

Report of the Supervisory Board to the Annual General Meeting



Dr. Wolfgang Eder
Chairman of the Supervisory Board

Ladies and Gentlemen,

The past fiscal year, and particularly the second half of it, was largely overshadowed by the impact of the coronavirus pandemic. Against this backdrop, above and beyond the prevailing corporate challenges, our foremost concern has always been to protect the health and the lives of everyone working for, and involved with, Infineon to the greatest possible extent. With this principle in mind, the Management Board has therefore attached particular importance to the well-being of the Infineon workforce from the outset and both initiated and promoted numerous projects aimed at mitigating the consequences of the pandemic. Ultimately, the actions of Infineon's management team are determined by the need to guide the company, in all its dimensions, safely through these extremely challenging times. Despite the difficult situation we currently find ourselves in, I am firmly convinced that Infineon is very well positioned. Indeed, there is much to suggest that we will emerge even stronger from this global health and economic crisis. This conviction is not only based on the fact that the Management

Board and the entire Infineon workforce have so far been outstanding in their swift and convincing response to the challenges of the pandemic, but also to those arising in connection with geopolitical issues. Our optimism as we move forward is also reinforced by the fact that we successfully managed to get the strategically crucial acquisition of Cypress over the line despite the global health crisis. Although it makes absolute sense to steer a prudent course in the current conditions, it is also essential to continue taking forward-looking strategic decisions that will have a beneficial impact in the medium and long term. In any event, you can rest assured that Infineon's course for the future is being carefully charted.

Main activities of the Supervisory Board

During the 2020 fiscal year, the Supervisory Board once again performed its duties with the utmost diligence in accordance with the law, Infineon's statutes and the Supervisory Board's own terms of reference. It advised and monitored the Management Board in equal measure, soundly based on detailed written and oral reports presented by the Management Board at Supervisory Board and committee meetings regarding all issues relevant to the company, particularly corporate strategy and planning, business performance, financial position, risk profile, risk management and compliance. The Management Board also addressed variances from business planning arising in the course of the twelve-month period under report. In the 2020 fiscal year, these variances were largely attributable to the pandemic and its impact on the economy. In view of the fast-moving dynamics of the situation and to ensure that the Supervisory Board was kept informed on a timely basis, extraordinary meetings were held at frequent intervals between the ordinary meetings, at which the Management Board provided the latest information on the current business situation. The Supervisory Board always had ample opportunity to critically examine the reports presented and resolutions proposed by the Management Board and was thus able to satisfy itself that the governance of Infineon's corporate affairs was lawful, compliant and appropriate.

The Supervisory Board was provided with written quarterly reports on Infineon's business performance, key financial data, risks and opportunities and major areas of litigation as well as other individual topics of importance. Between quarterly reports, the Management Board also provided additional information in the form of monthly reports on current business performance and developments.

As Chairman of the Supervisory Board, I was also in regular contact with both the Chairman (CEO) and the other members of the Management Board between meetings in order to discuss issues such as strategy, business performance and liquidity. The CEO kept me informed of events of significance for Infineon whenever the need arose, including outside of the regular Supervisory Board meetings.

In the 2020 fiscal year, the full Supervisory Board convened nine times (five ordinary and four extraordinary meetings). Five of these meetings were held in the form of conference calls. Two resolutions were passed on the basis of written communication. Overall, the attendance rate at Supervisory Board meetings was just under 100 percent; Dr. Eichiner was excused from attending one meeting. The attendance rate at the Supervisory Board's committee meetings was also close to 100 percent; Ms. Engelfried was excused from attending one meeting of the Investment, Finance and Audit Committee. Details of the individual attendance record of Supervisory Board members are provided in the Statement on Corporate Governance.

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

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

Corporate strategy; coronavirus pandemic; Cypress acquisition and (re-)financing

The Infineon Supervisory Board remains committed to providing the Management Board with intensive support in the development and implementation of corporate strategy. For this reason, in addition to the regular meetings of the Strategy and Technology Committee, a meeting of the full Supervisory Board was again held during

the fiscal year under report for the exclusive purpose of discussing strategic topics – this time at Infineon's Villach site in Austria. Discussions at this strategy meeting covered a broad range of topics, including the changed market and geopolitical conditions, Infineon's core strategy, the significance of the acquisition and integration of Cypress, Infineon's financial resilience and its dividend strategy.

As mentioned above, the wide-ranging impact of the coronavirus pandemic called for additional extraordinary meetings of the full Supervisory Board. These meetings not only focused on the current business situation and development, but also on the longer-term strategic implications of the pandemic for the world economy, the semiconductor market, and, above all, Infineon's target markets.

In addition to the pandemic, the 2020 fiscal year was largely shaped by the successful completion of the strategically crucial acquisition of the US semiconductor company Cypress Semiconductor Corporation, which had been announced back in early June 2019. This acquisition has enabled Infineon to further strengthen its focus on key growth drivers and global mega-trends, significantly expand its technology and product portfolio, and move into the top ten of the world's largest semiconductor manufacturers. A major component of the acquisition was to negotiate precisely tailored financing arrangements that provided sufficient flexibility for long-term refinancing measures. Altogether, some 30 percent of the acquisition was to be financed by an injection of fresh equity. With the placement of new shares and the issuance of a hybrid bond during the 2019 fiscal year, Infineon had already achieved its principal financing goals prior to the closing of the acquisition. During the 2020 fiscal year, the targeted percentage of equity was reached by means of another highly successful share capital increase. The stronger resulting capital structure, alongside the confirmation of Infineon's investment-grade rating, provided the basis for covering Infineon's remaining refinancing requirements in the form of debt instruments. An important milestone in this respect was the first Eurobond issue under the newly established European Medium Term Notes (EMTN) bond program. The clear display of support from investors in implementing these equity and debt capital measures demonstrates the confidence of the capital markets in Infineon's prospects going forward. The Supervisory Board closely monitored the implementation of these refinancing measures, primarily via its Investment, Finance and Audit Committee.

Management Board matters

New Management Board compensation system

The Act Implementing the Second Shareholder Rights Directive (ARUG II) came into force on 1 January 2020. Furthermore, the Government Commission on the German Corporate Governance Code adopted a new version of the Code (DCGK), which became effective in March 2020. These two factors have resulted in changed requirements with regard to Management Board compensation. In this context, supported by an external, independent compensation expert, the Supervisory Board deliberated on the new regulatory framework at great length. Based on the preparatory work and recommendation of its Executive Committee, the Supervisory Board resolved to introduce a new system of compensation for the Management Board at its meeting held on 20 November 2020. The new system will be submitted to the Annual General Meeting 2021 for approval in accordance with Section 120a of the German Stock Corporation Act.

Apart from taking into account the new regulatory requirements, the revised compensation system is designed to reflect Infineon's strategic objectives even more strongly than previously in the structure of Management Board compensation, to integrate sustainability targets, to continue to ensure commensurate and at the same time motivating compensation, and finally to synchronize the target structures of the Management Board with those of the workforce. The main changes can be summarized as follows:

- › In addition to the fixed basic compensation and company pension plan, in future the system will comprise only a short-term incentive (STI) and a long-term incentive (LTI) component for variable compensation; the previous mid-term incentive (MTI) will no longer apply. This change will ensure that the proportion of long-term variable compensation (generally settled in the form of shares) is increased and exceeds that of short-term variable compensation. The option of the Supervisory Board to award a "special bonus" amounting to up to 30 percent of the fixed basic compensation of Management Board members has been removed and will not be replaced. Fringe benefits, however, remain largely unchanged.
- › In the case of the STI, the existing financial targets Return on Capital Employed (RoCE) and Free Cash Flow (FCF) are to be supplemented by the addition of a third target, namely the Segment Result Margin (SRM), which already serves as a key performance indicator for Infineon. The SRM was also previously taken into account in the STI target structure relevant for employees. The Supervisory Board's option to raise or lower the amounts paid out for the STI at its discretion by up to 50 percent is being replaced by a "criteria-based STI modifier". Accordingly, the Supervisory Board will define criteria for assessing the collective performance of the Management Board each fiscal year on the basis of a fixed catalog. At the end of each fiscal year, the Supervisory Board can then either reduce or increase the degree of target achievement for the STI by up to 30 percent – depending on the performance of the Management Board and also to take account of any exceptional, unforeseeable developments.
- › The LTI will be converted into an exclusively performance-based "Performance Share Plan" (PSP); the previous allocation of half of the performance shares not based on actual performance will be discontinued. The previous financial performance criterion, i.e. the outperformance of the Philadelphia Semiconductor Index by the Infineon share price, will be replaced by the criterion of a relative Total Shareholder Return (TSR), which is defined as Infineon's share price performance over a four-year period, as compared to a predefined peer group consisting of Infineon's major international competitors. The TSR target accounts for 80 percent of the overall target achievement. It will be supplemented by non-financial environmental, social and governance (ESG) targets, which will account for the other 20 percent of LTI target achievement. ESG targets may include, for example, contributions to global climate protection or the furthering of diversity at Infineon that have a positive impact on innovation, employee commitment and financial performance. The transparent linking of ESG targets to business strategy and current market requirements will help create incentives to manage Infineon on a sustainable basis in the best interests of its stakeholders. The ESG targets are therefore important in that they align the interests of both the Management Board and other stakeholders and contribute to the long-term sustainable success of the Group as a whole.

- › The Management Board compensation system will also include “Share Ownership Guidelines”, which will require Management Board members to build up a minimum holding of Infineon shares over a period of generally five years and keep them for up to two years after leaving office. The minimum holding is equivalent to 150 percent of fixed basic compensation for the Chairman and 100 percent of fixed basic annual compensation for the other members of the Management Board.
- › As a final point, the new Management Board compensation system will introduce market-standard malus and clawback clauses that allow the Supervisory Board to withhold or reclaim variable compensation components in certain cases.

The details of the new Management Board compensation system will be set out in a proposed resolution to the Annual General Meeting 2021 for approval in accordance with Section 120a of the German Stock Corporation Act.

The new compensation system will apply to all members of Infineon’s Management Board who are appointed to their functions subsequent to the resolution passed by the Supervisory Board on 20 November 2020. For the members of the Management Board already in office at that time, the compensation system will, in principle, apply with effect from 1 October 2021 (and thus from the 2022 fiscal year). The regulations relating to the LTI, on the other hand, are to be applied as soon as the next allocation is made on 1 April 2021 (and thus for the 2021 fiscal year). The rationale for the early implementation of the new LTI regulations is, firstly, that the PSP for employees is to be converted with effect from 1 April 2021 and that it is therefore desirable to synchronize that change with the Management Board’s LTI. Secondly, this procedure ensures that no further MTI tranche will need to be allocated in the 2021 fiscal year, as the MTI is no longer a component of the revised compensation system and is now incorporated in the LTI.

With the implementation of the new compensation system, the Supervisory Board, on Infineon’s behalf, intends to agree corresponding modifications to the service contracts of the current Management Board members. In this context, it is also planned not only to reflect the new compensation structure, but also – for the first time in several years – to adjust the amount of compensation that Management Board members receive. In doing so, the Supervisory Board will take into account the requirements of stock corporation law, according to which the amounts must be deemed appropriate in relation to the Management Board member’s duties and performance as well as to the company’s overall situation when determining each individual Management Board member’s total compensation, and may not exceed the usual level of compensation without specific reasons.

Other compensation-related topics

A tranche of performance shares became due for settlement again at the beginning of October 2020. As the specified performance hurdle was not achieved, only 50 percent of the tranche allocated in the 2016 fiscal year needed to be fulfilled at the end of the four-year holding period. As planned, shares were allocated to settle this obligation. Own shares held by the Company were allocated for this purpose.

Further details of Management Board compensation – particularly the amounts paid to each individual member in the 2020 fiscal year – are available in the detailed Compensation Report. [📄 p. 130 ff.](#)

Litigation

The Supervisory Board was regularly provided with detailed information regarding major legal disputes during the 2020 fiscal year, which it then discussed at length with the Management Board. These included in particular Infineon’s appeal, brought before European courts, against the antitrust fine imposed by the EU Commission in 2014, subsequent proceedings relating to that appeal and the dispute with the insolvency administrator of Qimonda AG pertaining to alleged residual liability claims (“Differenzhaftungsansprüche”).

Supervisory Board topics

New composition of the Supervisory Board; onboarding; competency profile and catalog of objectives

The Supervisory Board mandates of all employee representatives and six of the eight shareholder representatives expired at the close of the last Annual General Meeting, which was held on 20 February 2020. The (partial) new composition of the Supervisory Board since that date strikes a good balance between continuity and renewal, reflects a well-balanced competency profile (further strengthened by the members elected, particularly in the areas of finance and digitalization) and, with an equal number of women and men on the Supervisory Board, sets a clear signal in terms of diversity.

Following the Annual General Meeting 2020, the composition of the Supervisory Board's committees was changed. The election of Dr. Eichiner as Chairman of the Audit Committee and of Dr. Spiesshofer as Chairman of the Strategy and Technology Committee are especially worth mentioning. The composition of the various committees is described in detail in the Statement on Corporate Governance.

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New members of the Supervisory Board receive support in the form of an onboarding process, which includes a series of workshops covering a broad range of topics such as the individual segments of Infineon, the underlying and key elements of corporate strategy, the target business model and investment planning as well as Infineon's manufacturing strategy and life cycle management.

The basis for the activities of the Supervisory Board's Nomination Committee, and therefore the proposals for election at the Annual General Meeting, are the competency profile and the catalog of objectives for the composition of the Supervisory Board. With respect to the new version of the German Corporate Governance Code (DCGK), which came into effect in March 2020, the Supervisory Board resolved to adjust its competency profile and catalog of objectives at its meeting in August 2020. In particular, the requirements for the independence of shareholder representatives on the Supervisory Board were revised in line with the new version of the Code.

Dialog with investors

Also at its meeting held in August 2020, the Supervisory Board approved new guidelines for its communication with investors. In accordance with the DCGK, the Supervisory Board's rules of procedure already provided for the Chairman of the Supervisory Board to be able to hold discussions with investors on topics specific to the Supervisory Board. Now, however, the guidelines set out more specific rules regarding the format of discussions, parties with whom discussions may be held and the selection of topics.

Committee work

The committees are responsible for drawing up resolutions and preparing other major projects and 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, to the extent permitted by German law. The chairpersons of each committee are required to report on committee meetings at the next meeting of the full Supervisory Board.

Mediation Committee

The Mediation Committee did not need to convene during the 2020 fiscal year.

Nomination Committee

The Nomination Committee convened four times during the 2020 fiscal year, during which it deliberated extensively on succession planning for the Supervisory Board, including long-term aspects. In preparation for the election of six shareholder representatives at the Annual General Meeting 2020, the Nomination Committee held in-depth discussions concerning the re-election of Supervisory Board members and the suitability of new candidates. In its search for and assessment of new members, the Nomination Committee referred to the competency profile and the catalog of objectives decided on by the Supervisory Board for its own composition as a basis. It also drew on the support of a well-known external human resources consultant to reach its decisions.

Executive Committee

The Executive Committee held one ordinary and five extraordinary meetings during the fiscal year under report.

At the ordinary meeting, the Executive Committee focused primarily on preparing the Supervisory Board's resolution to determine the level of variable compensation for Management Board members. The work performed involved in particular determining the degree to which targets for the 2019 fiscal year had been achieved and setting new targets for the 2020 fiscal year.

The main subject of the extraordinary meetings was the revision of the compensation system for Management Board members, the key elements of which are described above.

Investment, Finance and Audit Committee

The Investment, Finance and Audit Committee held four ordinary and two extraordinary meetings during the 2020 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 examined the financial and investment budget. Moreover, it received regular reports on Infineon's internal control, internal audit, risk management and compliance management systems and deliberated in depth on their overall effectiveness. The Committee was also provided with continuous updates concerning significant legal disputes.

The Committee's recommendation to the full Supervisory Board to propose to shareholders at the Annual General Meeting that KPMG AG Wirtschaftsprüfungsgesellschaft, Munich, ("KPMG") be elected as Company and Group auditor was based on a Declaration of Independence obtained from KPMG as well as an analysis of the non-audit

services provided by KPMG. There were no indications of conflicts of interest, grounds for exclusion, or other lack of independence on the part of the auditor. The recommendation was also based on the Committee's confirmation that it was free from undue influence by third parties and that it had not been subject to any restriction regarding the selection of auditors within the meaning of section 16, paragraph 6 of the EU Statutory Audit Regulation. The Committee also considered the fee arrangements and issued contracts for the relevant audit engagements. Supplementary areas for audit emphasis were also defined.

The most important single project arising for the Committee during the 2020 fiscal year involved monitoring the step-by-step refinancing arrangements made for the acquisition of Cypress, in particular the discussion of a possible further share capital increase, which the Committee ultimately approved on 26 May 2020 after holding two extraordinary meetings on the topic.

The representatives of the auditor attended all the ordinary meetings of the Investment, Finance and Audit Committee and reported in detail on the audit procedures performed.

Strategy and Technology Committee

The Supervisory Board's Strategy and Technology Committee convened twice during the fiscal year under report. It received detailed reports from the Management Board regarding the acquisition and integration of Cypress. Other topics included life cycle management, the development of the Chinese market and the transformation of the automotive sector.

Supervisory Board compensation

In addition to the resolution on the Management Board compensation system, the Act Implementing the Second Shareholder Rights Directive (ARUG II) also requires a resolution on the Supervisory Board compensation system to be submitted to shareholders at the Annual General Meeting 2021. In view of this fact, the Supervisory Board deliberated at length on the current Supervisory Board compensation system

and came to the conclusion that its structure, which dates from 2016, is no longer in line with the market in some respects and needs to be revised. In particular, the proposed changes are intended to take account of the recommendation contained in the DCGK, according to which the additional time commitment required for certain special functions on the Supervisory Board should be adequately reflected in the level of compensation. The Management Board and the Supervisory Board will therefore present a revised Supervisory Board compensation system for approval at the Annual General Meeting 2021, whereby the principal changes compared to the current system are as follows:

- › Whereas the fixed basic compensation and the function-based allowance for the Chairman of the Supervisory Board are to be increased only slightly, it is planned to raise the function-based allowance for the committees and for the Chairs of the Investment, Finance and Audit Committee and the Strategy and Technology Committee more significantly to a level in line with today's market.
- › The current threshold clause, according to which only the highest function-based allowance is paid if more than one function is performed, is to be deleted. The rationale for the change is that working on several committees results in an additional time commitment, which should be compensated accordingly. Conversely, only paying a function-based allowance if at least three committee meetings have taken place during a fiscal year ensures that only relevant additional time commitments are compensated. In addition, the function-based allowances for work on committees are capped at 100 percent of the fixed basic compensation. As a result, the compensation for a member of the Supervisory Board will be limited in future to €200,000, that of the Chair of the Supervisory Board to €300,000 and that of the Chair's deputy to €230,000.
- › It is also planned to reduce the attendance fee for extraordinary meetings held in the form of telephone or video conference calls from €2,000 to €1,000.

The changes are due to take effect from the beginning of the 2022 fiscal year.

Corporate Governance

Declaration of Compliance 2020

In the Declaration of Compliance issued in November 2020, the Management Board and the Supervisory Board jointly declared that all recommendations of the DCGK contained in the version dated 7 February 2017 were being complied with in the period since the previous Declaration of Compliance issued in November 2019 and that currently all recommendations of the DCGK in the version dated 16 December 2019 have been complied with and will continue to be complied with in future. As a precautionary measure, the Management Board and the Supervisory Board additionally declared that until the Supervisory Board's resolution on the new Management Board compensation system on 20 November 2020, the new Code recommendations on management board compensation in force since 20 March 2020 have not been fully complied with. However, all recommendations will be complied with as soon as the new compensation system comes into effect.

The actual wording of the Declaration of Compliance 2020 as well as all previous Declarations of Compliance are available on the Infineon website.

www.infineon.com/declaration-of-compliance

Self-assessment by the Supervisory Board

The Supervisory Board regularly assesses how effectively it, as a corporate body, and its related committees perform their duties. The most recent comprehensive self-assessment took place in summer 2019. The Supervisory Board subsequently discussed the results in customary detail. No noteworthy shortcomings were identified and no indications in this respect have emerged in the meantime. The next assessment is scheduled for summer 2021.

Examination of potential conflicts of interest

The members of the Management Board and the Supervisory Board are required to disclose any conflicts of interest to the Supervisory Board without delay. No conflicts of interest were disclosed by members of either the Management Board or the Supervisory Board during the 2020 fiscal year.

Prior to members of the Management Board assuming sideline activities, particularly supervisory board mandates outside the company, the DCGK requires that permission be given by the Supervisory Board. No conflicts of interest were discernible in the mandates assumed. In fact, they were all in the interests of Infineon.

Further information on the topic of corporate governance is available in the Statement on Corporate Governance, which also includes the Corporate Governance Report.

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

Rules of procedure for the Supervisory Board and the Management Board

In August 2020, prompted by the coming into force of ARUG II and the revised version of the DCGK, the Supervisory Board resolved to revise the rules of procedure for the Supervisory Board, its Investment, Finance and Audit Committee and the Management Board. The revision was also used to modernize the lists of measures requiring approval. Firstly, the role of the Investment, Finance and Audit Committee was enhanced in the area of debt-related measures. Secondly, the thresholds for approvals, which date back to 2011, were partially raised to take into account the significantly increased size of the company, not least due to the acquisition of Cypress.

All rules of procedure are available on the Infineon website.

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

Related party transactions

A further consequence of ARUG II is the introduction of new requirements with respect to related party transactions. Among other things, publicly listed companies such as Infineon now require the approval of the Supervisory Board or one of its committees before entering into certain transactions with related parties. ARUG II stipulates that a suitable internal procedure be put in place to identify related party transactions requiring prior approval in order to deal with them in line with current legislation. Infineon has implemented a suitable procedure in the form of mandatory guidelines that apply worldwide throughout the Group. Particularly for any resolutions requiring approval, the Supervisory Board has delegated responsibility in this area to its Investment, Finance and Audit Committee.

Separate and Consolidated Financial Statements

KPMG audited the Separate Financial Statements of Infineon Technologies AG and the Consolidated Financial Statements as of 30 September 2020 as well as the Combined Management Report for Infineon Technologies AG and the Infineon Group, and issued unqualified audit opinions thereon.

The Half-Year Financial Report was also reviewed by KPMG. No issues were identified that might indicate that the condensed Interim Group Financial Statements and Interim Group Management Report were not prepared in accordance with the applicable provisions in all material respects.

KPMG has audited the Separate Financial Statements of Infineon Technologies AG and the Consolidated Financial Statements of the Group and reviewed the Interim Financial Statements of the Group since the 1999 fiscal year (short fiscal year from 1 April 1999 to 30 September 1999). Prof. Dr. Andrejewski signed the auditors' report for the first time for the 2019 fiscal year (1 October 2018 to 30 September 2019) and Mr. Pritzer for the first time for the 2017 fiscal year (1 October 2016 to 30 September 2017).

At the meeting of the Investment, Finance and Audit Committee held on 6 November 2020 and continued in a conference call on 16 November 2020, 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 considerable length on the key audit matters presented in the auditor's report as well as on the related audit procedures performed by the auditor. Based on the insights gained in the course of these deliberations, the Investment, Finance and Audit Committee resolved to propose 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, the Combined Management Report, the Management Board's proposal for the appropriation of unappropriated profit (all prepared by the Management Board) and KPMG's long-form audit reports were all made available to the Supervisory Board at the meeting held on 20 November 2020. At this meeting, the Chairman of the Investment, Finance and Audit Committee reported in considerable 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 included the proposal to pay a dividend of €0.22 per entitled share.

The Supervisory Board concluded that it has no objections to the financial statements and the audits performed by the auditor. In its opinion, the Combined Management Report complies fully with legal requirements. The Supervisory Board also concurs with the assertions regarding Infineon's future development contained therein. The Supervisory Board therefore concurred with the results of the audit and approved the Separate Financial Statements of Infineon Technologies AG and the Consolidated Financial Statements of Infineon. The Separate Financial Statements were accordingly adopted. The Supervisory Board also approved the Management Board's proposal for the appropriation of unappropriated profit.

The Investment, Finance and Audit Committee and the full Supervisory Board also deliberated on the combined separate Non-Financial Report for the year ended 30 September 2020 drawn up by the Management Board. KPMG performed a "limited

assurance" review and issued an unqualified statement thereon. The documents were carefully examined by the Investment, Finance and Audit Committee at its meeting held on 6 November 2020, which was continued in a conference call on 16 November 2020, and by the Supervisory Board at its meeting held on 20 November 2020. The Supervisory Board acknowledged and approved the combined separate Non-Financial Report drawn up by the Management Board.

The Supervisory Board wishes to thank the entire staff and the Board of Management of Infineon once again for their tremendous commitment and outstanding achievements during a fiscal year that has been challenging in all respects.

Neubiberg, November 2020

On behalf of the
Supervisory Board

Dr. Wolfgang Eder
Chairman of the Supervisory Board