



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 specifies Article 4 (4.3 up to and including 4.5) of the Infineon Business Conduct Guidelines in terms of preventing corruption. In addition, this Rule explains the various forms of corruption and refers to Rules as well as detailed internal regulations and guidelines regarding this topic.

I. Corruption

Infineon’s business success is based on our values:
We commit, we partner, we perform and we innovate.

Infineon is committed to conducting business in an ethical and honest manner, and to implementing and enforcing systems that ensure that corruption is prevented. Furthermore, Infineon does not tolerate corruption. We are committed to acting professionally, fairly and with integrity in all business dealings and relationships, in whichever country we operate.

Corruption damages our reputation, reduces our business success and undermines our culture of values. A violation of this Rule may result in disciplinary action up to termination of employment.

This Rule is intended to explain, educate and to prevent corruption. Even well-intentioned behavior can unintentionally promote corrupt structures. Open and honest communication is the best protection against corruption.

A. Definition

Corruption refers to the abuse of a position of trust or of a duty in order to gain an advantage for oneself or for third parties. It takes place in private as well as public areas. Corruption includes various criminal offenses, which are explained in detail under section II ‘Forms of Corruption’.

B. Beware of Contact with Public Officials.

Employees dealing with public officials should always take extra precaution, as the laws for these cases are particularly stringent. Public officials are, for example, civil servants, people working for state-owned companies, university professors or persons in public employment. For a detailed definition of public officials, see Supporting Document for the Global Rule A.3 “Handling Gifts and Invitations.”

II. Forms of Corruption

A. Bribery and Kickbacks

It is forbidden to offer, pay for, demand or accept gifts or other advantages in return for a particular action or decision.

Bribery is defined as improperly influencing someone by offering, promising, giving, accepting or soliciting an advantage as inducement for an action or decision. In addition to money, an advantage can be an invitation, a gift, a benefit, a favor, an opportunity or the disclosure of information – ultimately anything that is of value to the person being bribed.

It is forbidden to grant or accept kickback payments.

Kickbacks are a special form of bribery. Kickbacks include e.g. payments by Infineon for services which have not been provided. These payments will then be pro-rated, for example in the form of discounts, incentives or commissions, back to the Infineon employee involved in the process. Infineon is usually not aware of those practices.

B. Gifts, Entertainment and Invitations

The acceptance of private benefits is prohibited because they can influence business-oriented decisions.

Gifts, hospitality and invitations can be important in developing and maintaining business contacts. But they should not be crucial for contracting or concluding contracts. In principle, the offer or acceptance of benefits exceeding a normal level is not permitted. Donations to public officials should always be avoided. Detailed rules and recommendations can be found in the Global Rule A.3 “Handling Gifts and Invitations”.

C. Donations and Sponsoring

In principle, Infineon does not donate to political parties, politicians or political organizations.

Infineon supports selected projects and activities with donations or contributions in kind or in the form of sponsoring. But even donations or sponsorship can be a hidden form of corruption. That’s why they have to follow Infineon’s defined approval process.

Details on this topic are described in the Global Rule A.22 “Corporate Citizenship and Sponsorship”.

D. Facilitation Payments

Infineon prohibits Facilitation Payments.

Facilitation Payments are small payments to officials in order to facilitate or expedite governmental transactions to which the payer is in general entitled.

Facilitation Payments may be allowed or common in some countries. Nevertheless, these payments are prohibited at Infineon. They also need to be refused, even if Infineon is left at disadvantage. The Global Rule A.44 “Facilitation Payments” describes the procedure in such cases.

E. Business Relationship with Third Parties

Any doubt about the integrity of a business partner must be reported (see section IV ‘Contact and Reporting Channels’) so that Infineon may review the relationship.

Basically Infineon maintains business relationships only for understandable, legitimate and commercial reasons.

The same rules of conduct that apply to Infineon employees apply for business partners as well.

For suppliers of Infineon, these rules of conduct are documented in the “Principles of Purchasing”.

To help avoid any potential liability of Infineon for a corrupt conduct by business partners acting on behalf of the company, for example as service providers or sales representatives, employees who maintain or are planning a business relationship with business partners outlined in the Supporting Document “Business Partner in Scope” to this Rule, are required to perform an integrity check and to document and repeat it on a regular basis.

Please also refer to Global Rule A. 11 “Export Control and Customs” Section IV). This process is supported by the Business Partner Integrity Check (BIC) in the EUC Tool.

III. Education and Training

All employees who are at risk of corruption have to pass a special training immediately after being hired. The training is repeated at regular intervals and it is mandatory. The completion of the training is tracked and documented.

IV. Contact and Reporting Channels

Integrity and compliance are the guiding principles of Infineon. There are various ways of reporting possible violations:

For Infineon employees, the first point of contact should be the manager.

The Compliance Office is also available for questions and the clarification of hints around the topic “Corruption”.

The Compliance Office can be reached via the following communication channels:

E-Mail: Compliance@infineon.com

Phone: +49 89 234 65636

Post address:

Infineon Technologies AG

IFAG CO

Am Campeon 1-15

85579 Neubiberg

Germany

Alternatively, the responsible local Compliance Officer can be contacted.

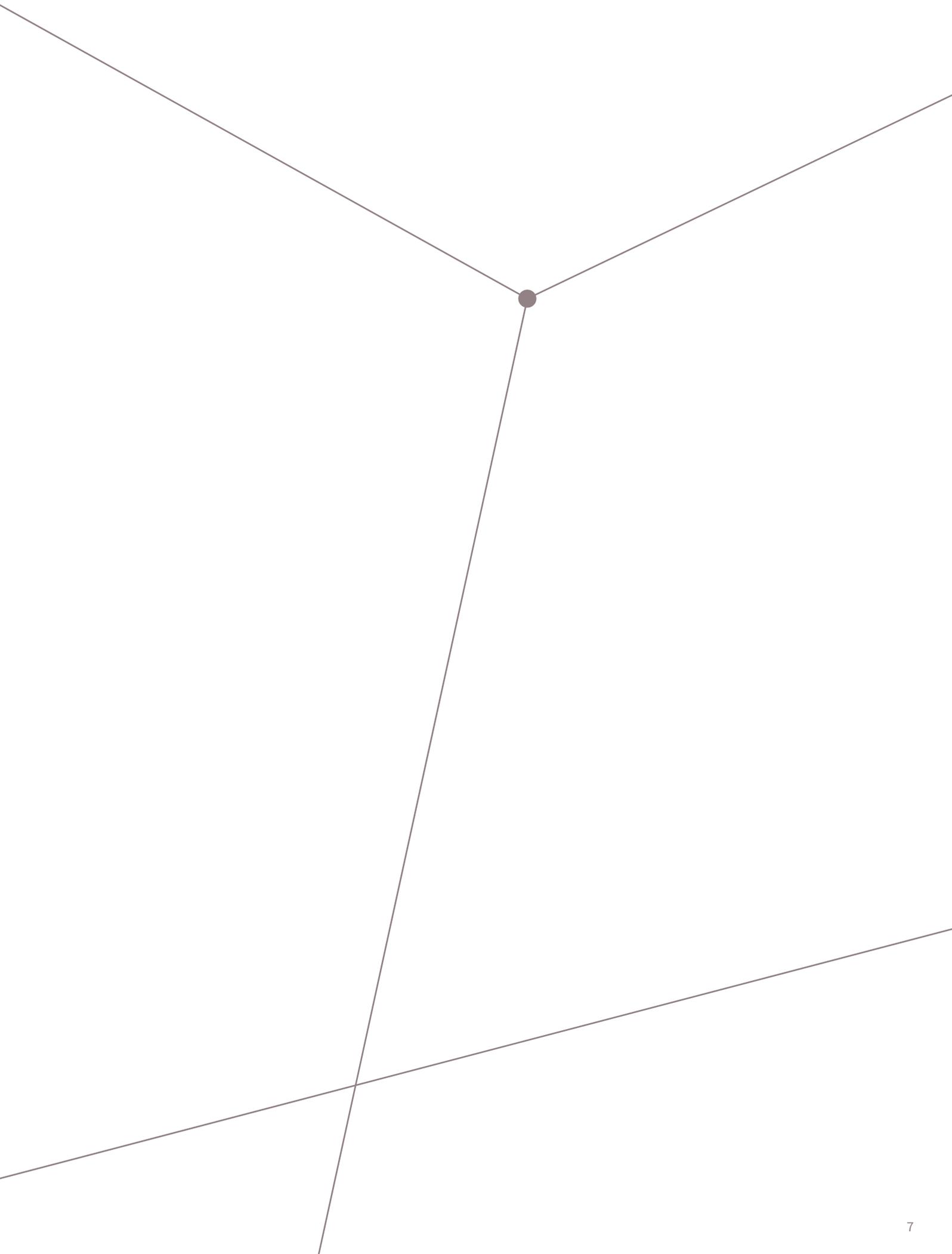
The Infineon Integrity Line can be used to report possible violations – personally or anonymously. The electronic whistleblower system is available in eight languages to all Infineon employees as well as customers, suppliers and other third parties.

Regardless of the choice of reporting channel, Infineon assures all whistleblowers full confidentiality. Nobody who reports a suspected compliance violation in good faith must fear disadvantages, even if the report turns out to be unfounded.

V. Epilogue

Corruption prevention is one of the core tasks of the compliance department at Infineon. In this function, Compliance reports directly to the Board, independently of operational departments.

The Compliance Management System (CMS) – e.g. compliance regulations, compliance processes and the contents of all compliance training courses – are continuously developed and checked for their relevance at regular intervals. Corruption prevention is one of the core tasks of the compliance department at Infineon. In this function, Compliance reports directly to the Board, independently of operational departments.





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