

Infineon Technologies

Global Tax Policy



Infineon is one of the world's leading Microelectronics companies. We aim to make life easier, safer and greener with technology that achieves more, consumes less and is accessible to everyone.

Infineon combines entrepreneurial success with responsible behaviour. We solve some of the most critical challenges that our society faces while taking a conscientious approach to the use of natural resources.

Men and women from more than 90 countries make Infineon a successful international company – with their skills, their enthusiasm and the courage to challenge the status quo and open up new horizons.

Our business activities generate a substantial amount and variety of taxes. We pay corporate income taxes, production taxes, stamp duties, employment and other taxes. In addition we collect and pay employee taxes as well as indirect taxes such as VAT. The taxes we pay and collect form a significant part of our economic contribution to the countries in which we operate.

This Tax Policy forms part of the larger framework of governance, risk and compliance. Reference is made to our Business Conduct guidelines as set out in our CSR policy, and to the UN Global Compact, to which we have made a commitment to adhere to.

We are committed to compliance with the laws and practices of the countries in which we operate. Compliance for us means paying the right amount of tax in the right place at the right time. This commitment is underpinned by the following principles:

1. Professional Conduct

When dealing with tax matters we will aim to:

- › Observe all applicable laws, rules, regulations and disclosure requirements
- › Apply diligent professional care and judgment to arrive at well-reasoned conclusions
- › Ensure all decisions are taken at an appropriate level and supported with documentation that evidences the facts, conclusions and risks involved
- › The Group aims for certainty on tax positions it adopts but where tax law is unclear or subject to interpretation, written advice or confirmation will be sought as appropriate to ensure that our position would, more likely than not, be settled in our favor
- › Where the tax treatment of an item is so uncertain and/or unquantifiable preventing the assessment of more likely than not, filing positions are subject to robust risk assessment and supported by full disclosure
- › Develop and foster good working relationships with tax authorities, government bodies and other related third parties
- › Undertake all dealings with tax authorities, government officials, ministers and other third parties in a professional, courteous and timely manner
- › Be compliant with all anti-bribery legislation

2. Commercial Rationale

The commercial needs of the Group are paramount and all tax planning will be undertaken in this context. All transactions must therefore have a business purpose or commercial rationale.

Due consideration will be given to the Group's reputation, brand, corporate and social responsibilities when considering tax initiatives, as well as the applicable legal and fiduciary duties of directors and employees of the Group. Consideration of these duties and responsibilities will form part of the overall decision-making and risk assessment process.

Compliance with all relevant legal disclosure and approval requirements will be adopted and all information will be clearly presented to the tax authorities or other relevant bodies, as appropriate.

Openness, honesty and transparency will be paramount in all dealings with the tax authorities and other relevant bodies.

On all projects the required approvals and procedures detailed in the Tax Risk Strategy, the Group Tax Guideline and the Organizational Guideline for the Tax Department will be complied with.

In addition, the Infineon values and any other relevant codes and guidelines are separate requirements which apply to all members of staff, including those engaged in tax matters.

3. Board Ownership & Oversight

This tax policy is aligned with our Business Conduct guidelines and is approved and owned by the Management Board of the Infineon Technologies Group.