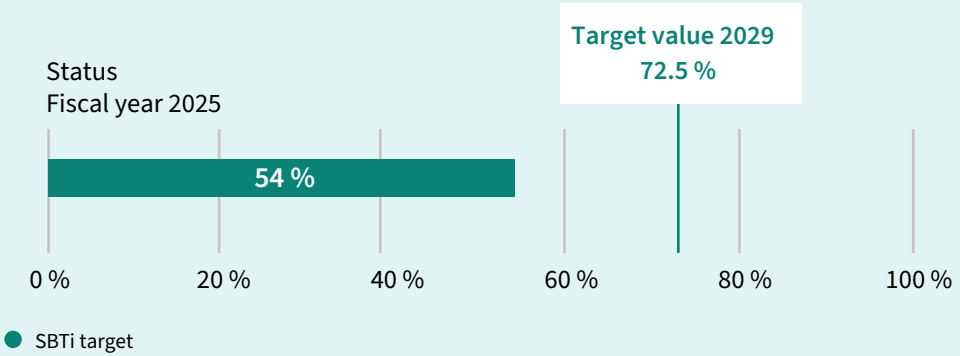
What are your goals with the transition plan?

Essentially, Infineon wants to make a concrete contribution to climate protection and has set itself the goal of **becoming CO_2 neutral in terms of direct and indirect emissions (Scope 1 and Scope 2) by the end of the 2030 financial year**. We are well on the way to achieving this. By the end of the financial year, we had already achieved our interim target of **reducing emissions by 70% compared with 2019**. At the same time, Infineon is systematically involving its suppliers in order to reduce indirect emissions, i.e. Scope 3.

Do you also have a specific SBTi target for your suppliers?

Yes, of course. By 2029, we want **72.5% of our suppliers** to also have **science-based climate targets** for their own greenhouse gas emissions. We are actively working with our suppliers to achieve this.

SBTi Supplier Engagement Target



What specific measures is Infineon taking to achieve these goals?

We have identified clear levers and measures to achieve our sustainability goals. These include, for example, **cleaning the exhaust air of process gases**. But also **energy efficiency measures**, the switch to **green electricity,** and the use of **self-generated renewable energy.**

Can you explain these measures in more detail? Let's start with the purification of process gases in the exhaust air: What are these gases, and how can they help you achieve your climate goals?

In the semiconductor industry, process gases are used in the manufacture of chips and the cleaning of systems. These include PFC gases (perfluorinated and polyfluorinated chemicals). They have a significant impact on the climate but cannot yet be replaced. As the global demand for semiconductors is increasing, the demand for these gases is also growing steadily. Infineon is responding to this trend with three important measures:

1. optimization of production processes
2. intelligent exhaust air purification
3. wherever possible, with the use of alternative gases that have a less negative impact on the environment.

To give you a concrete figure:
Our investments in state-of-the-art exhaust air purification systems have **saved around 694,920 tons of CO_2 equivalents.** This corresponds to ≈ 3.3 billion kilometers driven by car. (Basis: 0.211 kg CO_2/km for an average EU car.) This corresponds to approximately 82,000 trips around the world by car.

That is an absolute reduction in emissions of 84%.

With our additional measures and our optimization program, we expect to be able to increase the reduction to over 90% in the next few years.

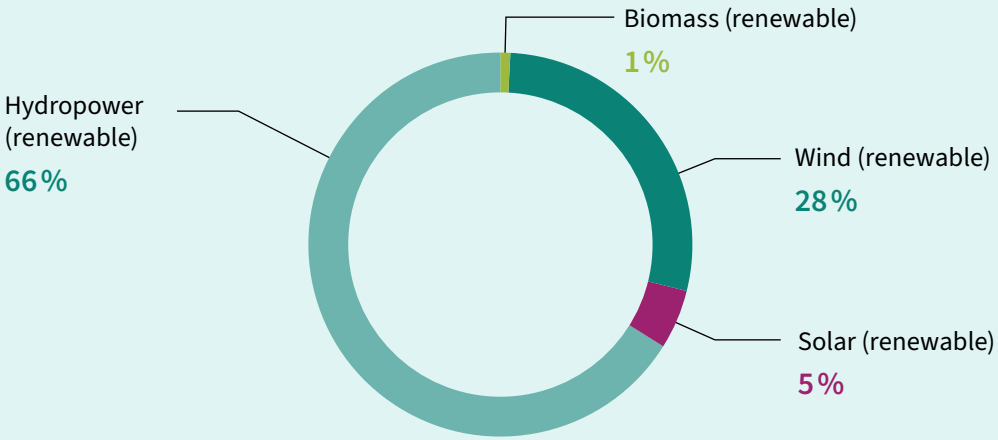
What energy efficiency measures is Infineon implementing?

Energy teams at our sites continuously analyze, optimize, and increase energy efficiency in our operations. This approach is already producing tangible results: At several production sites in Germany and Austria, some of the heat required for operations is recovered from waste heat generated by our own production processes.

In the 2025 financial year, we stepped up our efforts and implemented a series of targeted measures that resulted in annual **energy savings** of more than **57 gigawatt hours (GWh).** These improvements mean the **avoidance of around 29,682 tons of CO_2** equivalents. To illustrate the scale of this impact, **57 GWh is equivalent to the annual electricity consumption of around 20,000 households.** Put simply, the energy saved is enough to power a medium-sized city for an entire year.

Building on this progress, Infineon has cumulatively saved more than 210 GWh of energy since 2020.

Green electricity as a percentage of total electricity consumption



How far has Infineon progressed with the switch to green electricity that you mentioned?

Done! We have completely converted all our production sites to electricity from renewable sources. This also applies to our corporate headquarters, at Campeon.

To what extent does Infineon use self-generated energy – and what are its sources?

Solar energy is a central pillar of our decarbonization strategy. **Photovoltaic (PV) systems** have long been established at our production sites in **Warstein, Wuxi, Singapore, Regensburg, and Villach,** and have been contributing to our operational energy supply for several years. Building on this strong foundation, we began installing **additional PV systems at our Kulim and Melaka** sites in FY 2025. Further expansion is planned for 2026, with new **PV projects at our sites in Munich, Villach, and Dresden** and a capacity **expansion of the existing PV plant in Kulim.**

In total, Infineon will be able to generate approximately **50 GWh of solar power** annually through its local PV systems. Considering that a typical industrial PV module is **equivalent to an estimated 100,000 PV modules**, this output is comparable to that of a medium-sized solar farm, which supplies thousands of households with clean energy.

To complement our on-site PV generation, Infineon also sources renewable electricity through long-term power purchase agreements. **In October 2025, we entered into PPAs for wind and solar energy** that provide stable green power to our German sites and further support our long-term decarbonization goals.

Infineon is fully committed to legal compliance and environmental responsibility, including, but not limited to, EU REACH and US TSCA. We are actively working across internal teams, suppliers, production partners, and associations to continuously reduce and eliminate PFAS substances from our supply chain over time, seeking alternative materials.

3 Circularity

Resource use and circular economy

Moving towards a circular economy

The circular economy represents a shift away from the traditional take, make, dispose model.
It aims to **keep products and materials in use for as long as possible.**

In the 2025 fiscal year, Infineon recycled or reused 68% of its non-hazardous waste and 81% of its hazardous waste, resulting in an overall waste recycling and reuse rate of 76%.

If we take into account not only recycling but also waste treatment that recovers energy through the incineration process (thermal energy recovery), our waste recycling and reuse rate would be even higher with 83%.

Infineon is committed to the circular economy in three areas:

Firstly, we strive to **optimize resource efficiency** in our own company in a circular way wherever possible.

Secondly, we take a close look at **how our products are designed** in terms of the circular economy, for example to consider the use of materials or to optimize energy efficiency.

Ultimately, we are exploring **how our products help** to enable the circular economy.

Waste management (resource outflows)

At Infineon, we manage resource outflows to reduce environmental impacts and advance the circular economy by **minimizing waste** generated across our global operations. Where recycling is not feasible, waste is directed to incineration with thermal energy recovery, with the aim of minimizing landfill disposal.

Our sustainable waste management strategy focuses on **enhancing resource efficiency, fostering circular processes**, and continuously **reducing waste** from our own operations by implementing sustainable practices.

The following examples show how Infineon integrates the circular economy at different levels of the company.

Equipment Repair

A specially developed program enables the return and refurbishment of spare parts for complex semiconductor production equipment. This allows the equipment to be used for longer. The return system also enables the refurbishment of replaced parts.

Reuse of wafer boxes

Infineon has implemented a process whereby wafer boxes are collected at its sites and returned to suppliers. This enables the boxes to be reused for further deliveries. As a result, significant volumes of material and CO_2 emissions from manufacturing can be saved.

Gas recycling

Infineon is pioneering an innovative approach to neon recycling, thereby achieving a significant reduction in CO_2 emissions. By purifying the noble gas in litho-DUV laser chambers, Infineon reduces consumption by up to 80%. This enables significant cost savings and a direct reduction in Scope 3 CO_2 emissions.

Chemical recycling

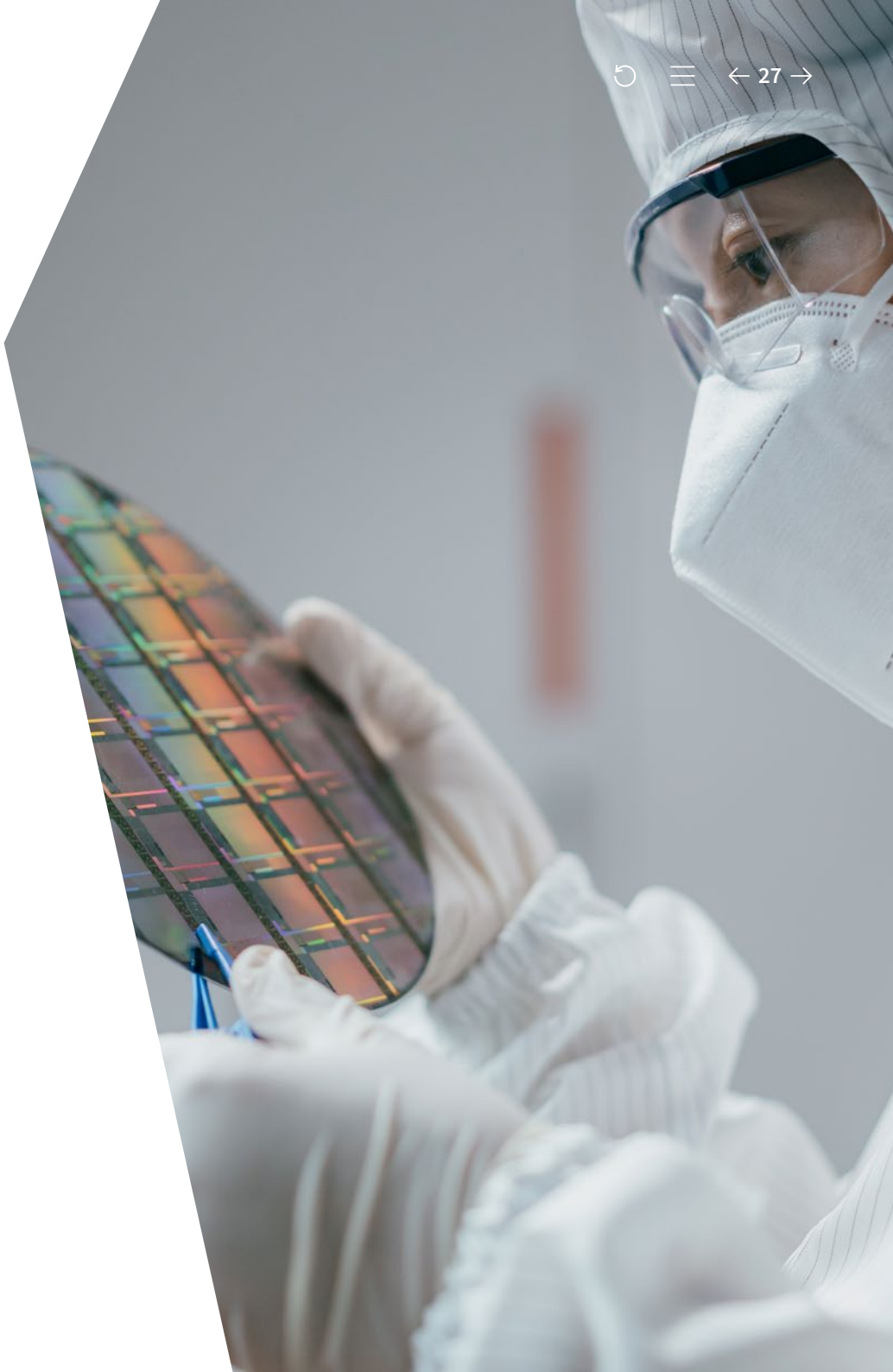
The semiconductor manufacturing process requires the use of chemicals, especially solvents. Infineon began recycling these solvents more than 15 years ago. This makes us a pioneer in this field. Solvent waste is collected after use at the production sites in Villach, Regensburg, Dresden, and Kulim and handed over to local recycling partners. In a closed-loop system, the solvents are cleaned and processed so that they meet the high quality standards of the semiconductor industry. The chemicals can then be reused.

Reuse and recycling of wafers

Infineon has been working with external partners for over 25 years on a process for reusing test wafers. In addition, together with suppliers, Infineon developed a method to remove metal layers from defective wafers in 2021. This innovation enabled a new reconditioning process. As a result, previously discarded wafers can be reused. Today, Infineon reconditions well over 1,000,000 test, reclaim, and prime wafers every year.

OPTIGA™ Authenticate

With the security solutions of the OPTIGA™ Authenticate product family, Infineon enables the verification of spare parts and original components. This makes it easier to repair products and potentially extend their service life. In the context of European regulations such as the “Right to Repair,” such solutions can contribute to better reusability of spare parts for example, and enable the “right to repair”.



4 Water

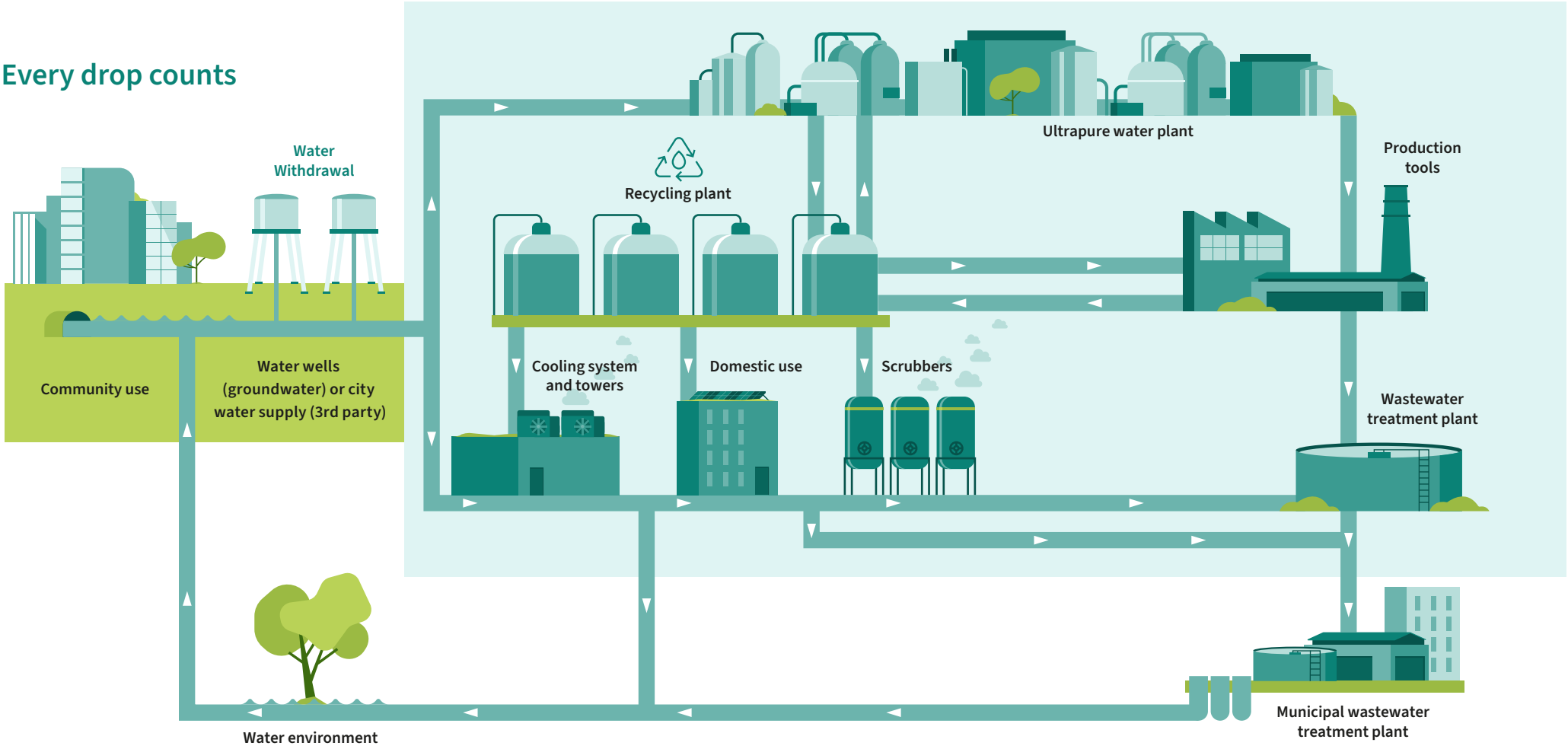
Every drop counts

How Infineon conserves water resources

Water is a vital resource and Infineon's approach recognizes its crucial importance to our operations. Our manufacturing activities require water, particularly ultrapure water for wafer cleaning and etching processes, and cooling water to regulate the temperature of equipment and processes.

At the same time, we also recognize that water is an essential resource for communities and the environment around our operations.
Our procedure combines technical innovation focused on water efficiency and recycling with governance policies focused on sustainable water use.

Every drop counts



In the 2025 fiscal year, we generated water savings of more than **16 million cubic meters** through recycling and reuse measures at our sites. This volume corresponds to the average annual water usage of over **340,000** European residents.

Progress toward our ambition to reduce water withdrawal and increase recycling is assessed annually using our water recycling rate. In fiscal year 2025, Infineon achieved a **32%** recycling rate.

5 Social

People & Responsibility

Creating impact within and beyond Infineon

A safe workplace for everyone

With a globally **certified ISO 45001** Occupational Safety and Health Management System, we take a proactive, prevention-first approach.

Key results (FY2025)

- **Injury Rate (IR): 1.36** per 1,000,000 hours
- **Lost Day Rate (LDR): 20.34** per 1,000,000 hours

These indicators are significantly below the benchmark figures for Germany published by BG ETEM (Berufsgenossenschaft Energie Textil Elektro Medienerzeugnisse).

These metrics reflect our consistent effort to eliminate risks and align with EU-level reporting standards.

Diversity & Inclusion
A workplace where everyone belongs

- A vibrant, global community with employees from **115 countries** bringing different perspectives and ideas to the table
- **18.5% women in middle and senior management**, getting closer to our **≥20% target for 2030** — a strong signal within a tech industry where gender imbalance remains a challenge

Fairness in pay

Our **gender pay gap remains below 1%**, significantly outperforming the **17% global average**.

Employee engagement

Our people continue to thrive — **84% feel engaged and motivated**, confirming our commitment to a positive and inclusive workplace.

More information

HR Report 2025

Our global responsibility: Human rights, supply chain & communities

Respect for human rights and sustainability across the value chain

We anchor human rights into every step of our operations and supply chain, aligned with the **UN Global Compact** and the UN Guiding Principles.

Our approach includes:

- A comprehensive **Human Rights Policy** and **Supplier Code of Conduct**
  - **100% of direct suppliers** commit to our Supplier Code, covering human rights, labor, safety, and environmental expectations.

- A robust due diligence process to identify, assess, and prevent risks
  - **300+ strategic suppliers**, representing >70% of procurement volume, were reassessed on human rights, environmental, and conduct-related risks.

- Engagement with vulnerable groups such as migrant workers through the launch of a collaboration with a local non-governmental organization to support the program with their expertise.

Conflict-free minerals

We ensure responsible sourcing of 3TG minerals — tin, tantalum, tungsten, and gold. It is always our objective that these minerals are **sourced exclusively from smelters** that meet the requirements of the Responsible Minerals Assurance Process (RMAP) or a comparable audit program.

Corporate citizenship & community impact

At Infineon, we believe in giving back to the communities where we operate. Our corporate citizenship program is designed to make a positive impact on the lives of people around the world.

4 key areas of focus:

1. Environmental sustainability:
We're promoting eco-friendly practices and supporting initiatives that protect our planet.

2. Education for future generations:
We're empowering students and teachers with the knowledge and skills to succeed in a rapidly changing world.

3. Local social needs:
We're supporting community development projects and helping those in need.

4. Responding to natural and humanitarian disasters:
We're providing aid and assistance to those affected by natural disasters and crises.

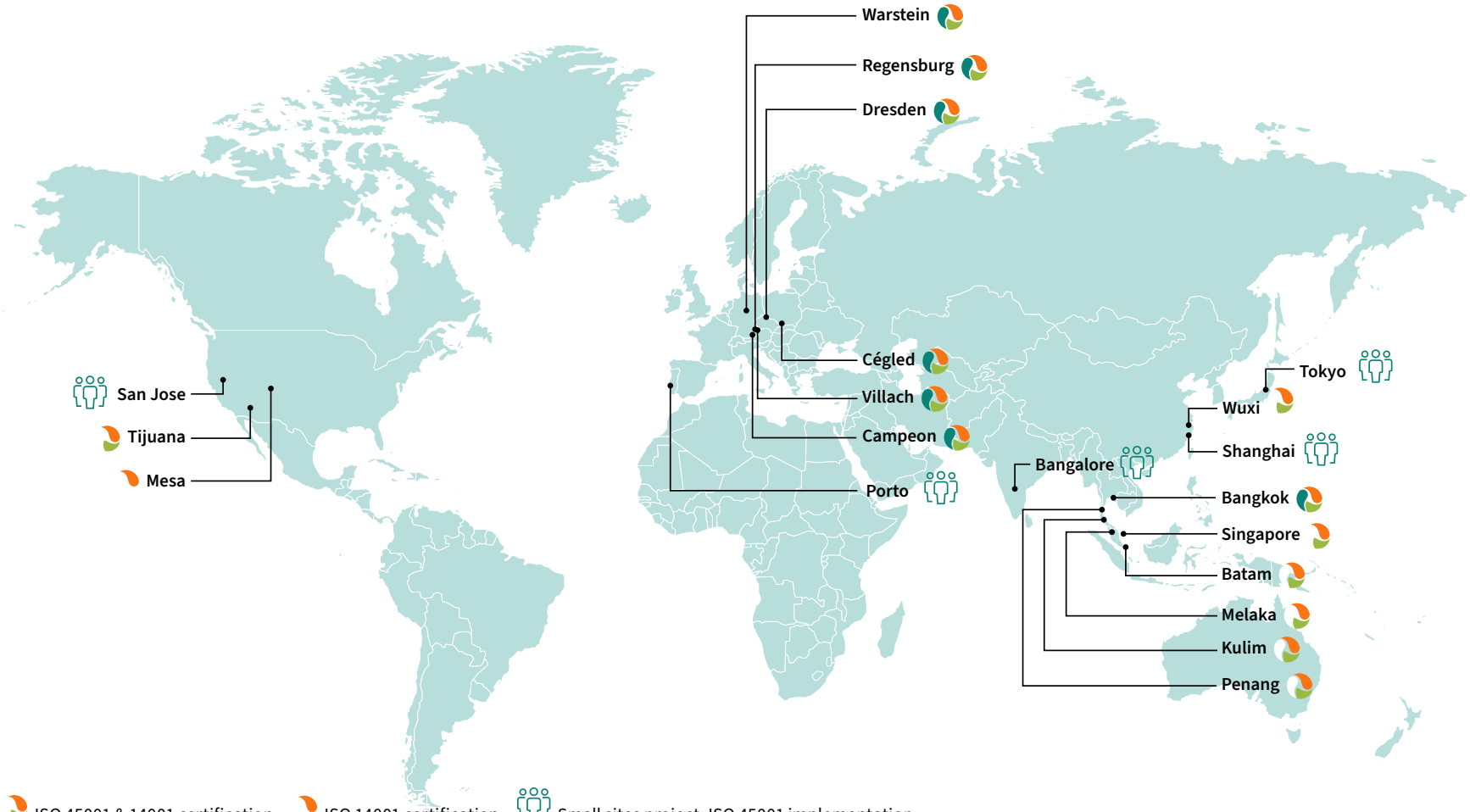
Infineon has also established **IMPRES (Infineon Integrated Management Program for Environment, Energy, Safety, and Health)**, a global management system for environmental protection, energy, occupational safety, and health. IMPRES is certified worldwide according to the ISO 14001 and ISO 45001 standards. In addition, the system is certified according to the ISO 50001 standard for energy management at the company's central European production sites and at the company headquarters in Campeon. Further information can be found here.

Infineon's global management system (IMPRES) supports our sustainability strategy

Employees

100%
covered by our IMPRES program

49,784
total safety-related training hours



ISO 45001, 14001 & 50001 certification
ISO 45001 & 14001 certification
ISO 14001 certification
Small sites project: ISO 45001 implementation

Published by
Infineon Technologies AG
Am Campeon 1-15, 85579 Neubiberg
Germany

Public

Version: V1.0_EN
Date: 07/2026

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