


















# Our sustainability targets




Targets for the 2022 fiscal year	Status	Description
<p> <b>Overall goals</b></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> <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>●</p> <p>○</p>	<p>Climate protection and diversity goals were defined as part of the compensation system for the Management Board.</p> <p>The main sites formerly operated by Cypress will have been audited by our external certifiers and thus included in the audit planning of the management system by the end of the 2022 calendar year. This step has been brought forward as a result of the change in certifier.</p>
<p> <b>Business ethics</b></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>●</p>	<p>To ensure that we work together with business partners with integrity, the compliance management system was expanded to include a new process, the Business Partner Integrity Check.</p>
<p> <b>Human rights</b></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>●</p>	<p>In the 2022 fiscal year, a cross-functional project that sets out defined milestones and specific and joint responsibilities was launched in Infineon's departments.</p>

● Target achieved    ○ In progress    ○ Target not yet achieved




Targets for the 2022 fiscal year	Status	Description
<p> <b>Human resources management</b></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 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></p> <p></p> <p></p>	<p>The proportion of women in middle and senior management positions in the 2022 fiscal year was 16.5 percent. This is therefore an important step towards achieving our long-term target.</p> <p>In the 2022 fiscal year, we achieved the global target we had set ourselves, with 82 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 that continued to prevail at times in the 2022 fiscal year, most dialogs were conducted virtually, while others had to be postponed. Currently, around 84.1 percent of managers have conducted their leadership dialogs.</p>
<p> <b>Protection of our employees</b></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></p>	<p>Successful implementation of the behavior-based safety program by introducing the seven Golden Rules of Safety using information material and training sessions at the three main locations formerly operated by Cypress.</p>

 Target achieved
  In progress
  Target not yet achieved

Targets for the 2022 fiscal year	Status	Description
 Environmental sustainability and climate protection		
<b>Carbon neutrality</b>		
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 2019 <sup>1</sup> calendar year.		By the end of the 2022 fiscal year, our emissions were already 23.4 percent lower than the emissions in the base year 2019. We are therefore meeting the timetable we set for achieving our climate targets.
<b>Energy management</b>		
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.		In the 2022 fiscal year, we implemented measures that generated energy savings of more than 32 gigawatt hours.
<b>Greenhouse gas emissions</b>		
Implement measures that will generate total emission savings of 50,000 tons of CO <sub>2</sub> equivalents by the end of the 2024 fiscal year.		In the 2022 fiscal year, additional PFC abatement systems were installed, for example at our site in Kulim (Malaysia).
<b>Water management</b>		
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.		Our specific water consumption was below 8.5 liters per square centimeter manufactured wafer.
<b>Waste management</b>		
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.		Our specific waste generation was below 27.5 grams per square centimeter manufactured wafer.

 Target achieved
  In progress
  Target not yet achieved

<sup>1</sup> 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	Status	Description
 <p><b>Contribution through sustainable products</b></p> <p>Update the calculation of the Infineon carbon footprint, considering all the segments.</p>	<p>●</p>	<p>In the 2022 fiscal year, the Infineon carbon footprint was updated, considering all the segments. It is published in this report.</p>
 <p><b>Our responsibility along the supply chain</b></p> <p>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.</p> <p>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.</p>	<p>●</p> <p>●</p>	<p>An evaluation was conducted of 100 percent of suppliers of conflict minerals with regard to the origin and use of conflict minerals. The Infineon supply chain is DRC conflict-free. The results of our evaluation are made available to our customers in the form of a declaration (Conflict Minerals Reporting Template).</p> <p>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. In addition, our supply chain was investigated with regard to the use of mica, and the results are made available to our customers in the form of a combined Cobalt and Mica Declaration (Extended Minerals Reporting Template).</p>
 <p><b>Corporate citizenship</b></p> <p>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.</p>	<p>●</p>	<p>We have conducted a best practice exchange with the main users of our existing platform to determine potential improvements and define the requirements for a new solution. Based on this profile of requirements, we will identify a platform that we will implement in the future.</p>

● Target achieved    ● In progress    ○ Target not yet achieved

Targets for the 2023 fiscal year	
 Overall goals	<p>Set ambitious climate protection and diversity goals as part of the compensation system for the Management Board for the 2023 fiscal year.</p> <hr/> <p>Incorporate the main sites formerly operated by Cypress into the integrated management system IMPRES by the end of the 2023 fiscal year by obtaining external certification of the sites.</p>
 Business ethics	<p>Restructure the risk assessment process, linking it with the self-assessment process for Group companies and locations. This should ensure that all significant compliance risks are identified, evaluated and transferred into the annual compliance program.</p>
 Human rights	<p>Introduce a declaration of principles on human rights as part of Infineon's CSR strategy.</p> <hr/> <p>Gradually introduce training on human rights for our employees worldwide.</p>
 Human resources management	<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 the 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>
 Protection of our employees	<p>Introduce a global digital software solution to report and process work-related accidents and commuting accidents at all the main production sites and at the corporate headquarters Campeon (Germany).</p>

**Targets for the 2023 fiscal year**



**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 GHG Protocol. By the end of the 2025 fiscal year, emissions should already have been reduced by 70 percent compared with the 2019<sup>1</sup> calendar year.

**Energy management**

Implement projects and measures in the 2023 fiscal year to increase energy efficiency, giving total potential annual energy savings of 20 gigawatt hours. One of the ways this target will be achieved is by adopting site-specific measures for infrastructure and manufacturing.

**Greenhouse gas emissions**

Implement measures that will generate total emission savings of 50,000 tons of CO<sub>2</sub> equivalents by the end of the 2024 fiscal year.<sup>2</sup>

**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 specific water consumption below 8.5 liters per square centimeter manufactured wafer.

Identify and evaluate the main water-saving measures of the last five fiscal years in order to continue to improve our water management and to derive quantified reduction targets.

**Waste management**

Regardless of growing product complexity, which typically requires an increase in the use of raw materials and supplies, 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.

Identify and evaluate the main waste-saving measures of the last five fiscal years in order to continue to improve our waste management and to derive quantified reduction targets.

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

<sup>2</sup> Cumulative from the 2021 fiscal year.

Targets for the 2023 fiscal year	
	<p><b>Contribution through sustainable products</b></p> <p>Update the calculation of the Infineon carbon footprint, considering all the segments.</p>
	<p><b>EU Taxonomy</b></p> <p>Analyze the options for automated evaluation and interpretation of the information required by the EU Taxonomy.</p>
	<p><b>Our responsibility along the supply chain</b></p> <p>Maintain a DRC conflict-free supply chain and conduct another evaluation of the use of conflict minerals for 100 percent of the relevant suppliers.</p> <hr/> <p>Conduct a due diligence assessment for 100 percent of suppliers of products containing cobalt or mica to create transparency in the supply chain regarding the origin of cobalt and mica and publish the results in the form of a combined Cobalt and Mica Declaration.</p> <hr/> <p>Implement an enhanced risk management system for human rights and environmental protection in the supply chain.</p> <hr/> <p>Introduce training in the procurement organization to raise awareness of risks in the areas of environmental protection and human rights.</p> <hr/> <p>Analyze the CO<sub>2</sub> reduction targets and measures of all our major suppliers.<sup>1</sup></p>
	<p><b>Corporate citizenship</b></p> <p>Implement best practice sharing sessions and training with the corporate citizenship representatives to follow a proposal for the distribution of donations by focus areas as part of our corporate citizenship strategy in the 2023 fiscal year.</p>

<sup>1</sup> Major suppliers are here taken to mean suppliers who together account for more than 50 percent of the scope 3 emissions.