

Annual General Meeting 2023

Key points Speech Dr. Wolfgang Eder, Chairman of the Supervisory Board

- **Successful 2022 fiscal year – increased dividend:** The world is changing - shaped by decarbonization and digitalization. Infineon stands for these megatrends as hardly any other company does. It is thanks to dedicated employees worldwide that the company is able to play to its strengths more than ever before, despite adverse global conditions, making the 2022 fiscal year the most successful in its history. Shareholders are to participate appropriately in this success in the customary way. The Management Board and the Supervisory Board are therefore proposing an increase in the dividend from 27 to 32 euro cents per share compared to the previous year.
- **Newly formed Management Board team and strategic course set for the future:** In times of change, calmly but consistently setting the course for sustainable growth based on leading technologies is distinctive of Infineon and its entrepreneurial understanding. With the appointment of Dr. Rutger Wijburg as Chief Operations Officer and Andreas Urschitz as Chief Marketing Officer, the Supervisory Board successfully completed the new formation of the Management Board team during the last fiscal year. Jochen Hanebeck has now been CEO for just under a year, succeeding Dr. Reinhard Ploss – to whom the company would once again like to express its gratitude for his consistent work to develop the company and for a smooth leadership transition. Even in this short time, Jochen Hanebeck has proven that, together with his colleagues on the Management Board, he is continuing Infineon's success story with his own signature. In the past fiscal year, the Supervisory Board closely supported the Management Board in making important strategic decisions:
 - The central common goal was to significantly and sustainably strengthen the profitability of the company.
 - In this context, Infineon has also set itself significantly more ambitious long-term financial targets as part of its revised Target Operating Model.
 - The sustainable growth course will be continued rigorously. The current key project is extensive investment at the site in Dresden, Germany.
- **Optimized Management Board compensation system:** The Supervisory Board optimized the Management Board compensation system during the 2022 fiscal year with a view to the future and is specifically submitting the following significant changes to the Annual General Meeting for approval:

- Variable compensation will be given greater weight in relation to the fixed compensation; the compensation of the Management Board will thus be even more consistently aligned to the success of the company than in the past.
- The maximum compensation for members who have served on the Management Board for more than four years will be increased in line with market practice. However, the concrete implementation requires a separate Supervisory Board resolution in each individual case, i.e. for the time being only maximum limits will be set as required by the German Stock Corporation Act.
- The modifier for short-term variable compensation will be limited to the adjustment options provided for in the German Stock Corporation Act and the German Corporate Governance Code. This means that target achievement can now only be reduced or increased by a factor of 0.7 to 1.3 in exceptional cases, namely in the case of clearly defined exceptional developments. In the future, only the key operating indicators defined in the Management Board compensation system (Segment Result Margin, Free Cash Flow and Return on Capital Employed) will be relevant for assessing performance in terms of short-term variable compensation.
- The Supervisory Board is given the opportunity to increase the proportion of ESG targets in long-term variable compensation from 20 to 30 percent, thus taking greater account of sustainability considerations in the overall system.
- **Tender process for the rotation of the auditor completed:** In the course of an extensive public tender process led by the Investment, Finance and Audit Committee, the Supervisory Board decided on its recommendation to propose the auditing company Deloitte as the new auditor to the 2024 Annual General Meeting.
- **Changes in the Supervisory Board:** Following the successful integration of the 10 billion US dollar acquisition "Cypress" and the ramp-up of the major investment in Villach, Austria, the Management Board and the Supervisory Board have recently made further long-term strategic decisions for Infineon in Germany, but also in Malaysia. In this context of the completion of important strategic projects on the one hand and the start of new future projects on the other, now is the right time to make changes to the Supervisory Board:
 - As Chairman of the Supervisory Board, I was able to contribute to Infineon's success in both politically and economically challenging years. However, in order to ensure that the Supervisory Board's personnel orientation remains as stable as possible for the duration of the implementation of the most recently decided new projects, i.e. for the longer term, I

will not stand for re-election. Following a multi-stage, externally guided selection process, the Supervisory Board unanimously proposes Dr. Herbert Diess as new Supervisory Board member and Chairman. Dr. Diess was most recently Chairman of the Board of Management of Volkswagen AG from 2018 to 2022. He began his career in 1989 at Robert Bosch GmbH, followed by Board positions at BMW AG and the VW Group. Dr. Diess was previously a member of the Supervisory Board of Infineon from 2015 to 2020 and thus brings extensive experience to his future position.

- Furthermore, Hans-Ulrich Holdenried, who has been a member of Infineon's Supervisory Board since 2010, has decided to step down from his position at the end of the 2023 Annual General Meeting. The Supervisory Board, the Management Board and all employees would like to thank Mr. Holdenried for many years of dedicated service to Infineon. The Supervisory Board proposes Klaus Helmrich as his successor. Klaus Helmrich is a member of the Supervisory Boards of ZF Friedrichshafen AG and Festo SE & Co. KG and held various positions at Siemens AG for a total of 35 years ending 2021, starting in 2011 as a member of the Management Board and since 2019 as CEO Digital Industries.
- Geraldine Picaud, member of the Infineon Supervisory Board since 2017, informed the company at the beginning of the new year that she is resigning her mandate for personal reasons and leaving the Supervisory Board at the beginning of February. Due to the short notice of the resignation and the mandatory statutory notice periods, it is not possible to fill her mandate within the framework of the 2023 Annual General Meeting. Irrespective of this, the decision on Ms. Picaud's successor will also require a careful selection process steered by the Nomination Committee. Once this process has been completed, the Supervisory Board will decide on a corresponding application for the judicial appointment of the new Supervisory Board member; in accordance with the German Corporate Governance Code, the judicial appointment will only be made for the period until the next Annual General Meeting in February 2024; the Annual General Meeting will then have the decision on the regular term of office.