













Our sustainability targets







| Targets for the 2021 fiscal year | Status | Description |
|--|-------------------|--|
| <p> Overall goals</p> <p>Aim to complete in the 2021 fiscal year the harmonization of processes and definitions required for the consolidation, so that the non-financial data from Cypress will be incorporated into the Sustainability Report 2021.</p> <p>In addition to financial targets, ESG targets relating to climate protection and diversity will help determine the variable remuneration element of the Management Board’s compensation under a new scheme designed by the Supervisory Board. Implement this in the near future in the current Management Board members’ employment contracts once it has been approved at the Annual General Meeting. Request an external independent “reasonable assurance engagement” of these ESG targets in the next few fiscal years.</p> | <p>●</p> <p>●</p> | <p>The consolidation was successfully completed, with the result that the non-financial data relating to Cypress has been incorporated into the Sustainability Report 2021.</p> <p>At the Annual General Meeting in February 2021, the new compensation system (including the ESG targets) was approved. The service contracts of the Management Board members in office were revised accordingly. Whereas most of the compensation-related changes are effective from 1 October 2021 and therefore apply to the 2022 fiscal year, the new ESG targets already apply with respect to the 2021 fiscal year. The ESG targets were the subject of an external reasonable assurance audit.</p> |
| <p> Business ethics</p> <p>Establish a unified compliance organization, appoint compliance officers and implement the Infineon Compliance Management System at the locations formerly operated by Cypress.</p> | <p>①</p> | <p>In the 2021 fiscal year, a unified compliance organization was established, with the appointment of compliance representatives at the sites formerly operated by Cypress. At those sites, these appointed contacts are responsible for the implementation of the Compliance Management System.</p> |
| <p> Human rights</p> <p>Continue to develop a methodology for a due diligence review of the global supply chain to ensure human rights are respected, by categorizing in terms of potential country risks.</p> | <p>●</p> | <p>Infineon continued to develop its methodology for conducting a due diligence review in the reporting year. Various aspects were identified to enhance sustainability in the supply chain. The results will be incorporated into a supply chain project that spans a number of functions.</p> |



● Target achieved ① In progress ○ Target not yet achieved

| Targets for the 2021 fiscal year | Status | Description |
|---|--|---|
| <p> Human resources management</p> <p>In the long term, we want the proportion of women in management positions to reach 20 percent. With the development of division-specific targets and measures, which are regularly reviewed by the relevant management groups or by the Management Board, this target should be achieved. Another measure is to increase the visibility of talented women within the Group.</p> <p>The existing global target of 80 percent overall employee satisfaction remains unchanged for the time being. The measures we are adopting to achieve this target include continuing to develop leadership skills and ensuring balanced workloads.</p> <p>At least 90 percent of all our managers (from Senior Manager¹ level with five or more direct employees) will conduct a leadership dialog with their employees within two years. The leadership dialogs provide managers with structured feedback from their employees. This makes it possible for them to reflect on their own management behavior, to recognize their strengths and identify potential improvements. This improves collaboration both with and within the team. The measures for achieving this target include regular monitoring of the completion of leadership dialogs and the training of internal or external moderators for the leadership dialogs.</p> | <p></p> <p></p> <p></p> | <p>In the 2021 fiscal year, the proportion of women at middle and senior management levels remained stable at 16 percent and is therefore an important step towards achieving our long-term target.</p> <p>In the 2021 fiscal year, we achieved the global target we had set ourselves, with 83 percent of employees agreeing with the statements “I would recommend Infineon as a great place to work“ and “How happy are you working at Infineon?“ in our engagement pulse check. This survey of employees is conducted twice a year using the People Success Platform GLINT.</p> <p>In the course of the leadership dialogs, managers receive structured feedback from their employees. This enables them to reflect on their own management behavior, recognize their strengths and identify potential improvements, thereby improving collaboration with and within the team. As a result of the ongoing exceptional situation caused by the coronavirus pandemic, some dialogs were conducted virtually, while others were postponed. Currently, around 75.7 percent² of managers (previous year: 72.0 percent) have conducted their leadership dialogs.</p> |
| <p> Protection of our employees</p> <p>Integrate the three main locations formerly operated by Cypress into the behavior-based safety program by introducing the seven Golden Rules of Safety, and implement this program at regular occupational safety training sessions at these locations.</p> <p>Continue the behavior-based safety program by implementing a defined focus area at the main production sites and the corporate headquarters Campeon (Germany).</p> | <p></p> <p></p> | <p>The three main locations formerly operated by Cypress were integrated into the regular cycle of meetings. However, as a result of the occurrence of infection in the 2021 fiscal year, the focus was on the introduction and observance of protective measures against the coronavirus.</p> <p>During the coronavirus pandemic, our activities concentrated on protecting our employees. Here, we operated in accordance with our seven Golden Rules of Safety: for example, we procured protective masks to reduce the risk of infection and organized special training sessions for our employees to make them aware of the principal ground rules concerning the prevention of infection.</p> |




 Target achieved  In progress  Target not yet achieved

1 Based on job titles in September 2020, now Director level.
2 Excluding Cypress.

| Targets for the 2021 fiscal year | Status | Description |
|---|---|--|
|  Environmental sustainability and climate protection | | |
| Carbon neutrality | | |
| Infineon has set itself the target of becoming carbon-neutral by the end of the 2030 fiscal year in terms of scope 1 and scope 2 emissions defined by the Greenhouse Gas Protocol. By the end of the 2025 fiscal year, emissions should already be reduced by 70 percent compared with the 2019 ¹ calendar year. |  | By the end of the 2021 fiscal year, our emissions were already 14.2 percent lower than the emissions in the base year 2019. |
| Energy management | | |
| Implement projects and measures in the 2021 fiscal year to increase energy efficiency, giving total annual potential energy savings of 20 gigawatt hours. The implementation of site-specific measures in the area of infrastructure and manufacturing will support the achievement of this target. |  | In the 2021 fiscal year, we implemented measures which generated energy savings of more than 38 gigawatt hours. |
| Greenhouse gas emissions | | |
| Install additional PFC abatement systems to achieve additive abatement of at least 30,000 tons of CO ₂ equivalents. |  | The target was reached through the installation of additional PFC abatement systems, which achieved additive reductions of more than 37,000 tons of CO ₂ equivalents. |
| Water management | | |
| Due to the increasing complexity of our products, the use of water in manufacturing increases too. Regardless of this growing product complexity, our aim is to keep our water consumption under 8.5 liters per square centimeter manufactured wafer. The measures for achieving this target include regularly occurring exchange between the sites for identification and realization of potential improvements. |  | Our specific water consumption was below 8.5 liters per square centimeter manufactured wafer. |
| Waste management | | |
| Regardless of growing product complexity, our aim is to keep the specific waste generation below 27.5 grams per square centimeter manufactured wafer. The typically increasing complexity of our products requires an increase in the use of raw materials and supplies. This also means an increase in the amount of waste generated. Therefore, this target is a challenge and a practical reference unit for the effectiveness of our measures aimed at waste reduction. This target is to be achieved in particular through regularly occurring exchange between the sites for identification and implementation of potential improvements. |  | Our specific waste generation was below 27.5 grams per square centimeter manufactured wafer. |

 Target achieved
  In progress
  Target not yet achieved

1 In line with our carbon neutrality goal, with the 2019 calendar year as the base year, the relevant data of Cypress are included.


| Targets for the 2021 fiscal year | Status | Description |
|---|----------------------------|---|
|  <p>Contribution through sustainable products</p> <p>Integrate the main locations formerly operated by Cypress into the Infineon carbon footprint.</p> <hr/> <p>Save at least 50 million tons of CO₂ equivalents through our products during the use-phase of the application.</p> | <p>●</p> <p>●</p> | <p>The main locations formerly operated by Cypress were integrated into the Infineon carbon footprint calculation.</p> <hr/> <p>Savings of 72.45 million tons of CO₂ equivalents through our products during the use-phase of the application.</p> |
|  <p>Our responsibility along the supply chain</p> <p>Maintain a DRC conflict-free supply chain and conduct re-evaluation of the use of conflict minerals for 100 percent of the relevant suppliers. Here, the dynamic development of the product portfolio and the resulting modification in the supplier topology, as well as the increase in customer-specific requirements, present a significant challenge.</p> <hr/> <p>Conduct a due diligence assessment of suppliers of products containing cobalt to create transparency in the supply chain regarding the origin of cobalt and publish the results in the form of a Cobalt Reporting Template (CRT).</p> <hr/> <p>Revise our Principles of Procurement¹ in the 2021 fiscal year, especially regarding human rights and environmental protection, and publish them on the Infineon website.</p> | <p>●</p> <p>●</p> <p>●</p> | <p>In the 2021 fiscal year, an evaluation was conducted of 100 percent of suppliers of conflict minerals with regard to the origin and use of conflict minerals. This indicated that once again we have maintained a DRC conflict-free supply chain. We make the results of our evaluation available to our customers in the form of a Conflict Minerals Reporting Template (CMRT).</p> <hr/> <p>In the 2021 fiscal year, a due diligence assessment was conducted of 100 percent of suppliers of products containing cobalt with regard to the origin and use of products containing cobalt. We make the results of our evaluation available to our customers in the form of a Cobalt Reporting Template (CRT).</p> <hr/> <p>Our Supplier Code of Conduct (formerly: Principles of Procurement) was revised with specific reference inter alia to human rights, environmental protection, conflict minerals and diversity. The Supplier Code of Conduct has been published on the Infineon website at: www.infineon.com/csr_reporting</p> |
|  <p>Corporate citizenship</p> <p>Implement the relevant activities conducted by Cypress in the Infineon corporate citizenship program by establishing the necessary corporate citizenship representatives and including them in existing cycles of training and meetings.</p> | <p>●</p> | <p>Successful implementation of the relevant activities conducted by Cypress in the Infineon corporate citizenship program by appointing the necessary corporate citizenship representatives and including them in existing cycles of training and meetings.</p> |

● Target achieved ● In progress ○ Target not yet achieved




¹ Document revised and renamed in the 2021 fiscal year.

| Targets for the 2022 fiscal year | |
|----------------------------------|--|
| | <p>Overall goals</p> <p>Set ambitious climate protection and diversity goals as part of the compensation system for the Management Board for the 2022 fiscal year.</p> <hr/> <p>Incorporate the main sites formerly operated by Cypress into the integrated management system IMPRES by the end of the 2024 fiscal year by conducting internal systems audits at the main sites in the 2022 calendar year and obtaining external certification of the sites in the 2023 calendar year.</p> |
| | <p>Business ethics</p> <p>Adapt and continue to optimize the Compliance Management System, especially by recording, evaluating and implementing regulatory requirements such as those set out in current and proposed legislation (for instance, the EU Whistleblowing Directive).</p> |
| | <p>Human rights</p> <p>Continue to develop a risk-based approach in the area of sustainability in supply chain management, by setting up a supply chain project spanning the various functions.</p> |
| | <p>Human resources management</p> <p>In the long term, we want the proportion of women in management positions to reach 20 percent. With the development of division-specific targets and measures, which are regularly reviewed by the relevant management groups or by the Management Board, this target should be achieved. Another measure is to increase the visibility of talented women within the Group.</p> <hr/> <p>The existing global target of 80 percent overall employee satisfaction remains unchanged for the time being. The measures we are adopting to achieve this target include continuing to develop leadership skills and ensuring balanced workloads.</p> <hr/> <p>At least 90 percent of all our managers (from Director level with five or more direct employees) will conduct a leadership dialog with their employees within two years. The leadership dialogs provide managers with structured feedback from their employees. This makes it possible for them to reflect on their own management behavior, recognize their strengths and identify potential improvements. This improves collaboration both with and within the team. The measures for achieving this target include regular monitoring of the completion of leadership dialogs and the training of internal or external moderators for the leadership dialogs.</p> |
| | <p>Protection of our employees</p> <p>Integrate the three main locations formerly operated by Cypress into the behavior-based safety program by introducing the seven Golden Rules of Safety and implement this program at regular occupational safety training sessions at these locations.</p> |

Targets for the 2022 fiscal year

| | |
|--|---|
|  Environmental sustainability and climate protection | <p>Carbon neutrality</p> <p>Infineon has set itself the target of becoming carbon-neutral by the end of the 2030 fiscal year in terms of scope 1 and scope 2 emissions defined by the GHG Protocol. By the end of the 2025 fiscal year, emissions should already be reduced by 70 percent compared with the 2019¹ calendar year.</p> |
| | <p>Energy management</p> <p>Implement projects and measures in the 2022 fiscal year to increase energy efficiency, giving total annual potential energy savings of 20 gigawatt hours. The implementation of site-specific measures in the area of infrastructure and manufacturing will support the achievement of this target.</p> |
| | <p>Greenhouse gas emissions</p> <p>Implement measures that will generate total emission savings of 50,000 tons of CO₂ equivalents by the end of the 2024 fiscal year.</p> |
| | <p>Water management</p> <p>Due to the increasing complexity of our products, the use of water in manufacturing increases too. Regardless of this growing product complexity, our aim is to keep our specific water consumption below 8.5 liters per square centimeter manufactured wafer. This is a long-term goal that is in accordance with our sustainability strategy. One of the measures for achieving this target is regular communication between the main sites so that potential improvements can be identified and implemented.</p> |
| | <p>Waste management</p> <p>Regardless of growing product complexity, our aim is to keep specific waste generation below 27.5 grams per square centimeter manufactured wafer. This is a long-term goal that is in accordance with our sustainability strategy. The typically increasing complexity of our products requires an increase in the use of raw materials and supplies. This also means an increase in the amount of waste generated. Therefore, this target is a challenge and a practical reference unit for the effectiveness of our waste reduction measures. This target should be reached in particular through regular communication between the sites so that potential improvements can be identified and implemented.</p> |

¹ In line with our carbon neutrality goal, with the 2019 calendar year as the base year, the relevant data of Cypress are included.

| Targets for the 2022 fiscal year | |
|--|---|
|  Contribution through sustainable products | Update the calculation of the Infineon carbon footprint, considering all the segments. |
|  Our responsibility along the supply chain | Maintain a DRC conflict-free supply chain and conduct another evaluation of the use of conflict minerals for 100 percent of the relevant suppliers. Here, the dynamic development of the product portfolio and the resulting modification in the supplier topology, as well as the increase in customer-specific requirements, present a significant challenge. Conduct a due diligence assessment for 100 percent of suppliers of products containing cobalt to create transparency in the supply chain regarding the origin of cobalt and publish the results in the form of a Cobalt Declaration. |
|  Corporate citizenship | Evaluate our current reporting and management platform to make it more user-friendly and to improve the efficiency of the process by assessing internal requirements and possible external solutions. |