

N° 2020-04

Business Continuity Customer Notification

Corona (2019-nCoV, COVID-19) Virus Issue – Update 60

Status of 18 June 2021

Dear Valued Customer,

We are committed to continue serving you as a reliable partner.

Since the beginning of the Coronavirus pandemic, Infineon Technologies has shown resilience in mitigating the impact of the crisis in its worldwide locations and proved to be a stable partner. The highly dynamic development of the COVID-19 situation requires us to establish new measures on short notice to protect both, safety of our employees and business continuity. This applies especially as mitigation measures by governments, like travel restrictions or movement control orders are announced on short notice. Local developments are continuously monitored by respective response teams.

All manufacturing sites, despite Melaka, are currently fully operational, complying to the local safety and health regulations by the respective countries. The Infineon management team has implemented significant precautions at all Infineon manufacturing and office locations to help contain the spread of the coronavirus. These measures follow the guidance from local health and government agencies and business continuity experts to minimize contact between our employees and are consistent with social distancing and hygiene best practices.

Asia

In **Malaysia**, the Government extended the strict lockdown for the whole country until 28 June. Our sites in Melaka (Assembly & Test site) and Kulim (Waferfab & Test) are granted the status of essential industry and thus were generally allowed to operate.

As reaction to a continuous number of infections, our Backend site in Melaka was ordered by the Ministry of Health to shut-down on 2 June. With the safety of our employees as top priority, we received the allowance to access and operate all eight production blocks as of 8 June, focusing all efforts on fast and safe resumption of volume production and on minimizing the impact on our customers by fulfilling most critical product and customer shipments with highest priority. We plan to resume full pre-shutdown production output level by CW27 with gradual improvements on a daily basis, related to refilling and balancing of work in progress across the different production lines and further increase of attendance rate of our employees released from quarantine. However, the local situation remains highly dynamic. We estimate the cumulated loss of production at 2-3 weeks.

In **Kulim**, a number of employees are infected and many are in quarantine, resulting in capacity reductions. We are putting all efforts to reduce the hereby caused output delays as far as possible.

We also expect a relevant impact from some of our production partners in Malaysia as a result of the COVID-19 restrictions. We focus all efforts on minimizing the impact on our customers. Where required and in alignment with the Divisions we will also trigger a BCCN in order to enable the immediate use of second source production partners.

In **Taiwan** suppliers are also affected by local COVID-19 restrictions and are producing with reduced volumes. The impact is currently under assessment.

In the Philippines, some areas are currently under different levels of community quarantine. We currently see no impact on our Assembly&Test site in Cavite or on our subcontractors in the Philippines as a result of these quarantine measures.

EMEA

We currently do not see an impact on our ability to serve expected customer demands as a result of the recently implemented lock-down measures in European countries.

Global Logistics

Despite significant global airfreight capacity constraints and continuous COVID19-related general shipping limitations (incl. selective airport congestions affecting transports into EU and US), deliveries are still ongoing although some of them may be delayed. We have implemented contingency plans by using e.g. different routes for shipments to keep the impact as low as possible.

For further questions or need for clarification, please get in contact with us through the established channels. Please rest assured that our focus is on maintaining business continuity. We will keep you updated via the established communication procedures.