

# Human Resources:



**The leading position Infineon Technologies maintains in the semiconductor industry can mainly be attributed to the know-how of its employees. Motivation, flexibility and knowledge form the basis of our company's long-term success and excellent future perspectives in an industry marked by fierce global competition and high technological dynamics.**

The guiding principles that govern the behavior of our management – which we at Infineon consider to be exemplary – take into account the environment we operate in. Creative, innovative and unconventional approaches are the prerequisites for developing new ideas and business models. Entrepreneurial thinking, customer orientation, team spirit and high achievement ideals are the values around which our corporate image has been defined. The capability to meet challenges with perseverance and a clear focus are indispensable for creating a highly-motivating environment for employees and colleagues that not only nurtures, but also creates an incentive for the workforce to improve its performance. The courage to make clear-cut decisions and the resoluteness to implement them are two factors that have been crucial for soundly positioning our company in the market.

## Dual Career Planning and Infineon University

We can only secure the long-term growth of our company in a market as highly volatile as the semiconductor market if we are able to successfully compete for talented and highly-qualified employees. In order to achieve this goal, Infineon has developed a whole set of attractive and promising human resources instruments. We have introduced dual career planning in our extensive human resources development concept. Employees are offered

## IT'S PEOPLE WHO MAKE A DIFFERENCE.

individual development perspectives not only at the management level, but also in regards to specialized knowledge. Thus, we are able to better balance the interests of the company and of the employees. The project in progress – Infineon University – has been conceived to serve as a strategically important dialog and learning platform for our employees. At special interest seminars, workshops and strategy meetings, we work on developing and fostering interdisciplinary and intercultural teamwork capabilities as well as the efficient transfer of know-how, all of which are crucial factors for our company.

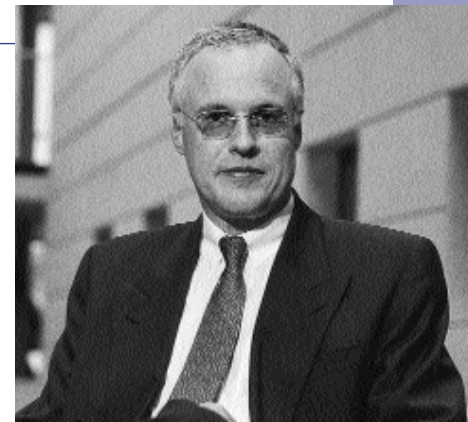
### Market, Success and Performance-oriented Remuneration

As a global employer competing at the international level for the smartest brains in the market, we have developed a remuneration policy that is market-oriented and takes success and achievement into account. The combination of fixed and variable salary components creates additional motivation for employees who think and act entrepreneurially. The linkage of variable income with strategic and operative company goals serves as an effective management and control instrument. Furthermore, we have set up employee participation programs, for example, an employee stock purchase program and a stock option plan.

The employee stock option plan that has been in place since the company went public, was changed in the 2001 fiscal year with the approval of the Supervisory Board and the Annual Shareholders' Meeting. The aim was to establish a more internationally competitive program. One major innovation was the addition of a competitive exercise price, which is in line with the German Stock Corporation Act. Another was the enlargement of the group of eligible people to encompass about 10 percent of the company's employee base. Our International Long-Term Incentive Plan offers our best employees a plan that is equivalent at all sites worldwide, and which has been modelled after a shareholder value oriented incentive system.

### Staff Adjustments during Down and Upturn

In the highly volatile, dynamic international semiconductor sector, being able to permanently adjust employee resources to changes in the market in time is a crucial factor. For this reason, at Infineon we strive to carry out the measures required in a professional, consistent, timely and fair manner, in line with our management principles. This is the only way in which we will be able to secure the long-term success and existence of Infineon Technologies, both in times of downturns as well as during the next upturn.



**Jürgen Buschmann**

Senior Vice President,  
Head of Human Resources

- Born 1952.
- Married, 1 child.
- Studied law.
- Assessor jur./Lawyer.

**EMPLOYEES BY  
RESPONSIBILITIES  
AS OF SEPTEMBER 30, 2001**

