Company Presentation

Infineon Technologies AG
November 2020
Infineon is a globally leading semiconductor player

**Top 10 semiconductor company**

~46,700 total employees

~7,800 R&D employees

**Leading player**

in automotive, systems for power management and drives, sensor systems, connected secure systems, wireless combos, differentiated memories

**9%+ | 19% | 13%**

target operating model*

* over the cycle 9%+ revenue growth; 19% Segment Result margin; investment-to-sales ratio of 13%; targets to be approached as integration progresses
## Infineon at a glance

### Business Segments Revenue*

<table>
<thead>
<tr>
<th>Business Segment</th>
<th>FY17</th>
<th>FY18</th>
<th>FY19</th>
<th>FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Connected Secure Systems (CSS)</td>
<td>7,063</td>
<td>7,599</td>
<td>8,029</td>
<td>8,567</td>
</tr>
<tr>
<td>Power &amp; Sensor Systems (PSS)</td>
<td>1,208</td>
<td>1,353</td>
<td>1,170</td>
<td></td>
</tr>
<tr>
<td>Automotive (ATV)</td>
<td>1,170</td>
<td>1,170</td>
<td>1,170</td>
<td></td>
</tr>
<tr>
<td>Industrial Power Control (IPC)</td>
<td>982</td>
<td>1,208</td>
<td>1,353</td>
<td></td>
</tr>
</tbody>
</table>

*Fiscal Year 2020 (as of 30 September 2020)

### Financials

- **[EUR m]**
  - FY17: 7,063
  - FY18: 7,599
  - FY19: 8,029
  - FY20: 8,567

### Employees

- **46,700 employees worldwide**
  - Americas: 5,200
  - EMEA: 19,100
  - Asia/Pacific: 22,400

- 54 R&D locations
- 21 manufacturing locations

### Market Position

- **Automotive**
  - # 1
  - Strategy Analytics, May 2020**

- **Power**
  - # 1
  - Omdia, September 2020

- **Security ICs**
  - # 1
  - ABI Research, October 2020

**combined market share 2019 of Infineon and Cypress based on their individual figures.**
A world leader in semiconductor solutions

Our vision
We are the link between the real and the digital world.

Our mission
We make life easier, safer and greener.

Our values
We commit
We partner
We innovate
We perform

Part of your life. Part of tomorrow.
Global megatrends underline the increasing importance of microelectronics

Demographic & social change

Climate change & resource scarcity

Urbanization

Digital transformation
Business growth in the semiconductor market is driven by four key trends:

- **Energy efficiency**
- **Mobility**
- **Security**
- **IoT & big data**
The challenges of rising demand for energy and growing depletion of fossil resources call for smarter, more efficient ways of generating, transmitting and consuming energy. Semiconductors reduce the energy consumed by electronic devices, enabling systems that make the way we live and work greener. As the global leader in power semiconductors, Infineon's products and solutions allow energy to be generated more efficiently and from renewable sources.

Application examples

› **Empowering the energy revolution**: Leading power devices and subsystems for renewables and efficient energy transmission and storage

› **Turning eMobility into reality**: Innovative IC solutions for xEVs, eBikes and eScooters

› **Ensuring uninterruptible power supplies**: Power components for reliable UPS systems

› **Optimizing performance**: MCUs and power semiconductors for smart motor controls / drives

› **Advancing the future of light**: LED driver ICs, MOSFETs and sensors for lighting applications
Megatrends like demographic shifts, social change and urbanization are accentuating the need to manage rising public and private traffic volumes while mitigating the environmental and climate impact of this traffic. Sustainable, smart mobility solutions are essential given the growing scarcity of natural resources.

Through its semiconductors, Infineon is building more intelligence, responsiveness and autonomy into transport systems – enabling mobility solutions ranging from eBikes through hybrid and fully electric vehicles to underground and high-speed trains.

Application examples

› **Making mobility clean:** Efficient semiconductors for electric drivetrains and CO\(_2\) reduction

› **Making autonomous driving safe and reliable:** Chip solutions for automated driving applications (from ADAS to autonomous driving)

› **Making mobility smart:** Broad product portfolio of sensors and security ICs for individual convenience and connectivity
In an increasingly digital world with more and more connected devices, people want to interact and communicate in a secure way that protects their data against theft and misuse. Securing electronic devices and infrastructures is a number one priority. Addressing this need for security is one of Infineon’s key competencies.

With more than 30 years of experience in the security market, Infineon offers tailored and ready-to-use security solutions serving a wide range of applications from smart cards, passports and cars to new and emerging use cases.

Application examples

› **Securing eGovernment**: Security solutions for electronic ID applications

› **Building trust in security**: Hardware-based security solutions for reliable device authentication and trusted computing

› **Protecting smart factories**: High-quality ICs and state-of-the-art encryption technologies for highly secure M2M communication

› **Safeguarding connected cars**: Advanced security solutions for connected mobility
In today's digital world, more and more things are connected to the Internet. The volume of data generated, transferred and stored is rising day by day, so too is the need for high-speed and low-latency communication.

With its sensors, controllers, power devices and authentication products, Infineon enables smart, secure and power-efficient IoT solutions for smart devices, homes, cities, factories and vehicles. It provides cutting-edge power solutions for data centers and servers as well as leading RF chipsets supporting mission-critical infrastructures like 5G.

Application examples

› **Sensing the connected world:** Highly reliable and precise sensors for automotive, industrial and general applications

› **Implementing Industry 4.0:** Innovative IC solutions for digital automation and robotics

› **Driving hyper-scale data centers and cloud computing:** Cutting-edge power usage effectiveness (PUE) for server farms and reliable TPM solutions to secure data in the cloud

› **Enabling smart infrastructures:** Advanced semiconductor solutions for smart cities, smart grids and next-gen wireless communication
Infineon offers a unique portfolio that links the real and the digital world

Battery-powered devices
Power supplies
Industrial IoT
Drives
Smart Home
Consumer IoT
5G
Automotive
Coin cell-powered devices

Real-world applications

Sense: sensors
Compute: microcontrollers, memories
Actuate: power semiconductors
Connectivity: Wi-Fi, Bluetooth, USB

Information and data about the real world
Value addition and optimized use of resources

Software Ecosystem
Security solutions
Connectivity
Digital world
Semiconductor market forecasts expect a recovery in 2021

Global Semiconductor Market
Market size in billion US-Dollar

Source: WSTS for historical data. Forecast: ∅ of WSTS, Omdia, Gartner, IC Insights; last update 23 October 2020
Infineon is a top player in all target markets

### Automotive Semiconductors

- **Total market in 2019:** $37.2bn

<table>
<thead>
<tr>
<th>Company</th>
<th>% Share</th>
<th>Note</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infineon</td>
<td>11.2%</td>
<td>13.4%*</td>
</tr>
<tr>
<td>NXP</td>
<td>11.3%</td>
<td></td>
</tr>
<tr>
<td>Renesas</td>
<td>8.7%</td>
<td></td>
</tr>
<tr>
<td>TI</td>
<td>8.1%</td>
<td></td>
</tr>
<tr>
<td>STMicro</td>
<td>7.6%</td>
<td></td>
</tr>
</tbody>
</table>

Source: Strategy Analytics, “Automotive Semiconductor Vendor Share”, May 2020, *combined market share 2019 of Infineon and Cypress based on their individual figures. Cypress share: 2.2%

### Power Discretes and Modules

- **Total market in 2019:** $21.0bn

<table>
<thead>
<tr>
<th>Company</th>
<th>% Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infineon</td>
<td>19.0%</td>
</tr>
<tr>
<td>ON Semi</td>
<td>8.4%</td>
</tr>
<tr>
<td>STMicro</td>
<td>5.8%</td>
</tr>
<tr>
<td>Mitsubishi</td>
<td>5.5%</td>
</tr>
<tr>
<td>Toshiba</td>
<td>4.5%</td>
</tr>
</tbody>
</table>

Source: Based on or includes research from Omdia, “Power Semiconductor Market Share Database – 2020”, September 2020

### Security ICs

- **Total market in 2019:** $2.8bn

<table>
<thead>
<tr>
<th>Company</th>
<th>% Share</th>
</tr>
</thead>
<tbody>
<tr>
<td>Infineon</td>
<td>26.3%</td>
</tr>
<tr>
<td>NXP</td>
<td>21.5%</td>
</tr>
<tr>
<td>Samsung</td>
<td>17.8%</td>
</tr>
<tr>
<td>STMicro</td>
<td>12.7%</td>
</tr>
<tr>
<td>CEC Huada</td>
<td>9.2%</td>
</tr>
<tr>
<td>Renesas</td>
<td>13.4%*</td>
</tr>
<tr>
<td>TI</td>
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</tr>
<tr>
<td>Toshiba</td>
<td>7.6%</td>
</tr>
</tbody>
</table>

Source: ABI Research, Smart Card and Embedded Security, October 2020
Infineon is successful even during a period of macroeconomic decline
Revenue Split by Segment

Connected Secure Systems

Power & Sensor Systems

Automotive

Industrial Power Control

*Fiscal Year 2020 (as of 30 September 2020)
**other Operating Segments; Corporate & Eliminations
Infineon is operating in all major regions of the world

Revenue split by region*

1 Europe, Middle East, Africa  
2 Greater China comprises Mainland China, Hong Kong and Taiwan  
3 Asia Pacific (excluding Greater China and Japan)  
* Fiscal Year 2020 (as of 30 September 2020)
Automotive shapes the future of mobility with microelectronics enabling clean, safe and smart cars

Core applications:
Assistance systems and safety systems, Comfort electronics, Infotainment, Powertrain, Security

<table>
<thead>
<tr>
<th>Quarter</th>
<th>Revenue [EUR m]</th>
<th>Segment Result [EUR m]</th>
<th>Segment Result margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 FY19</td>
<td>893</td>
<td>78</td>
<td>8.7%</td>
</tr>
<tr>
<td>Q1 FY20</td>
<td>829</td>
<td>67</td>
<td>8.1%</td>
</tr>
<tr>
<td>Q2 FY20</td>
<td>846</td>
<td>51</td>
<td>6.0%</td>
</tr>
<tr>
<td>Q3 FY20</td>
<td>815</td>
<td>-24</td>
<td>-2.9%</td>
</tr>
<tr>
<td>Q4 FY20</td>
<td>1,052</td>
<td>62</td>
<td>5.9%</td>
</tr>
</tbody>
</table>
Industrial Power Control empowers a world of unlimited energy

**Core applications:**

<table>
<thead>
<tr>
<th></th>
<th>Q4 FY19</th>
<th>Q1 FY20</th>
<th>Q2 FY20</th>
<th>Q3 FY20</th>
<th>Q4 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue (EUR m)</td>
<td>362</td>
<td>334</td>
<td>358</td>
<td>366</td>
<td>349</td>
</tr>
<tr>
<td>Segment Result (EUR m)</td>
<td>59</td>
<td>62</td>
<td>62</td>
<td>63</td>
<td>69</td>
</tr>
<tr>
<td>Segment Result margin</td>
<td>16.3%</td>
<td>18.6%</td>
<td>17.3%</td>
<td>17.2%</td>
<td>19.8%</td>
</tr>
</tbody>
</table>

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**Core applications:**

Audio amplifiers, BLDC motor, Cellular communications infrastructure, Charging stations for electric vehicles, HiRel, Human-Machine-Interaction, Internet of Things, LED and conventional lighting systems, Mobile devices, Power management

<table>
<thead>
<tr>
<th>[EUR m]</th>
<th>Revenue</th>
<th>Segment Result</th>
<th>Segment Result margin</th>
</tr>
</thead>
<tbody>
<tr>
<td>Q4 FY19</td>
<td>639</td>
<td>153</td>
<td>23.9%</td>
</tr>
<tr>
<td>Q1 FY20</td>
<td>593</td>
<td>146</td>
<td>24.6%</td>
</tr>
<tr>
<td>Q2 FY20</td>
<td>617</td>
<td>138</td>
<td>22.4%</td>
</tr>
<tr>
<td>Q3 FY20</td>
<td>681</td>
<td>143</td>
<td>21.0%</td>
</tr>
<tr>
<td>Q4 FY20</td>
<td>759</td>
<td>209</td>
<td>27.5%</td>
</tr>
</tbody>
</table>
Connected Secure Systems delivers full systems for a connected, secure world

Core applications:
Authentication, Automotive, Consumer electronics, Government identification documents, Internet of Things, Mobile communications, Payment systems, Ticketing, access control, Trusted Computing

<table>
<thead>
<tr>
<th></th>
<th>Q4 FY19</th>
<th>Q1 FY20</th>
<th>Q2 FY20</th>
<th>Q3 FY20</th>
<th>Q4 FY20</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue [EUR m]</td>
<td>162</td>
<td>158</td>
<td>162</td>
<td>307</td>
<td>326</td>
</tr>
<tr>
<td>Segment Result</td>
<td>22</td>
<td>22</td>
<td>23</td>
<td>37</td>
<td>39</td>
</tr>
<tr>
<td>Segment Result margin</td>
<td>13.6%</td>
<td>13.9%</td>
<td>14.2%</td>
<td>12.1%</td>
<td>12.0%</td>
</tr>
</tbody>
</table>
Enge Kundenbeziehungen durch System-Know-how und Applikationsverständnis
Infineon is globally positioned with its network of front-end and back-end manufacturing facilities.

31,300¹ employees at 21 locations

¹as of 30 September 2020, excl. contract workers
Our global Research and Development activities

**About 19 percent**

of Infineon’s annual revenue goes into Research and Development (R&D). In fiscal year 2020, R&D investments amounted to 1,113 million euros.

**7,755 R&D employees**

worldwide develop new products, technologies and platforms as well as new manufacturing technologies.

**29,420 patents in the overall portfolio**

show a high level of innovative strength and long-term competitiveness. In fiscal year 2020 alone, Infineon registered 1,690 new patents.

**Numerous innovative ecosystems**

with tech companies, universities and research institutes are of great importance to Infineon.

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### 54 sites in 20 countries:

<table>
<thead>
<tr>
<th>Region</th>
<th>Sites</th>
</tr>
</thead>
<tbody>
<tr>
<td>Americas</td>
<td>Richmond (Canada); Andover, Beaverton, Chandler, Colorado Springs, El Segundo, Hazlet, Irvine, Leominster, Lexington, Lynnwood, Milpitas, San Diego, San José und Warwick (all USA)</td>
</tr>
<tr>
<td>Asia</td>
<td>Chengdu, Shanghai und Xi’an (all China); Bangalore (India); Nagoya, Sendai and Tokio (alle Japan), Seoul (Korea); Ipoh, Kulim, Melaka und Penang (all Malaysia); Muntinlupa (Philippinen); Singapore, Hsinchu and Taipei (both Taiwan)</td>
</tr>
<tr>
<td>Europe</td>
<td>Herlev (Denmark); Augsburg, Dresden, Duisburg, Erlangen, Langen, Martinsried, Neubiberg near Munich, Regensburg und Warstein (all Germany); Le Puy-Sainte-Réparade (Frankreich); Bristol und Reigate (all UK); Cork und Dublin (both Ireland); Netanya (Israel); Padua und Pavia (both Italy); Graz, Linz and Villach (Austria); Bukarest (Romania); Lwiw (Ukraine)</td>
</tr>
</tbody>
</table>

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As of 30 September 2020
Infineon ranks among the 10 percent\(^1\) most sustainable companies in the world

› Sustainability at Infineon includes **social, ecological and economic values**
› Infineon was one of the first semiconductor companies to voluntarily commit to the **Ten Principles of the UN Global Compact**
› Infineon meets **global societal challenges** such as climate protection, energy efficiency and resource management with innovative products
› Infineon’s climate target is to become **carbon-neutral by 2030\(^2\)**. Emissions are to be cut by 70 percent over the 2019 calendar year\(^3\) levels by 2025

**External evaluation of the commitment:**
- MSCI ESG Research rates Infineon with AA for the second consecutive year
- Included in the Dow Jones Sustainability™ World Index for the fifth time
- Received "Gold Status" of the rating agency EcoVadis for the fifth time

\(^1\) Based on the results of The Sustainability Yearbook 2020 by S&P Global in cooperation with RobecoSam
\(^2\) in terms of Infineon’s direct and indirect energy- and heat-related emissions (Scope 1,2)
\(^3\) including Cypress
For the first time, Infineon sets binding targets for CO₂ reduction

1. CO₂ neutrality by 2030 – primarily by avoiding emissions
2. Realization of 70 percent of the required savings and compensations by 2025
Corporate Social Responsibility
We create a net ecological benefit

Our products and solutions enable a net ecological benefit, equal to the average annual CO₂ emissions from electricity consumption of about 86 million people living in Europe¹)

- **CO₂ burden**²) of around 1.40 million tons CO₂ equivalents

- **CO₂ savings**³) of around 56 million tons CO₂ equivalents

**Net ecological benefit: CO₂ emissions reduction of more than 54 million tons**

¹) Based on the average electricity consumption of private households in Germany and official energy conversion factors.
²) This figure considers manufacturing, transportation, function cars, flights, materials, chemicals, water/wastewater, direct emissions, energy consumption, waste, etc. and is based on internally collected data and externally available conversion factors. All data relate to the 2019 fiscal year of Infineon excluding Cypress. Manufacturing service providers are not included.
³) This figure is based on internally established criteria, which are explained in the explanatory notes. The figure relates to the calendar year 2018 of Infineon excluding Cypress and considers the following fields of application: automotive, LED, induction cookers, servers, renewable energy (wind, photovoltaic), mobile phone chargers as well as drives. CO₂ savings are calculated on the basis of potential savings of technologies in which semiconductors are used. The CO₂ savings are allocated on the basis of Infineon market share, semiconductor content and lifetime of technologies concerned, based on internal and external experts' estimations. Despite the fact that CO₂ footprint calculations are subject to imprecision due to the complex issues involved, the results are nevertheless clear.
Infineon's employees create a better future together

“It’s amazing how we use advance data analytics & AI techniques to create intelligent systems for solving complex business problems and driving manufacturing efficiency.”

Dr. Pamela Lin
Senior Engineer Advanced Analytics, in Singapore

“It’s motivating to work with our customers to transform our mobility through innovation, safety and security.”

Preethi Baran
Director, Field Sales, in Livonia

“We maintenance technicians keep production moving. I appreciate the teamwork: when everyone pulls together to find the error and to get the equipment running again.”

Thomas Wrzesinsky
Maintenance Technician, in Dresden

“The acquisition of Cypress enables Infineon now to offer complete best in class system solutions for new automotive applications.”

Marcel Kuba
Director, Field Application Engineering, in Munich

At Infineon, 46,700 people from over 100 countries work together around the world toward one mission: to make life easier, safer and greener.

For more information please visit www.infineon.com/career

2020-11-09
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Our competitive advantage: Differentiating as quality leader

**Our path**
We do what we promise.
That's quality made by Infineon.

**Our aspiration**
Zero defect regarding the committed
› functionality
› reliability
› time
› volume and cost

**Our foundation**
International standards such as ISO 9001, IATF 16949, AS 9100, IEC 17025, ISO 26262
Business Continuity
Integrated management

- Real Estate & Facility Management
- Loss & Fraud Investigations
- Environmental Protection, Sustainability & Climate Protection
- Business & Operations Support
- Asset Protection
- Security & Crisis Management
- Corporate Social Responsibility
- Export Compliance
- Information/IT Security & Data Protection
- Business Continuity Planning

Business Continuity
ISO 14001*
ISO 22301**
ISO 27001*
ISO 45001*
ISO 50001***

*ISO 27001/14001/45001 worldwide certification scheme; **ISO 22301 certified in Villach and Dresden; ***ISO 50001 certified at EU sites
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