

N° 2020-04-06

Business Continuity Customer Notification

Corona (2019-nCoV, Covid-19) Virus Issue – Update 24

Status of April 22th, 2020

Dear Valued Customer,

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

The highly dynamic development of the COVID-19 topic makes it difficult to provide tangible assessments upon which further planning can be based. This applies especially as mitigation measures by several governments, like travel restrictions or movement control orders have been announced on short notice and exceed our sphere of influence.

Our focus is to protect the health of our employees and to keep operations within our manufacturing facilities running as smoothly as possible. All major worldwide manufacturing sites of Infineon are currently operational, some at reduced loading levels. 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.

While the strict movement control order in Malaysia is in place until April 28th, our Frontend site Kulim as well as our Assembly&Test site in Melaka have now received the authorization to fully operate. We are therefore in the position to serve the expected customer demand in general, temporary volume and structural limitations on technology level, however, still may apply for the next weeks.

Singapore government announced most workplaces except for essential services and key economic sectors will be closed. Our Test site in Singapore has received permission to continue production.

Our Subcontractors in Malaysia and the Philippines are affected by local restrictions and are producing at a reduced volume.

For our Assembly&Test factory in Tijuana (Mexico), we are currently evaluating the impact of the sanitary emergency declared by the Mexican Federal Government which foresees a stop of all non-essential activities until May 30th. While the factory is currently still in operation at a limited volume, we are in close contact with the authorities to discuss the continuation of operations which fall into the category of “essential business”.

On March 19th, the Governor of California has issued a Shelter in Place order for the entire state of California to avoid the spread of COVID-19. For the time being our site in Temecula can continue to operate as part of the critical manufacturing sector.

Response teams monitoring the local situation have been installed and risk mitigation measures have been implemented.

Despite shipping limitations, especially from Europe to Asia and to the U.S., deliveries are still ongoing although some of them may be delayed. We have implemented contingency plans by using e.g. different routes for shipments.

A range of factors determining our future ability to deliver as expected is beyond our control. However, we are focusing on our efforts to mitigate the impact of the current exceptional events and are committed to continue serving our customers as a reliable partner.

We will keep you updated via the established communication procedures.