



Compliance Guideline Anti-Corruption

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Scope

This Rule has been released pursuant to the Global Rule A.1 “Creation and management of Regulations”. It applies to all employees and members of the representative bodies of all Infineon companies worldwide.

Rule content

This Rule explains various forms of corruption, how to prevent them and constitutes the obligation for Infineon employees to act accordingly.

I. Introduction

Corruption of any kind, active or passive, whether public or private, is prohibited. Corruption erodes trust, damages our reputation, reduces our business success and undermines our values.

Infineon is resolute to fight corruption and to implement and enforce effective measures ensuring that corruption is prevented, detected and terminated. We are committed to zero tolerance on corruption and conducting our business in an ethical and legal manner on a global basis.

II. Corruption

A. Definition

Corruption is the abuse of entrusted power in order to gain an improper advantage for oneself or third parties.

B. Anti-corruption laws worldwide

Corruption is prohibited worldwide, regardless whether it occurs in interaction with business partners or public officials. Thus, it is illegal to

- › Offer, promise, give, solicit or receive
 - directly or indirectly –
- › Money or “anything of value”
- › To or from business partners or public officials
- › In order to obtain or retain business or secure some other improper advantage

Anything of value includes e.g. cash, vouchers, gifts or invitations, a benefit, a favor, an opportunity or the disclosure of information. Ultimately, anything of value for the person being bribed.

Anti-corruption laws on public officials are particularly stringent. If you deal with public officials, their family members or governmental institutions, you must take extra precaution.

Public officials are, for example, judges, civil servants, people with a public status or appointed to perform public tasks, people working for public authorities or state-owned companies. Public Officials are defined in a Supporting Document pursuant to the Global Rule [A.3 “Handling of Gifts and Invitations”](#).

III. Forms of Corruption

A. Bribery and Kickback payments

Bribery is defined as improperly influencing someone by offering, promising or giving an improper advantage as inducement for an action or decision.

Kickback payments are a special form of bribery whereas suppliers or other third parties collusively and confidentially agree with an Infineon employee to charge Infineon with a higher price for a procured product or service.

The higher price is splitted and a part is forwarded to the Infineon employee.

At Infineon, any form of bribery or kickback payments are strictly prohibited.

B. Gifts or Invitations

Gifts or invitations may be “anything of value” and thus considered as a bribe.

Therefore, gifts or invitations from or to business partners or public officials exceeding certain thresholds are subject to approval by Compliance via the Compliance Approval Tool (COAT).

Please see the Global Rule [A.3 “Handling of Gifts and Invitations”](#) for further details.

Gifts or invitations may be permitted to a limited extent provided that they comply with local laws and regulations. However, they shall neither unduly influence the business relationship, nor create the impression thereof. When exceeding a socially accepted level, they are prohibited. Finally, gifts or invitations to public officials must remain an exception.

C. Favoritism

A job offer to a business partner or a public official, their family members or relatives may also be “anything of value” and thus considered as a bribe.

Bypassing the standard hiring process in return for improper advantages whereas the candidate is not or not sufficiently qualified for the job are indications of favoritism.

Therefore, you must apply to the standard hiring processes and choose the candidate who is best qualified for the job.

D. Certification fraud

Many of Infineon’s products must be certified by either governmental or private institutions. In order to issue such certification, it may occur that the responsible person asks for a cash payment or other benefit to him or a third party.

It’s strictly prohibited for you to accept such offer or to actively promise, offer or pay such fee for improperly receiving such certification. If you are requested to pay such bribe, report it directly to Compliance and decline it.

E. Donations and Sponsoring

Infineon supports selected projects and activities with donations, contributions in kind or as a sponsor. Donations or sponsoring may be a hidden form of corruption.

Donations and Sponsoring have to follow the Global Rule [A.22 “Corporate Citizenship and Sponsorship”](#).

We do not donate to political parties, politicians or political organizations.

F. Facilitation Payments

“Facilitation Payments” are payments to public officials in order to accelerate routine procedures to which the payer is entitled.

Infineon strictly prohibits Facilitation Payments even though they may be legal under some jurisdictions.

If you genuinely believe that your life, health or safety or that of any third party is in danger or threat (“distortion”) payments to avert such threat are not considered Facilitation Payments. Infineon explicitly permits payments to overcome a situation of distortion. If you paid or were asked to pay distortion money, you shall contact Compliance and Corporate Security as soon as reasonably possible after the distortion occurred.

1. Examples of Facilitation Payments

Typical examples of Facilitation Payments are those to accelerate:

- › Customs clearances
- › Passport clearance during border control
- › Work permits, visas etc.

Public fees in accordance with an officially published price list are legitimate payments for the public service provided. They are not considered Facilitation Payments.

You differentiate a public fee from a Facilitation Payment in the recipient of the money: You pay a public fee to the authority while the facilitation payment is given to the public official personally.

2. Obligations regarding Facilitation Payments

You are strictly prohibited to directly or indirectly offer, pay, promise to pay or authorize Facilitation Payments. This rule applies irrespective of the amount and whether legitimate in the jurisdiction you operate.

You are strictly prohibited to incite or allow any third party to offer, pay, promise to pay or authorize Facilitation Payments on behalf of Infineon.

You must decline any request or proposal for giving Facilitation Payments and report the request immediately to Compliance.



IV. Business Relationship with Third Parties

We expect our business partners to conduct their business with integrity. Thus, we scrutinize our business partners carefully.

For business partners acting on behalf or in the interest of Infineon (“Business Partners”), e.g. consultants, distributors, sales reps, joint venture partners, ecosystem partners, custom agents, Compliance performs a Business Partner Integrity Check (BIC) and either approves or rejects the Business Partner. Compliance repeats BIC integrity checks on a regular basis. You must initiate a BIC request (embedded in the [EUC-Tool](#)) for all Business Partners in scope pursuant to Supporting Document X.4 “Anti Corruption Definition Business Partner” upfront. You can find further details in our [Intranet “Corruption Prevention”](#).

You must report any doubts about the integrity of a Business Partner to Compliance.

V. Trainings

Compliance defines selection criteria for those employees who have to conduct the mandatory Corruption Prevention eLearning once in three years. If you meet these criteria, you are automatically enrolled by the learning management system. Your training completion is tracked, documented and reported.

VI. Consequences

Violations of anti-corruption laws may have severe consequences, both for Infineon and employees involved in illegal practices. Consequences may be e.g. high fines, imprisonment, civil damage claims, exclusion from public and private tenders, high legal fees and reputational damages. A violation of this Rule may also lead to disciplinary action up to termination of your employment at Infineon.



VII. Contact and Reporting Channels

We expect you to actively report any potential violations. No one who reports a suspected Compliance violation in good faith needs to fear disadvantages, even if the suspected violation turns out to be unjustified. In the same way, we treat employees accused of misconduct fairly. The Compliance team keeps your report strictly confidential and investigates every report diligently. Compliance reports are documented and reported to the Management Board.

The Compliance team acts and decides independently on the appropriate investigation measures.

To report a potential violation of this Rule you may contact:

- > Your legal and/or functional manager
- > The Compliance Office
E-Mail: Compliance@infineon.com
Phone: +49 (0) 89 234 83199 or 65636
Infineon Technologies AG, IFAG CO, Am Campeon 1-15,
85579 Neubiberg, Germany
- > Your responsible Regional Compliance Officer.
- > The Infineon Integrity Line – personally or anonymously.
This electronic whistleblower system is available in eight languages to all Infineon employees as well as customers, suppliers and other third parties

Regardless of the reporting channel, Infineon assures all whistleblowers full confidentiality and non-retaliation.





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