Online Media Briefing Product Carbon Footprint (PCF)

Infineon Technologies

9 July 2024

Introduction of our speakers

Corinna Wolf
Global Head Sustainability at Infineon

Martin Hachenburg
Head of Climate Strategy and Energy Management

Infineon’s Global Environmental Sustainability Strategy focuses on four areas of action

Sustainability at our sites

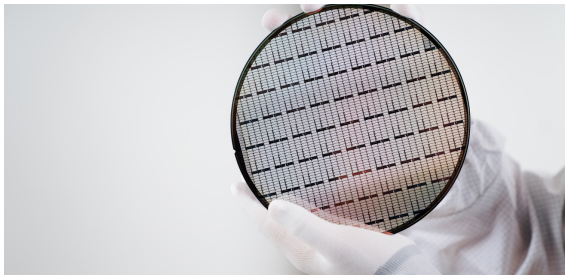
Our production facilities, buildings, and plants have a minimal footprint

In our supply chain

Infineon acts in an environmentally conscious and socially responsible manner across its supply chain

As part of our culture

Our employees make a voluntary contribution to creating a sustainable world



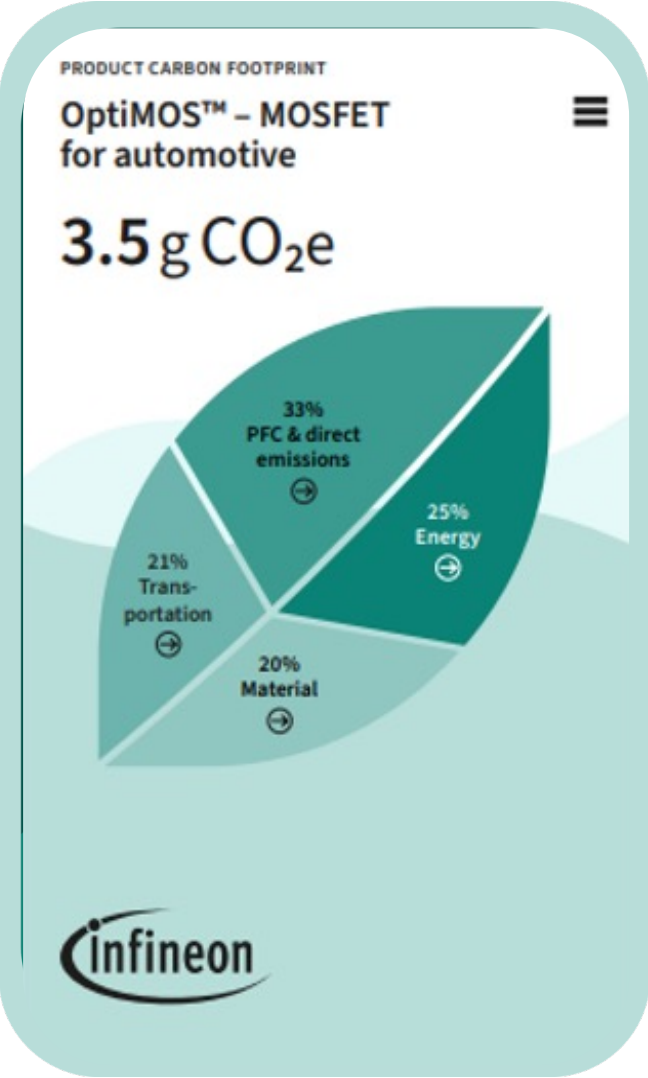
With our products

Our products are built into many different applications that make a significant contribution to decarbonization

"As Chief Digital and Sustainability Officer of Infineon Technologies, I will use my mandate to drive both - our digital and green transformation - together with our colleagues, customers, and partners around the world. This also means realizing new and disruptive ideas."

Elke Reichart
Chief Digital and Sustainability Officer

As early mover in the industry, Infineon provides its customers with a Product Carbon Footprint (PCF) for main product categories



What's the announcement all about?

- Infineon is further enhancing transparency on environmental impact by offering detailed PCF data
- Infineon is one of the first semiconductor suppliers to deliver such a level of detail to its customers
- This reflects our aspiration to not only being a technology leader but also a pioneer in sustainability
- Accompanies our earlier pledge to achieve carbon neutrality by 2030 for direct emissions (scopes 1 and 2) and our commitment to set a science-based target encompassing supply chain emissions (scope 3)

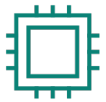
Link to Press release

PCF provides detailed information on total greenhouse gas (GHG) emissions associated with a product's manufacturing

What is the Product Carbon Footprint

- A metric that quantifies the total greenhouse gas (GHG) emissions associated with a product's manufacturing
- Typically expressed in grams of carbon dioxide equivalent (g CO2e), allowing for a comparison of different products' climate impact.
- Infineon will report the PCF "from cradle to gate" as it includes emissions related to:
  - our **own manufacturing** (scope 1 and 2 emissions)
  - emissions originated to **our upstream supply chain** (scope 3 emissions), such as manufacturing partners, transportation, raw materials and supplies

By revealing our PCF metrics, we are enabling our customers to benefit from our CO_2 emissions reduction efforts



Providing transparency from our corporate actions down to the individual product level

Enable customers to gain deeper insights into their carbon footprint along their own value chain

Creating levers to foster more effective strategies for customers' own CO_2 emissions reduction

Infineon drives decarbonization through products and by reducing its own footprint

Climate strategy at Infineon

Carbon neutrality by 2030

Impact through products and solutions

1 Carbon neutrality[1] by 2030 – primarily by avoiding direct emissions and increasing energy efficiency

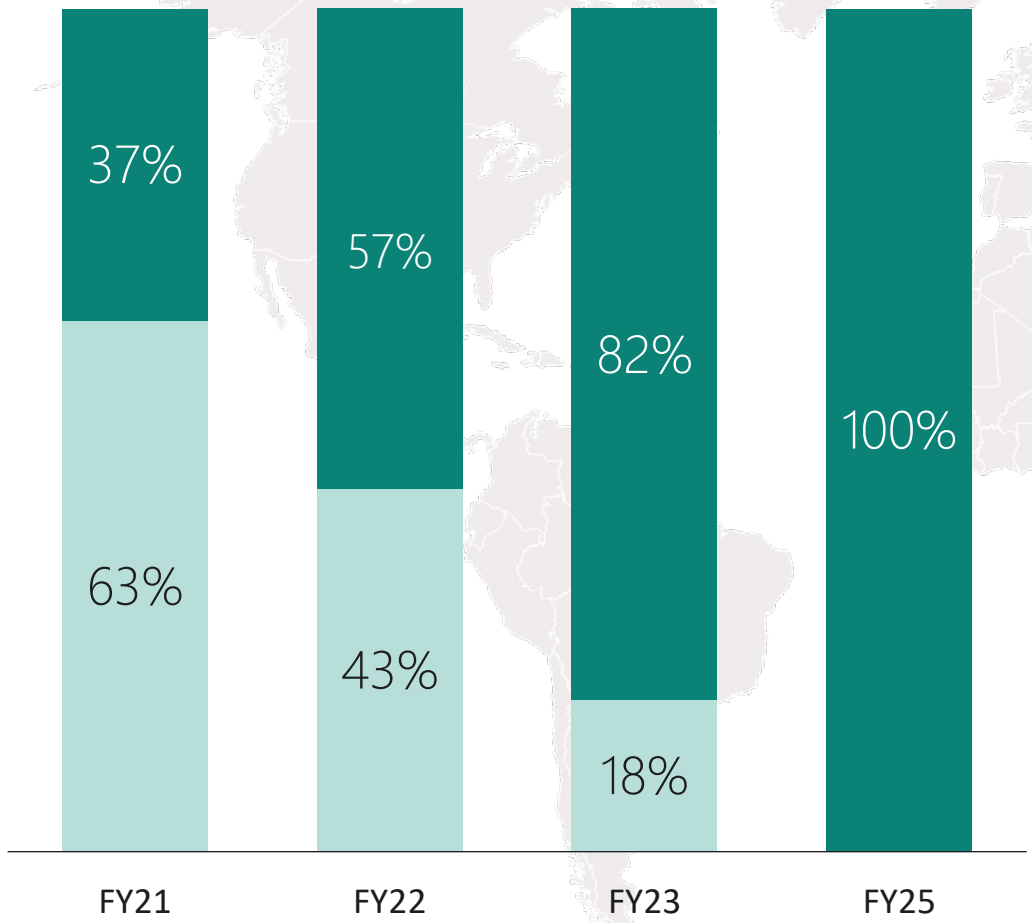
2 Expansion of climate strategy to the supply chain by committing to set a Science-Based Target to include Scope 3

3 Infineon’s products and solutions enable a net-zero economy and link the real and the digital world

[1]Scope 1 and 2

100% renewable electricity by 2025 - 82% already achieved today

Renewable electricity share per fiscal year



Europe
Starting FY21 ✓

Americas
Starting FY22 ✓

Malaysia
Starting FY23 ✓

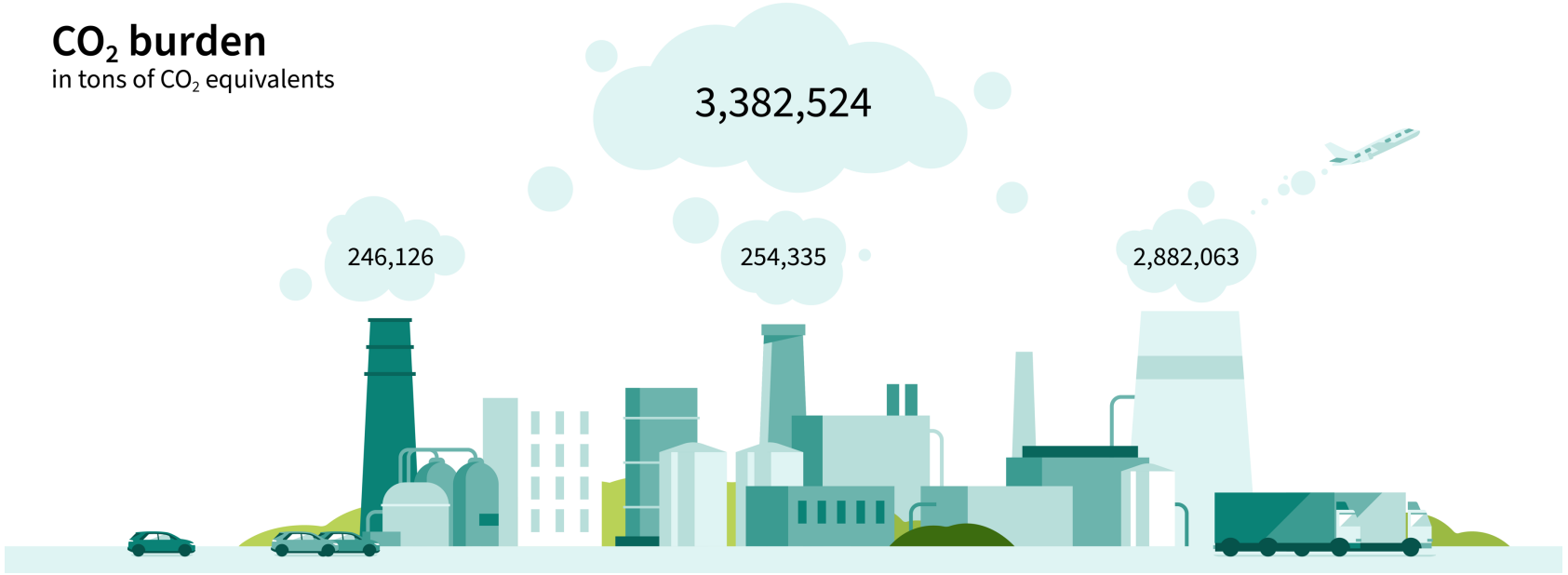
Rest of Asia
Starting FY25

Infineon has been part of RE100 since 2021:
This global initiative is bringing together many of the world's major businesses committed to 100% renewable energy.

For further information: Infineon Sustainability Report 2023

Infineon measures the environmental impact of its activities

CO_2 burden
in tons of CO_2 equivalents



Scope 1 – Direct
PFC
Gas
Diesel
Fuel oil
Petrol
Firewood
Own vehicles

Scope 2 – Indirect
Electricity
District heating

Scope 3 – Indirect
Fuel and energy supply
Water supply
Waste water
Waste
Raw materials and supplies
Capital goods
Travel
Transportation
Manufacturing service providers

Infineon offers **transparent** and **verified data** and discloses this data through CDP (former: Carbon Disclosure Project).

Infineon creates a net ecological benefit

In various 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 117 million tons of CO_2 equivalents. Compared with the European electricity mix, this is around 12.5 percent of the annual net electricity produced by the European Union.

CO_2 burden[1]

of 3.4 million tons
CO_2 equivalents

Ratio around 1:34

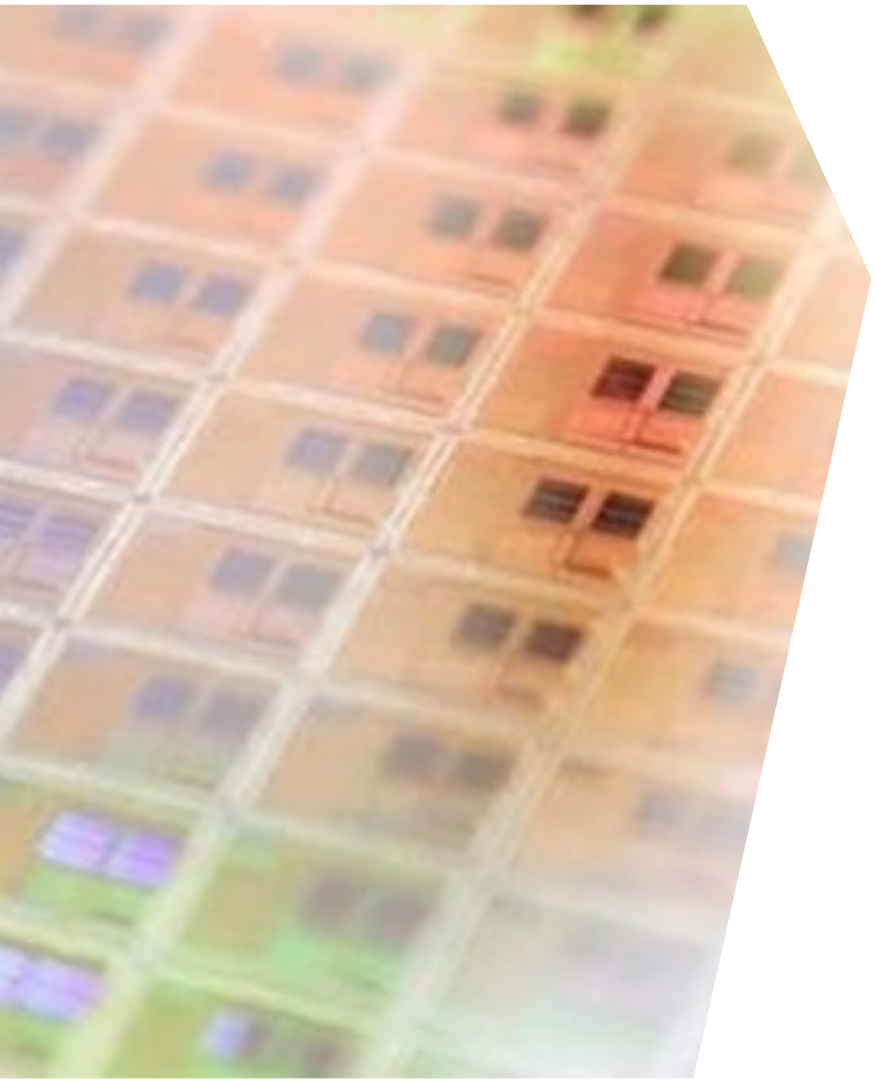
CO_2 savings[2]

of 116.6 million tons
CO_2 equivalents

Net ecological benefit: CO_2 emissions reduction of more than 113 million tons

[1] This figure takes into account manufacturing, transportation, own vehicles, travel, supplier-specific emissions, water/waste water, direct emissions, energy consumption, waste etc., as well as direct and indirect energy-related emissions by manufacturing service providers. It is based on data collected internally and publicly available conversion factors and relates to the 2023 fiscal year.
[2] This figure is based on internally established criteria, which are described in the explanatory notes. The figure relates to the 2022 calendar year and takes into account the following application areas: automotive electronics, industrial drives, photovoltaics, as well as wind energy. CO_2 savings are calculated based on the potential savings generated by technologies in which semiconductors are used. The CO_2 savings are allocated based on Infineon's market share, semiconductor share, and the lifetime of the technologies concerned, based on internal and external experts' estimations. Despite the fact that carbon footprint calculations are subject to imprecision due to the complex issues involved, the results are nevertheless clear.

Microelectronics – a key lever for electrification and CO_2 reduction



Green energy

Replacement of fossil fuels in power generation with renewable, clean and secure sources.

Digitalization of conversion chain

Optimization of the entire energy chain through connectivity and smart control.

Clean electrification

Electrification of consumption areas previously dominated by fossil fuels – with renewable energies.

Energy efficiency

Promoting of energy efficiency technologies like wide-bandgap for higher power density and lower losses.

Decarbonization


Infineon