As a UN Global Compact participant, Infineon is committed to abide by the stated Principles and reports below on the measures implemented in an exemplary manner in its “Communication on Progress”:

**UN Global Compact**

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<th>Principle</th>
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| Principle 1: Support for human rights | | Our Business Conduct Guidelines define our responsibility towards our customers, employees, suppliers, community and societies as well as to our shareholders around the world, including respect for and protection of human rights. Our CSR policy describes our strategic CSR focus areas and our voluntary commitment to fulfill the corresponding obligations. Both our strategic objectives and our daily actions must always be based on high ethical and legal standards.

- Training for all employees on Business Conduct Guidelines which reflect our commitment to respect and uphold international human rights.

- We conducted various evaluations in the area of human rights at our manufacturing sites around the world. On the basis of these evaluations we concluded that our activities are in compliance with the International Bill of Human Rights and with the conventions and principles of the International Labour Organization (Fundamental ILO Conventions).

- We require our suppliers and service providers to comply with permanently defined regulations in our Principles of Purchasing. Infineon purchases components and materials only from companies that respect human rights.

| Principle 2: Non-complicity in human rights abuses | | For more details, please refer to the Compliance Management System and the ILO Conventions.


- There are various options available for reporting compliance violations, ranging from a report to the supervisor to a report to the Corporate Compliance Officer, the respective responsible regional Compliance Officer or the external ombudsman. Cases can also be submitted, either openly or anonymously, via the whistleblower hotline. The Compliance Officer investigates any cases received and decides on the initiation of internal investigations. During the 2017 fiscal year the “Infineon Integrity Line” was introduced; an improved whistleblower hotline that uses the highest data protection standards while providing the reporting party with new functions such as the possibility for dialog with the Compliance Officer while remaining anonymous.

- We react rigorously to demonstrated violations with balanced and suitable measures within the limits of company and legal regulations. Here we follow the principle of proportionality. We therefore decide on an individual case basis which consequences are appropriate, necessary and suitable.

- Around 77 percent of our employees work at sites that have entered into collective agreements and where independent employee representatives are in place.

- More than 90 percent of our employees work at production sites where committees are in place that also offer employers, employees and/or employee representatives the opportunity to discuss and receive advice on topics relating to environmental protection, occupational safety and health.

- We uphold and promote the fundamental principles defined in the conventions of the International Labour Organization (ILO), such as protection from discrimination in the selection, hiring, employment and promotion of employees, the right to form workers' councils, as well as the rejection of child labor and all forms of forced labor. Persons under the age of 15 are not allowed to work at Infineon. Exceptions apply for countries subject to ILO Convention 18 (minimum age reduced to 14 years) or for jobs training or training programs which are authorized by the respective government and which demonstrably promote those participating.

| Principle 4: Elimination of all forms of forced labor | | We conduct various evaluations in the area of human rights at our manufacturing sites around the world. On the basis of these evaluations we concluded that our activities are in compliance with the International Bill of Human Rights and with the conventions and principles of the International Labour Organization (Fundamental ILO Conventions).

| Principle 5: Abolition of child labor | | We require our suppliers and service providers to comply with permanently defined regulations in our Principles of Purchasing. Infineon purchases components and materials only from companies that respect human rights.

| Principle 6: Elimination of discrimination | | We conduct various evaluations in the area of human rights at our manufacturing sites around the world. On the basis of these evaluations we concluded that our activities are in compliance with the International Bill of Human Rights and with the conventions and principles of the International Labour Organization (Fundamental ILO Conventions).

| Principle 7: Precautionary approach to environmental protection | | Our IMPRES (Infineon Integrated Management Program for Environment, Energy, Safety and Health) is globally certified in accordance with ISO 14001 and OHSAS 18001 standards. Relevant EU front-end sites and our corporate headquarters are additionally certified under ISO 50001.

| Principle 8: Support initiatives for greater awareness of environmental responsibility | | 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: Development and diffusion of environmentally friendly technologies | | The responsible member of the Infineon Management Board defines the framework for the objectives in this area within the Infineon Group. As part of these definitions, the responsible management sets appropriate targets at site level and makes sure that all goals are realized.

- 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.

| Principle 10: Action against corruption | | In order to further raise awareness regarding prevention of corruption within the Company, the corresponding web-based training was revised and rolled out globally to approximately 8,000 employees in particular target groups during the second half of the 2017 fiscal year.

- The topic of reporting compliance violations is generally described in the Infineon Business Conduct Guidelines. Details of the reporting and notification process in case of violations of laws, the Business Conduct Guidelines and other internal regulations are also part of the worldwide rule “Management of Compliance Cases”.

- Implementation of the rules and compliance processes applicable to Infineon (for example, covering gifts and invitations) at the former International Rectifier sites.

- Formalized risk assessment as a part of the Compliance Management System and derivation of the necessary measures.