



Vitesco Technologies and onsemi Sign SiC Long-Term Supply Agreement and Agree to Invest in SiC Technology Capacity Expansion

May 31, 2023

- **Vitesco Technologies is securing silicon carbide (SiC) supply capacity worth \$1.9 billion**
- **Vitesco Technologies is gaining access to this key semiconductor technology by providing an investment of \$250 million to onsemi in production capacity to enable the enormous growth in electrification**
- **In addition to investing in production capacity, the two companies will collaborate to further optimize the traction inverter system**

REGENSBURG, Germany & SCOTTSDALE, Ariz.--(BUSINESS WIRE)--May 31, 2023-- Vitesco Technologies (FSE: VTSC) and onsemi (Nasdaq: [ON](#)) today announced a 10-year long-term supply agreement worth \$1.9 billion for silicon carbide (SiC) products to enable Vitesco Technologies' ramp in electrification technologies. Vitesco Technologies, a leading international manufacturer of modern drive technologies and electrification solutions, is providing an investment of \$250 million to onsemi for new equipment for SiC boule growth, wafer production and epitaxy to secure access to SiC capacity. The equipment will be used to produce SiC wafers to support Vitesco Technologies' growing SiC demand. In parallel, onsemi, a leader in intelligent power and sensing technologies, will continue to invest substantially into end-to-end SiC supply chain.

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In addition, Vitesco Technologies and onsemi will collaborate on optimized customer solutions for Vitesco Technologies. onsemi's highly efficient EliteSiC MOSFETs will be used by Vitesco Technologies to execute the recent orders as well as future projects for traction inverters and electric vehicle drives.

"Energy-efficient silicon carbide power semiconductors are at the beginning of a big surge in demand. That is why it is imperative for us to get access to the complete SiC value chain together with onsemi. With this investment we have a secure supply of a key technology over the next ten years and beyond," said Andreas Wolf, CEO of Vitesco Technologies.

Hassane El-Khoury, president and CEO of onsemi, commented: "This collaboration will enable Vitesco Technologies to address their customers' demand for longer range and higher performance in electric vehicles. onsemi provides superior performance and quality, supply assurance, and manufacturing at scale of SiC technologies based on decades of experience in manufacturing power semiconductor products in high volume automotive applications."

SiC semiconductors are a pivotal technology for electrification enabling highly efficient power electronics leading to reduced charging times and longer range for electric cars. Especially at high voltage levels such as 800 V, SiC inverters are more efficient than silicon models. Since 800 V is the prerequisite for fast and thus convenient high-voltage charging, SiC devices are at the beginning of a worldwide boom.

Vitesco Technologies is a leading international developer and manufacturer of cutting-edge drive systems for sustainable mobility. With intelligent system solutions and components for electric, hybrid, and internal combustion drive systems, Vitesco Technologies is making mobility clean, efficient, and affordable. The product portfolio includes electric drives, electronic controls, sensors and actuators, and exhaust gas treatment solutions. In 2022, Vitesco Technologies generated sales of around €9.07 billion and employs a workforce of around 38,000 employees at 50 locations. Vitesco Technologies is headquartered in Regensburg, Germany.

onsemi (Nasdaq: ON) is driving disruptive innovations to help build a better future. With a focus on automotive and industrial end-markets, the company is accelerating change in megatrends such as vehicle electrification and safety, sustainable energy grids, industrial automation, and 5G and cloud infrastructure. onsemi offers a highly differentiated and innovative product portfolio, delivering intelligent power and sensing technologies that solve the world's most complex challenges and leads the way to creating a safer, cleaner, and smarter world. onsemi is recognized as a Fortune 500® company and included in the S&P 500® index. Learn more about onsemi at www.onsemi.com.

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