TCFD alignment

Overview of our reporting in line with recommendations outlined by the Task Force on Climate related Financial Disclosures (TCFD)

Infineon description	Disclosure location
Governance : Disclose the organization´s governance around climate related risks and opportunities	
At Infineon, the Management Board, the Supervisory Board and other levels of management ensure that corporate governance is actively practiced and continuously developed through the entity. The responsibility for climate-related aspects remains within the Management Board of Infineon. They are responsible by decision-making on sustainability strategy, approve policies and management guidelines, approve materiality analysis covering climate-related issues, risk management and target setting and monitoring of the achievement. Sustainability performance (including climate-related aspects) and formulation of the following year's operational direction and goals are discussed once a year by the Sustainability department together with the Management Board in the yearly Management Review meeting. The Supervisory Board monitors at least annually how ecological (including climate related aspects) and social sustainability is considered in the corporate strategy and its implementation that strategic and operational plans comprise financial as well as sustainability-related objectives (including climate objectives) and that internal control and risk management system is also geared towards sustainability-related matters (including climate risks). Infineon set up the CSR Board, a cross functional corporate-wide decision-making body composed by members of the Top-Management representing Accounting Controlling and Taxes, Communication, Competence Center, Finance, Human Resources, Investor Relations, Legal, Operations, Procurement, Sustainability and respective Board members. The CSR Board holds meetings every 6 weeks to have in-depth discussions on ESG[1] topics, such as climate strategy, that can affect long-term business strategies. Main responsibility for climate change topics (below Board level) lies with the Global Head of Sustainability with an assigned organization of managers and experts on global, regional and site level. The Global Sustainability department is responsible for the identification and assessment of climate related risks and opportunities and developing and supervising the planned and implemented climate corporate wide strategies and programs at site level. Furthermore, they are responsible for target setting, development of action plans in response to the specific sustainability targets, monitoring implementation progress of these plans and evaluate performance, consolidation of sustainability information for non-financial disclosure and support of the continuous improvement process.	Annual Report 2025, (p. 16, 28-29, 68-72) Sustainability Report 2025, (p. 8-10, 19) CSR Policy
Strategy: Disclosure the actual and potential impacts of climate-related risks and opportunities on the organization´s businesses, strategy, and financial planning where such information is material.	

Risks

Market transition Risk: Manufacturing cost trends – raw materials prices, cost of materials and process costs (High)

Our medium-term and long-term forecasts are based on expected manufacturing cost trends. In this context, measures aimed at optimizing manufacturing costs for raw materials and supplies, energy, labour and automation, as well as for bought-in services from external business partners, may not be feasible to the extent envisaged. Moreover, our dependence on energy supplies for our production and on various components (such as wafers), raw materials (including gold, copper and rare earths) and specialty gases expose us to substantial price and supply risks. In particular, a restriction of or interruption to the supply of natural gas for manufacturing sites in Europe could result in significant disruptions to production. Raw material and energy prices are currently subject to substantial fluctuations due, among others, to inflation. These fluctuations in market prices are expected to persist. In such a situation, if we are unable to offset cost increases or pass them on to customers, it could have an adverse impact on our financial position and earnings.

To deal with the described risks we have carried out an energy impact assessment to identify the most energy consuming sites. Based on this, we implemented an energy management system according to ISO 50001 in our largest European manufacturing sites as well as at our corporate headquarters Campeon (Germany). This Management System has been integrated into Infineon Integrated Management Program for Environment, Energy, Safety and Health (IMPRES) and is externally certified. In 2020, Infineon has committed to become carbon neutral by the end of the 2030 fiscal year. As part of our strategy and new commitment, Infineon implemented an internal virtual carbon pricing in 2020. The internal CO_2 price supports projects by which direct or indirect emissions may be reduced. Besides the financial benefit due to energy demand reduction and consequently energy cost reduction, an additive virtual financial benefit is created. Additionally, more than half of Infineon's total costs occur with its suppliers. Therefore, we implemented optimized processes for our procurement activities and built enabling organizational structures, using new leading technologies. Our suppliers must continuously improve their performance and thereby their costs as well as ours.

Market transition risks, including those related to raw material procurement,
were evaluated as part of the climate transition plan based on the IEA's "Net Zero emissions by 2050" scenario, considering factors such as price developments, product availability and supply chain resilience.

Acute physical Risk[2]: Increased severity and frequency of extreme weather events such as cyclones and heat waves

One of the most significant risks is potential disruption in production. Climate change is causing more extreme weather conditions. Abnormal climate can increase the frequency of climate disasters like storms, floods, drought, and water shortages and could mean a considerable impact on business operations. These climate events can cause severe interruptions in Infineon´s services, Infineon´s suppliers and customers ability to produce, having an adverse impact on earnings. Financial implications depend highly on the type and magnitude of the natural phenomena.

Natural hazardous risks are evaluated in the local Business Continuity (BC) Plans for all production sites on a regular basis at least annually. For each identified risk, measured can be defined. Furthermore, in case a natural disaster would happen, Infineon has a tool (EDDIE) for early detection of disasters, critical incidents and external hazards. Thanks to these systems, whenever an incident occurs we are immediately able to derive counter measures. Additionally, as integral part of our Fire and Loss prevention management program, natural hazards are annually evaluated by a team of external risk control engineers for all relevant sites. The results currently are not indicating an elevated climate risk for Infineon.

We have also carried out an assessment of the potential risks of water stress, using the Aqueduct Water Risk Atlas 4.0 data. Three relevant areas with a high or extremely high risk of water stress were identified. These sites only use water provided by local suppliers. To reduce the demand for fresh water, the three sites implement effective water recycling measures using reverse osmosis systems. We used the same method of assessment to determine potential future

Annual Report 2025 (p. 72-75, 79-81)

Sustainability Report 2025, (p. 11-12, 15-17, 32-36, 45)

scenarios (RCP[3]4.5 and RCP8.5), so that no further sites might find themselves in areas with water scarcity by the end of the 2030 fiscal. In this context, we plan to develop measures within the IMPRES framework in accordance with local circumstances, such as consuming water more efficiently by using it multiple times in the process cycle.

Furthermore, within our climate transition plan, two scenarios were used to assess physical risks within the defined time horizons: the high emissions scenario SSP5-8.5 and the "middle of the road" emissions scenario SSP2-4.5 from the Intergovernmental Panel on Climate Change (IPCC). We identified material physical risks by assessing how our assets and operations are exposed to 28 physical hazards. We did this by taking the geographic coordinates of our production and research and development sites, along with our corporate headquarters, Campeon (Germany), and by evaluating each location's vulnerability to these risks. Overall, we evaluated 675 physical hazards, of which only 62 were deemed relevant in the gross assessment. Most of our sites need to focus on just two to three physical risks, although a few exceptions exist. Many of the same gross hazards occur across most sites, allowing them to be mitigated with similar adaptation strategies. As a result, the remaining physical net risks are manageable.

We did not extend our assessment to the value chain, as our key suppliers have already carried out comprehensive climate scenario analysis aligned with internationally recognized frameworks such as the Task Force on Climate-Related Financial Disclosures (TCFD). This enables us to leverage existing insights and ensure our analysis remains consistent with the information available across the supply chain.

Also, in order to be able to do business with Infineon, a supplier must pass a phase-in process. During the phase-in, the supplier has to fulfill our requirements. As part of this assessment, suppliers have to show us that they have a business continuity management process which includes business continuity plans in case of a climate disaster. Suppliers which do not fulfill our requirements during the phase in-process cannot make business with Infineon. Furthermore, every year key suppliers are re-evaluated.

Opportunities

Energy source Opportunity: Decarbonization and acceleration of the energy transition (OC: high)
With a constantly growing world population and increasing industrialization, global demand for energy is rising. Electric power is becoming the most important energy form of the 21st century, while renewables are playing a key role in curbing carbon emissions. The long-term objective is to achieve global decarbonization by the end of the century, as resolved at the Climate Change Conference held in Paris (France) in December 2015. As part of its Green Deal concept, the European Union intends to become carbon-neutral by 2050. To achieve this target, it will be necessary to develop renewable sources of energy at a faster rate than originally envisaged. This should lead to an increase in demand for our products, as Infineon's semiconductors enable electric power to be generated more efficiently from renewable energy sources. Indeed, they offer efficiency gains at all stages of the energy industry's value chain, whether in generation, transmission, storage or, above all, in the use of electric power. They form the basis for the intelligent and efficient use of electric power, for instance, in industrial applications, power supplies for computers, consumer electronics and vehicles.
Markets Opportunity: Market access and activities in China (Medium)
Infineon generates more revenue in China than in any other country. Accordingly, developments and growth opportunities in China are of great importance to the Group and relate to the following markets we serve: China is the world's largest automotive market, and its growth potential remains high. In particular, high rates of growth for electric-powered vehicles make China one of the largest markets for electromobility. SIAPM, the joint venture formed by Infineon with SAIC Motor (China's largest car manufacturer), which offers power semiconductor solutions for electric vehicles, is strengthening our position in China. With China's ratification of the Paris Climate Agreement in 2016 and with China's last two five-year plans, climate protection has become

more important for China. As a consequence, the importance of expanding renewable energy sources in China increased enormously. Our presence in this market, alongside our collaboration with leading companies in the wind and solar power sectors, will create further opportunities for long-term growth. **Products and Services Opportunity: Further growth of semiconductor content in vehicles (Medium)** We expect semiconductor content per vehicle to continue growing. The driving forces behind this trend are the rising demand for electromobility, active safety and comfort features and the move towards software-defined architectures. We are convinced that current global carbon emissions targets cannot be achieved without further electrification. The need for increased efforts in this field is relevant not only for electromobility (i.e., hybrid, plug-in hybrid and all-electric vehicles) but also for auxiliary aggregates in all vehicles. Moreover, the trend towards automated and assisted driving offers great potential for our sensors and microcontrollers. Infineon is extremely well positioned for opportunities in this area. 50% of Infineon revenue in 2025 FY was related to Automotive products.	

Risk Management: Disclose how the organization identifies, assesses and manages climate-related risks	
Infineon's centralized risk management system is based on a Group-wide, management-oriented Risk and Opportunity Management System (ERM) approach, which aims to cover all relevant risks and opportunities. The approach is based on the "Enterprise Risk Management – Integrating with Strategy and Performance" framework developed by the Committee of Sponsoring Organizations of the Treadway Commission (COSO). All relevant risks and opportunities are assessed uniformly across the Group in quantitative and/or qualitative terms, based on the factors: degree of impact on the Segment Result and/or business objectives, reputation and compliance, on the one hand, and likelihood of occurrence, on the other. For the first time in 2025 we conducted a climate scenario analysis in line with the requirements of ESRS E1-IRO-1 and ESRS E1-SBM-3. This involved a scenario analysis based on three distinct time horizons, reflecting the expected lifespans of our assets and the periods over which climate risks may emerge and intensify. The time horizons are defined as short-term (through 2030), medium-term (through 2040), and long-term (through 2050). This choice of time horizons aligns with our strategic planning and capital allocation horizons. The assessment identified both gross physical climate risks and gross transition risks, providing the basis for our net impact view and resilience evaluation. As part of the climate scenario analysis, we began by identifying gross risks representing the potential impacts of climate events without factoring in our existing mitigation and adaptation measures. Building on this, and incorporating the measures already in place, we then derived the remaining net risks. Both risk types were analyzed across three scenarios (two for physical risks and one for transition risks) that included, among others, the opposing endpoints of the full range of scenarios to ensure preparedness for all plausible risks. Additionally, our sites are equipped with Business Continuity Plans which are updated regularly.. The risk assessment is done according to the Infineon´s global approach described above. Regarding the legal risks, Infineon keeps abreast of planned legislative changes and continuously participates in various associations on this matter. Additionally, we carried out an assessment of the potential risks of water stress, using the Aqueduct Water Risk Atlas (with reference to Aqueduct 4.0 data) released by the World Resources Institute. We used the same method of assessment to determine potential future scenarios.	Annual Report 2025 (p. 68-72) Sustainability Report 2025, (p. 15 - 18) Business Resilience at Infineon webpage

Metrics and Targets: Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material	
Infineon has set itself the goal of becoming carbon-neutral by the end of the 2030 fiscal year in terms of scope 1 and scope 2 emissions. We want to make an active contribution to global CO_2 reduction and to the implementation of the targets set out in the Paris Climate Agreement. As	

part of our strategy and commitment, Infineon implemented an internal virtual carbon pricing in 2020. We achieved our interim target of a 70 percent reduction by the end of the 2025 fiscal year compared with 2019 with a reduction of around 84 percent and continue to stand by our target of CO2-neutrality by the end of the 2030 fiscal year. Furthermore, Infineon has committed to reducing its absolute scope 1 and scope 2 greenhouse gas emissions by 72.5 percent by the end of the 2030 fiscal year compared to our 2019 base year. This target is validated by SBTi. Also, Infineon has committed to ensuring that, by the end of the 2029 fiscal year, suppliers with SBTi-validated targets will account for at least 72.5 percent of emissions from purchased goods and services, capital goods, and upstream transportation and distribution. In the 2021 fiscal year, Infineon began to gradually convert the supply of electricity to its manufacturing sites to green electricity. By the end of the 2025 fiscal year, we succeeded in achieving our goal of transitioning all locations – including our Campeon headquarters in Germany – to 100 percent renewable electricity. To reinforce our commitment, we joined the RE100 initiative in 2021 fiscal year – a large global consortium of leading companies dedicated to 100 percent renewable electricity. Additionally, we set long term targets on water and waste intensity to manage costs, and impacts related to climate. We also monitor regulatory compliance, stakeholder engagement and reputation metrics impacted by climate-related risks. ESG targets are important to the long-term sustainable success of Infineon and play an important role in determining the compensation of Management Board members. These targets contributes 20% to the overall target achievement of the Long Term Incentives.	Sustainability Report 2025, (p. 39-40) Annual Report 2025, (p. 13-14, 142)

1 ESG: Environmental, Social and Governance.
2 Acute physical Risk: This is an additional separate information to the risks reported in the Infineon´s Annual Report.
3 RCP: Representative Concentration Pathway.