

GRI 102-46

Additional information on this material topic can be found in the chapters “Business ethics” and “Human rights” and in “Encouraging diversity” in the chapter “Human resources management” as well as in the chapter “Sustainable Development Goals”.

▢ p. 14 ff., p. 17, p. 20 f. and p. 56 ff.

Corporate citizenship: At our sites, we support local communities in line with our sustainable business strategy. We are present at locations around the world dedicated to sales, research and development as well as manufacturing. The global presence of our sites is illustrated in “Headquarters and manufacturing sites” in the chapter “Business model” as well as in “R&D sites” in the chapter “Research and development” in the Annual Report 2022. ▢ p. 22 and p. 35 of the Annual Report 2022

With our presence in different regions, we benefit the communities in various ways – by creating jobs, with our innovative products and solutions and with the taxes we pay, as well as through our societal and social commitment as part of our corporate citizenship activities.

Examples of Infineon’s engagement are set out in the chapters “Corporate citizenship” and “Sustainable Development Goals”. ▢ p. 44 ff. and p. 56 ff.

Business ethics: To meet our own business ethics standards and, at the same time, act as a sustainable and responsible partner towards our stakeholders, we must consider, evaluate and address the risks, both within and outside the company. Each year, as part of the compliance management system, a formal assessment of our risks takes place, focusing in particular on corruption and antitrust law. The measures to be taken are summarized in the compliance program and implemented during the fiscal year.

Employees and business partners can report any possible breaches to the usual internal bodies (Management, Human Resources and Compliance) or contact our Infineon Integrity Line, which also accepts anonymous reports. The Business Conduct Guidelines define our basic principles for ethical and legal conduct. They are an

important foundation for our everyday activities. They apply to all employees and members of corporate bodies around the world when dealing with one another and with our customers, investors, business partners and the public. Infineon reports on the measures implemented in the context of the UN Global Compact’s Principles in the chapter “UN Global Compact Communication on Progress”. ▢ p. 54 f.

Additional information on this material topic is given in the chapters “Business ethics”, “Human rights” and “Sustainable Development Goals” in this report, as well as in “Statement on Corporate Governance pursuant to sections 289f and 315d of the German Commercial Code (HGB)” in the chapter “Corporate Governance” in the Annual Report 2022. ▢ p. 14 ff., p. 17 and p. 56 ff. of this report and p. 82 of the Annual Report 2022

Labor relations: We are convinced that effective human resources and a secure working environment are prerequisites to our business success. Long-term high performance is only viable with satisfied and successful employees. In our strategic focus areas (“Culture”, “Organization”, “People & Leadership” and “HR Processes & Infrastructure”), we summarize all the daily activities we undertake to promote employees’ performance and realize their potential in the best possible way.

In our Business Conduct Guidelines, we commit to upholding international human rights and labor standards, including protecting personal dignity and the privacy of every individual. Additional information about this is given in the chapters “Business ethics”, “Human rights” and “UN Global Compact Communication on Progress”. ▢ p. 14 ff., p. 17 and p. 54 f.

Our Occupational Safety and Health Management System has been certified in accordance with ISO¹ 45001 and is designed to ensure that the necessary measures are taken to minimize risks identified in the working environment that could endanger our employees.

Additional information on this material topic is given in the chapters “Human resources management”, “Protection of our employees” and “Sustainable Development Goals”. ▢ p. 18 ff., p. 25 f. and p. 56 ff.

1 ISO: International Organization for Standardization.



Business ethics

All employees are automatically enrolled in Business Conduct Guidelines training on an ongoing basis. For selected target groups, this also applies to training on the topics of corruption prevention and antitrust law.

TARGETS

p. 47 ff.

Material topics

- › Responsible manufacturing
- › Diversity and equal opportunity
- › Business ethics
- › Labor relations

Infineon is committed to do not only what is legally permissible, but also what is ethically right. We live in a culture in which high levels of integrity, reliability and quality are vital to win the trust of customers, investors and employees. For us, this means that we make commitments that are achievable and promises we can keep. Infineon requires that its employees and business partners respect and observe all applicable laws, rules and regulations. Essential principles of ethical behavior are defined in the Business Conduct Guidelines¹ and the CSR Policy. Some of these principles go beyond the legal requirements, in which case we are guided by international standards and principles, such as the International Bill of Human Rights or the UN Global Compact Principles.

In order to implement these principles, Infineon has introduced a compliance management system for all Group companies. The compliance management system includes an annual formalized risk assessment, dealing in particular with corruption and antitrust law. The measures that need to be taken identified in the assessment are summarized in the compliance program and implemented during the fiscal year. The risk assessment entails both analyses at the Group level and structured interviews at the site and central function levels. The assessment essentially confirmed

the known risk areas. The compliance program therefore includes detailed training and communication measures, business partner checks, processes and tools, the revision of regulations and general advice on compliance issues.

The Corporate Compliance Officer, heading a worldwide team, is responsible for coordinating the compliance management system. She reports directly to the Chief Financial Officer and on a quarterly basis to the Management Board, as well as to the Supervisory Board's Investment, Finance and Audit Committee. In addition to the development of our compliance program, the officer helps create guidelines, advises employees, receives complaints and information on relevant issues and heads the investigation of compliance cases.

Following the successful Group-wide certification of the compliance management system in accordance with IDW² Standard PS³ 980 in the 2019 fiscal year, reviews of the compliance management system are conducted by Internal Audit. These reviews form a significant part of the audit planning. Employees and business partners took advantage of the opportunities available, both internally (Management, Human Resources and Compliance) and externally (Infineon Integrity Line), to report actual

¹ The Business Conduct Guidelines have been published in 17 languages.

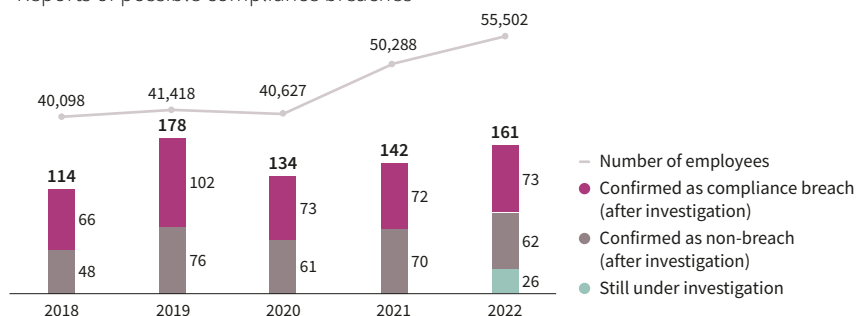
² IDW: The Institute of Public Auditors in Germany (German: Institut der Wirtschaftsprüfer) publishes Principles for the Proper Performance of Reasonable Assurance Engagements Relating to Compliance Management Systems.

³ PS: Auditing Standard (German: Prüfungsstandard).

or suspected violations during the 2022 fiscal year. There was an increase in the 2022 fiscal year in the number of reports made and investigations conducted. We attribute this rise mainly to the resumption of business trips and to the resulting increase in personal contact with our business partners. **CHART 03** When assessing possible breaches, Infineon distinguishes between various degrees of severity. A number of employees in the low double digits left Infineon as a result of a compliance case, either after the termination of their employment or voluntarily. Moreover, in other cases, sanctions in accordance with labor law were imposed, such as cautions and formal warnings.

The Business Conduct Guidelines form the central element of our compliance management system. As a code of conduct, the Guidelines are an essential basis for our daily actions and apply to all employees and members of corporate bodies worldwide when dealing with one another, our customers, investors, business partners or the public. All the company's employees and members of corporate bodies are trained on the content on a regular basis in web-based sessions or face-to-face. Since the 2021 fiscal year, all employees have been automatically enrolled in web-based Business Conduct Guidelines training (which forms part of

CHART 03 Reports of possible compliance breaches



the learning management system) on an ongoing basis. This also applies to training for selected target groups on the topics of corruption prevention and antitrust law. All these training sessions are repeated every three years. Business partners are contractually obliged to comply with the legal regulations. Suppliers acknowledge our Supplier Code of Conduct when signing the contract. In addition, we conduct business partner checks to ensure that we work together with law-abiding business partners with integrity.

Tax management and governance

Our business activities worldwide generate a variety of different taxes in the various countries, including corporate taxes, production taxes and other levies. Infineon also pays income taxes for its employees. The same applies to indirect taxes such as VAT (value added tax). The taxes paid are an important part of our economic contribution in the countries where we operate. With our Tax Compliance and Governance Report, we disclose tax management and related governance matters and create an important basis for dialog with our stakeholders. Here, we conduct a continuing assessment of legal and regulatory requirements and the interests of these stakeholders. The Tax Compliance and Governance Report can be downloaded from our website.

www.infineon.com/tax_report

Personal data and the protection of privacy

Data protection is a high priority for Infineon. Our clear objective is always to process the personal data of employees, customers, interested parties, suppliers, investors and other partners in accordance with globally applicable data protection laws.

With the data protection management system which we have been operating successfully for many years and are continuously improving, we have adopted a structured and systematic approach that ensures compliance with globally applicable data protection laws. Within our management system, continual assessments are performed of changes to the legal framework, and potential

UN Global Compact Principles	Measures implemented
Environment	
Principle 7: Businesses should support a precautionary approach to environmental challenges;	› Our IMPRES (Infineon Integrated Management Program for Environment, Energy, Safety and Health) is globally certified in accordance with ISO 14001 and ISO 45001. Our major European manufacturing sites and our corporate headquarters Campeon (Germany) are also certified in accordance with ISO 50001.
Principle 8: undertake initiatives to promote greater environmental responsibility; and	› Our IMPRES policy is an essential part of our management system, which contains binding internal strategies, processes, goals and requirements in the areas of environmental protection, energy, occupational safety and health.
Principle 9: encourage the development and diffusion of environmentally friendly technologies.	› The responsible member of the Management Board defines the framework for the objectives in this area within the Infineon Group. As part of these definitions, the management responsible sets appropriate targets at site level and ensures the achievement of the targets. Infineon has set itself the target of becoming carbon-neutral by the end of the 2030 fiscal year in terms of scope 1 and scope 2 emissions. By the end of the 2025 fiscal year, it should have already reduced CO ₂ emissions by 70 percent compared with the 2019 ¹ calendar year. › Internal environmental, energy, occupational safety and health audits and external certification audits take place at the sites in the context of our multi-site certification.
Anti-Corruption	
Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.	› In order to further increase awareness of the topic of preventing corruption in the company, this topic is included in the web-based Business Conduct Guidelines training. In addition, specific web-based training on the prevention of corruption is continuously and automatically rolled out for particular target groups. All new employees belonging to these target groups are automatically signed up for mandatory web-based training sessions. We also conduct business partner checks to ensure that we work together with law-abiding business partners with integrity. › The rules that apply to the reporting of compliance violations are set out in our Business Conduct Guidelines.

¹ In line with our carbon neutrality goal, with the 2019 calendar year as the base year, the relevant data of Cypress are included.

	Topic	Page Report Sustainability at Infineon 2022	Page Annual Report 2022	Remark
201-2	Financial implications and other risks and opportunities due to climate change	11 – 12		
201-3	Defined benefit plan obligations and other retirement plans		97 – 98, 119 – 123	
201-4	Financial assistance received from government	GRI Content Index	100, 103	Splitting of “received benefits” by country is not relevant. Governments do not participate in Infineon.
Indirect economic impacts				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	9 – 13		
103-2	The management approach and its components	14 – 45		
103-3	Evaluation of the management approach	14 – 45		
GRI 203: Indirect Economic Impacts 2016				
203-1	Infrastructure investments and services supported	44 – 45		
203-2	Significant indirect economic impacts	GRI Content Index	20 – 31	Through the use of products in which our semiconductors are used, Infineon has indirect economic impacts, for example, in efficiency improvements. The significance of those impacts was – due to external parameters – not determined in each individual case.
Anti-corruption				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	9 – 13		
103-2	The management approach and its components	14 – 15		
103-3	Evaluation of the management approach	14 – 15		
GRI 205: Anti-corruption 2016				
205-2	Communication and training about anti-corruption policies and procedures	14 – 15, 55, GRI Content Index		Compliance training is also carried out at management level and Board level. Splitting training participation by individual regions or employees category is not a global control parameter for Infineon.
Anti-competitive Behavior				
GRI 103: Management Approach 2016				
103-1	Explanation of the material topic and its Boundary	9 – 13		
103-2	The management approach and its components		64 – 68	
103-3	Evaluation of the management approach		64 – 68	
GRI 206: Anti-competitive Behavior 2016				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		130 – 133	

Assurance Reports

Assurance Report of the Independent Auditor regarding the Combined Separate Non-Financial Report¹

To the Supervisory Board of Infineon Technologies AG, Neubiberg

We have performed an independent limited assurance engagement on the Combined Separate Non-Financial Report (further: “Report”) of Infineon Technologies AG and the Group (further: “Infineon”) as well as the sections “Group strategy”, “Report on outlook, risk and opportunity”, “Business model”, “Research and development” and “Corporate Governance” of the Combined Management Report, which have been qualified as part of the Report by reference, according to Sections 315b and 315c in conjunction with 289b to 289e HGB (German Commercial Code) for the fiscal year from October 1, 2021 to September 30, 2022.

For the following non-financial disclosures, we performed a reasonable assurance engagement:

- › Proportion of women in management positions
- › Technical PFC reduction and energy efficiency measures
- › CO₂ emissions (Scope 1 and 2) for fiscal year 2021/2022

The selected non-financial disclosures are referred to below as “Proportion of women in management positions” and “CO₂ emissions and reduction”.

Management’s Responsibility

The legal representatives of Infineon are responsible for the preparation of the Report in accordance with Sections 315b and 315c in conjunction with 289b to 289e HGB and with Article 8 of REGULATION (EU) 2020/852 OF THE EUROPEAN PARLIAMENT AND OF THE COUNCIL of June 18, 2020 on the establishment of a framework to facilitate sustainable investment, and amending Regulation (EU) 2019/2088 (further “EU Taxonomy Regulation”) and the supplementing Delegated Acts as well as the interpretation of the wordings and terms contained in the EU Taxonomy Regulation and in the supplementing Delegated Acts by the Company as disclosed in Section “EU Taxonomy” of the combined separate non-financial report.

This responsibility of the legal representatives includes the selection and application of appropriate methods to prepare the Report and the use of assumptions and estimates for individual disclosures which are reasonable under the given circumstances. Furthermore, this responsibility includes designing, implementing and maintaining systems and processes relevant for the preparation of the Report in a way that is free of – intended or unintended – material misstatements.

The EU Taxonomy Regulation and the supplementing Delegated Acts contain wordings and terms that are still subject to substantial uncertainties regarding their interpretation and for which not all clarifications have been published yet. Therefore, the legal representatives have included a description of their interpretation in Section “EU Taxonomy” of the combined separate non-financial report. They are responsible for its tenability. Due to the innate risk of diverging interpretations of vague legal concepts, the legal conformity of these interpretations is subject to uncertainty.

Practitioner’s Responsibility

Our responsibility is to express a conclusion with limited assurance on the Report, including the selected qualifying sections in the Combined Management Report, and with reasonable assurance on the selected non-financial disclosures “Proportion of women in management positions” and “CO₂ emissions and reduction” based on our work performed.

We conducted our work on the Report, including the selected qualifying sections in the Combined Management Report, in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised): “Assurance Engagements other than Audits or Reviews of Historical Financial Information”, published by the International Auditing and Assurance Standards Board (IAASB), as a limited assurance engagement. This standard requires that we plan and perform the assurance engagement to obtain limited assurance whether any matters have come to our attention that cause us to believe that the Report, including the selected qualifying sections in the Combined Management Report, for the period from October 1, 2021 to September 30, 2022 has not been prepared, in all material respects, in accordance with Sections 315b and 315c in conjunction with 289b to 289e HGB and with the EU Taxonomy Regulation and the supplementing Delegated Acts as well as the interpretation of the wordings and terms contained in the EU Taxonomy Regulation and

¹ Our engagement applied to the German version of the Report. This text is a translation of the Independent Assurance Report issued in the German language, whereas the German text is authoritative.

in the supplementing Delegated Acts by the legal representatives as disclosed in Section “EU Taxonomy” of the combined separate non-financial report. We do not, however, provide a separate conclusion for each disclosure. In a limited assurance engagement, the evidence gathering procedures are more limited than in a reasonable assurance engagement and therefore less assurance is obtained than in a reasonable assurance engagement. The choice of audit procedures is subject to the auditor’s own judgement.

Within the scope of our engagement, we performed amongst others the following procedures:

- › Interviewing employees at Group level in order to gain an understanding of the approach to identifying material issues and corresponding reporting boundaries of Infineon
- › A risk analysis, including a media research, to identify relevant sustainability aspects for Infineon in the reporting period
- › Reviewing the suitability of internally developed Reporting Criteria
- › Evaluation of the design and implementation of the systems and processes for determining, processing and monitoring of disclosures relating to environmental, employee and social matters, respect for human rights and combating corruption and bribery, including the consolidation of the data
- › Inquiries of personnel at Group level responsible for determining disclosures on concepts, due-diligence processes, results and risks, for conducting internal controls and consolidation of the disclosures
- › Evaluation of selected internal and external documentation
- › An analytical review of the data and trend explanations of quantitative information submitted by all sites for consolidation at Group level
- › Evaluation of local data collection, validation and reporting processes as well as the reliability of reported data based on samples at Cegléd (Hungary) and Wuxi (China)
- › Reconciliation of disclosures in the combined separate non-financial report with the corresponding disclosures in the consolidated financial statements and the Combined Management Report
- › Assessment of the overall presentation of the disclosures
- › Inquiries of Group level personnel in order to understand the processes for identifying relevant economic activities according to the EU Taxonomy Regulation

- › Understanding the design and implementation of systems and processes for the identification, processing and monitoring of turnover, capital expenditure and operating expenditure disclosures for taxonomy-eligible economic activities
- › Evaluation of the process for the identification of taxonomy-eligible economic activities and the corresponding disclosures in the combined separate non-financial report

The legal representatives have to interpret vague legal concepts in order to be able to compile the relevant disclosures according to Article 8 of the EU Taxonomy Regulation. Due to the innate risk of diverging interpretations of vague legal concepts, the legal conformity of these interpretations and, correspondingly, our assurance thereof are subject to uncertainty.

For the selected non-financial disclosures “Proportion of women in management positions” and “CO₂ emissions and reduction”, we conducted our work in the form of a reasonable assurance engagement in accordance with the International Standard on Assurance Engagements (ISAE) 3000 (Revised). Accordingly, we have to comply with our professional duties and to plan and perform the assurance engagement in such a way that we, respecting the principle of materiality, reach our conclusion with a reasonable level of assurance. The choice of assurance procedures is subject to the auditor’s own judgement.

Within the scope of our reasonable assurance engagement we performed, amongst others, the following procedures:

- › A risk analysis, including a media research of relevant information about Infineon’s sustainability performance in the reporting period with respect to the selected non-financial disclosures “Proportion of women in management positions” and “CO₂ emissions and reduction”
- › Evaluation of the design and implementation of systems and processes for identifying, processing and monitoring disclosures, including the consolidation of data for the selected non-financial disclosures “Proportion of women in management positions” and “CO₂ emissions and reduction”
- › Performing control-based assurance procedures to assess the design and effectiveness of internal controls for determining, processing and monitoring of disclosures, including the consolidation of data at the Group level for the selected non-financial disclosures “CO₂ emissions and reduction”