



HR Report 2023



www.infineon.com/hrreport

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Introduction

Dear Reader,

Welcome to our HR report 2023.

We live in dynamic times, marked by new and evolving challenges for many of us. Over the past fiscal year, we came “back to normal” after COVID-19 and managed the steady growth of our company at the same time.

As a result, one of our core challenges at the moment is a shortage of skills. This calls on us to think of new ways to attract and retain employees.

Times like these in particular highlight the pressing need to evolve the role of HR from enabler to driver so it can more effectively manage the most important resource in our company: our employees. We have to adapt quickly and manage ups and downs in the economic cycle.

This means that every HR function must position itself strategically so we can anticipate trends and needs at an early stage. How did we achieve that over the past year? You will find the answer to this question on the following pages.

I hope you enjoy exploring our HR report 2023 and gain valuable insights into our daily business, our ambition to drive employee engagement, our determination to compete in the “race for talent”, and our continued work to evolve the HR function. Because these combined efforts are the only way we can drive decarbonization and digitalization – together.

Yours,
Markus Fink
Executive Vice President & CHRO





HR @ Infineon

HR @ Infineon

Driving digitalization and decarbonization. Together.

Our HR team plays a vital role in helping Infineon to achieve its growth and profitability targets driven by decarbonization and digitalization, and to navigate its way through a variety of different economic phases and challenges. We also see it as our responsibility to help master the fundamental challenges society faces today.

Our employees are the key to success. Strengthening a positive employee experience and thus achieving a high degree of engagement means continuously developing and supporting our employees and managers. High levels of enthusiasm, energy, and motivation are essential in achieving greater job performance, creativity, productivity, and innovation. Attaining this goal is our major objective at Infineon. Because our people make the difference.

To further strengthen our ambition, we developed a People Philosophy that explains how we approach people-related topics here at Infineon, and what one can expect when working for Infineon. It also sheds light on our expectations towards our current and future employees, while showing what we – as an employer – offer to support them. HR will continue to provide and develop HR solutions which best support Infineon's People Philosophy. Based on our understanding, we want to foster people engagement through positive employee experiences across all dimensions of work.



In recent years, we have shown that HR makes an enormous contribution to our company's success, especially in volatile times. The race for talent is far from over, and we continue to face a growing skills shortage. At

the same time, organizational resilience is becoming increasingly important. Thinking and acting proactively, developing scenarios, and anticipating transformation requirements are the new normal for HR. This includes constantly evolving as a function ourselves. Our own transformation is essential in order not only to support the business, but also to manage and drive growth in dynamic times. HR is evolving from an enabler to a driver function.

Markus Fink

Executive Vice President & CHRO

Our People Philosophy



Our People Philosophy

We as leaders, lead

Leading at Infineon means to act across boundaries, both virtual and physical. This requires being authentic, open to new experiences, curious, and acting as role models. A culture of trust enables but also expects employees to take responsibility. Leaders act as mentors and coaches for their employees. Leaders take ownership for their organizations. Leaders create the environment in which employees act and have the influence to increase people engagement.

We give and receive feedback

We encourage an open and honest feedback culture and facilitate exchange. Feedback is essential to foster innovation and a culture of collaboration, trust, and dialog.

We grow ourselves

We want to foster the full potential of our people to outperform competition. We offer a variety of individual learning and development opportunities to grow talent and build competencies for our future success. Employees must take responsibility for their own development and drive their careers, while leaders empower employees to develop and succeed.

We mind health

Our employees' health and well-being matter to us. Recognizing the demands of work and life, we are dedicated to providing the right conditions for a safe and healthy working environment: comprehensive medical, health protection, and health promotion services, and a culture of health and well-being. Employees are encouraged to take responsibility for their positive health behavior.

We appreciate diversity

The excellence of our organization lies in its unique strengths and diversity. We embrace the power of diversity to make Infineon more successful. Inclusion is part of our everyday business and manifests in an environment where people feel comfortable and can speak their minds.

We collaborate

We can move mountains as a team. When employees come together as teams and teams turn into organizations – that is the foundation of a people-oriented company. Thus, we need every employee and leader to contribute to building this foundation while collaborating closely.

We live up to our role

Effectively designed organizations with transparent targets and clear roles and responsibilities, where everyone knows their contribution to Infineon's success, are key. We build the foundation to be able to team up for best results and deliver high performance. A future working environment, shaped by our relationships and needs, allows us more flexibility and agility, but it also requires more adaptability and responsibility from each of us. We live up to our governance and compliance responsibilities in our roles.

We perform and are rewarded

At Infineon, we often go the extra mile to achieve our ambitious targets. Our market-competitive and performance-based compensation and benefits model supports us in providing employees with recognition and rewards for their work. We share risks and success with our employees through strong correlation between compensation and company success.

Addressing business needs and navigating a volatile environment: HR Strategic Priorities

Our HR strategy aims to address Infineon's business needs and navigate a volatile business environment.



Our HR understanding is defined as: **“People create value. Engagement drives people.”**

Our strategy acknowledges the fact that people are the core of our company. Our four HR Strategic Priorities are presented and explained here.

- To win the **Race for Talent**, we engage in a variety of efforts to hire and retain talent supported by employer branding. Through this work, we are securing a talent pipeline, building a strong Infineon employer brand, and strengthening Infineon's reputation as an attractive workplace.
- With **Upskilling & Leadership Development**, we aim to develop our existing workforce, also training current and future leaders. We want to provide growth opportunities for employees via clear training and development offers. Our leaders are enabled to take on leadership roles and progress as leaders.

- **HR Delivery Excellence** focuses on providing value-adding and best services to drive business growth. This means positioning HR in a manner that allows it to keep the daily business running while fostering a value-generating spirit that supports scaling and growth from payroll to organizational development. At the same time, we need to adapt to business demands and provide the flexibility needed by our organization.
- **Set up for Success** means the continuous improvement of HR to meet business needs and reach the next level. Our HR transformation is geared towards accelerating harmonization and digitalization, driving HR along an end-to-end ownership model, and providing clear, global solutions and services for the organization.

More information on the HR organization and how we are increasingly set up for success can be found in the respective chapter called “Set up for Success”.



Our employees are the driving force behind our success. It is essential that everyone strives for ambitious targets based on clear responsibilities, and makes timely decisions. These qualities are an integral part of our

company culture and key to successfully executing our strategy and achieving continued profitable growth. That's what we mean when we say that people make the difference.

Jochen Hanebeck
Chief Executive Officer
Labor Director

A success factor for the organization: People engagement

Strong employee orientation

Infiniteon is an employee-centric company – a mindset reflected in our strategic focus on people engagement. People engagement is defined as the emotional and intellectual commitment of employees to their organization.

What does that mean? Essentially, engaged employees care about their work, know their job responsibilities, and understand how their efforts contribute to the success of the organization. Truly engaged employees are more satisfied, bring passion and interest to their jobs and teams, are more innovative, and drive value for customer success. Ultimately, people engagement has a clear business impact. Organizations with highly engaged employees perform at higher levels and are more successful.

The goal is to be in continuous dialog with employees

Creating an environment conducive to high engagement levels starts by understanding employees' needs and the drivers of engagement. Our twice-yearly global Engagement Pulse Checks provide insights into the mood of our organization by providing regular feedback on topics such as strategy, targets, management support, diversity, and fair treatment.

This feedback helps us to set priorities and to be responsive in a fast-changing business environment. As drivers of engagement vary by department and region, we have provided all people managers with access to the data relevant to their area of responsibility. Based on the findings, they can start a dialog with their teams and foster an environment conducive to high engagement.

Results of the Engagement Pulse Check in May 2023

We achieved a very high global response rate of 84%. For the two main items “How happy are you working for Infineon?” and “I would recommend Infineon as a great place to work”, we achieved a high favorability score of 85%, which in total leads to a high overall global Engagement Index of 81/100.



Since its foundation 1999, Infineon's structure has grown and changed through incorporations and spin-offs. To accommodate these changes and the expected continued growth while adequately promoting efficient and bal-

anced collaboration across the Group in the area of co-determination, the General Works Council and the Works Councils of the German group companies formed a Group Works Council for Infineon on 26 April 2023. We created the Infineon Group Council so we could also involve employees at Infineon entities who have not appointed a works' council in the co-determination process. It creates a legal framework for provisions that can also be uniformly applied to Group members.

Johann Dechant
Group Works Council Chairman

A strength that drives discovery: Diversity & Inclusion

When we work on products and solutions to make life easier, safer, and greener for generations to come, we need as many perspectives as possible. Because no single person has all the answers. Promoting the representation of differences and being inclusive allows us to exchange perspectives and unlock opportunities.

Diversity is about who we are. Inclusion is what we make out of it.

Our holistic view on Diversity & Inclusion (D&I) recognizes that representation of diversity is vital but diversity is nothing without inclusion. This means we all need to work daily for everyone to be heard, valued, and respected.

The best Infineon for everyone!

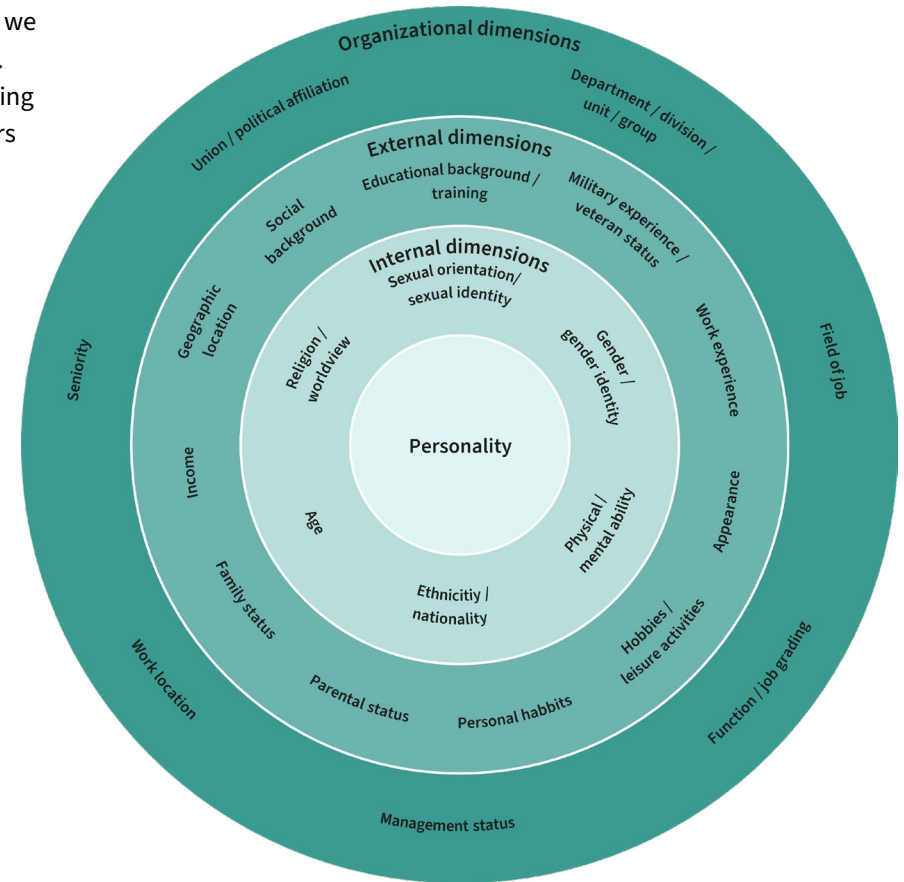
An environment where everyone can thrive is good for everyone. People who are accepted at work and who have a sense of belonging are happier and feel more comfortable in engaging. This is exactly the type of atmosphere it takes to drive innovation and create a better future for us all.

To create the best Infineon for everyone, we consider all traits that make up a person. For that reason, we base our understanding of Diversity & Inclusion on the Four Layers of Diversity model by Lee Gardenswartz and Anita Rowe, which offers a comprehensive overview of personality traits.

4 Layers of Diversity

Model adapted from Gardenswartz & Rowe and "Charta der Vielfalt"

US Legal Disclaimer: Infineon Americas is an Equal Employment Opportunity (EEO) employer and does not prioritize one characteristic or demographic over another – all EEO category are equally important and protected in accordance with applicable laws.



At Infineon, we are convinced that we need the best talent to successfully implement and execute our corporate ambition of building a more ambitious, responsible, and timely decision-making culture. And one of the best ways to attract and retain talent is by actively promoting Diversity & Inclusion. Here are some examples of how we do that in day-to-day life:

- Our commitment to equal opportunities and intolerance of discrimination, racism, and harassment.
- Our annual global Diversity Days and “Diversity. Everyday” sessions that provide awareness, learning, and networking opportunities for all employees.
- Our D&I toolbox that supports the organization in building D&I knowledge and providing practical tips and tricks around topics like unconscious bias, inclusive leadership, managing multigenerational teams, and much more.
- Our comprehensive D&I learning possibilities including the “D&I Learning Journey” on LinkedIn Learning, global “unconscious bias training”, and leadership training with a major focus on D&I.
- Our global gender diversity target*, aiming for a 20% share of women in leadership positions by 2030, supported by a variety of recruiting, development, and retention activities for our female talents.

- Our intercultural training offerings to create an intercultural understanding amongst our international workforce, which includes people from more than 100 countries.
- The celebration of everyone for who they are and for what they contribute through different awareness campaigns, including Pride Month, International Women’s Day, Religious Celebration Days.
- The building of a sense of community and peer-to-peer engagement through our Employee Resource Groups.
- The provision of barrier-free access to the workplace and the adaptation of work and the workplace to the capabilities of each employee.

*US legal disclaimer: The following sections on KPIs are limited to non-US jurisdictions and will only serve as aspirational goals/guidance for the Americas region. KPIs, such as targets or quotas, in any employment decision is unlawful in the U.S. No figures / hard numbers or percentages are used in any employment decision (e.g. recruiting, hiring, promoting/demoting, mentoring, retaining, terminating, etc.) or as a metric for compensation in the U.S.



At Infineon, we believe that our employees are our biggest asset. We embrace diverse backgrounds and foster an inclusive work environment where everyone is valued, respected, and empowered to express unique

perspectives and ideas. This creates a sense of belonging for our employees, which is at the heart of our power to innovate and essential to achieving our shared goal of profitable growth and long-term success.

Dr. Sven Schneider
Chief Financial Officer

Global Diversity Days 2023

Building on last year's first three-day event, Infineon's annual Diversity Days provided a global platform to increase awareness of diversity and foster a culture of inclusion. Once again, the global Diversity & Inclusion community arranged a variety of virtual sessions and in-person activities in all regions. These sessions gave everyone an opportunity to explore and engage with different subjects and concerns related to Diversity & Inclusion.

The Diversity Days 2023 comprised more than 40 live sessions, which were organized by our employees and managers acting as experts or allies and supported by a selected group of external speakers. The events garnered significant interest throughout Infineon, resulting in over 4,000 registrations for the virtual learning sessions. One of the standout moments was a very personal and authentic video message from our CEO Jochen Hanebeck during the "How Diversity & Inclusion drives innovation" session.

The best Infineon for All
 The best Infineon for Ashley
 The best Infineon for 지민
 The best Infineon for Diya
 The best Infineon for 蒋芸
 The best Infineon for Maria
 The best Infineon for ようこ
 The best Infineon for Alex
 The best Infineon for 朱銘聰
 The best Infineon for Siti
 The best Infineon for David

The best Infineon for everyone.

**Diversity Days 2023:
23 – 25 May**

Join our sessions to learn more about Diversity & Inclusion at Infineon.
We can't wait to see you.

Register now!



goto/diversityday




Award: Financial Times Diversity Leaders

Infineon was again named 'Financial Times Diversity Leader' in the annual ranking by the Financial Times and Statista, that analyzes which European companies are leaders in Diversity & Inclusion.





Race for talent

Race for talent

A business-critical task, even in times of uncertainty: Finding and retaining talent

The semiconductor market continued to boom with demand for semiconductors skyrocketing, along with demand for technically skilled talent. Overall, the talent market is becoming more and more complex. As the decision power has truly shifted to applicants, we find ourselves in a race for talent, competing for the best

employees. To help us get ready for the future, the HR-led taskforce “Race for Talent” has been in place since January 2022. Over the past year, the taskforce’s focus shifted away from rather reactive short-term solutions in favor of anticipatory strategic actions to ready us for fluctuating recruiting demands.



Glassdoor best employer 2023

We were rated as ‘Best employer in Germany’.

Companies on the list of the best employers in Germany received the best feedback from employees on the “glassdoor” platform.



LinkedIn Top Companies

We were ranked as ‘Best employer in Austria’ for our career development by LinkedIn.

LinkedIn Top Companies ranks the 25 best employers for career development. Based on exclusive LinkedIn data that measures various elements of career development, it lists companies that help their employees develop their careers and thus contribute to their long-term success.

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As we continue to grow and innovate alongside the drivers of decarbonization and digitalization, the competition for talent is more important than ever. We are constantly looking

for allies who want to drive the green and digital transformation with us. This can only be done together, so we are committed to attracting and retaining the best and brightest talent.

Andreas Urschitz
Chief Marketing Officer

Finding and retaining talent is business-critical

In order to drive and support decarbonization and digitalization and – in the process – stop climate change from accelerating, we need to have the right people on board; people who are ambitious and who are looking to embrace responsibility. Even in times of uncertain market conditions, finding and retaining talent remains a priority. Over the coming fiscal year, we can expect inflation, rising interest rates, the impact of the war on Ukraine, and the aftermath of the global pandemic to continue to affect our supply chains and the industry in general. Regardless of these developments, we are sticking to our long-term growth targets, and we need the right people to achieve those targets. This commitment to our growth plans remains very important for us as a company.

Employer Branding Award DACH Region 2023 & Deutscher Personalwirtschaftspreis 2023

We won the two awards in the categories ‘Best Employer Brand 2023’ & “Recruiting & Employer Branding” for the Global Key Functions Project.

By defining central key functions, we have focused our recruiting more specifically on business-critical functions. The key functions strategy provides a solid foundation for all talent acquisition activities at Infineon. At its core are authentic testimonials that create awareness around the diversity of our target groups, promote a “candidates first” mindset, and help us to remain competitive in the highly competitive talent market.



Apprenticeships and dual study programs are extremely important here at Infineon. Over the past few years, we have steadily increased the number of apprenticeship courses and

vocational trainees. We reach out to potential candidates, e.g. at education fairs, and we make use of digital media. Regular surveys among our vocational trainer, trainees and students confirm the high quality of training. We generally take on our graduate vocational trainees and students on work-study courses, securing their positions with collective agreements and agreements with the works’ council. And although we have already achieved a lot with our training programs, we work closely with all stakeholders to constantly evolve and improve our offering.

Ronald Künemund
General Works Council Chairman

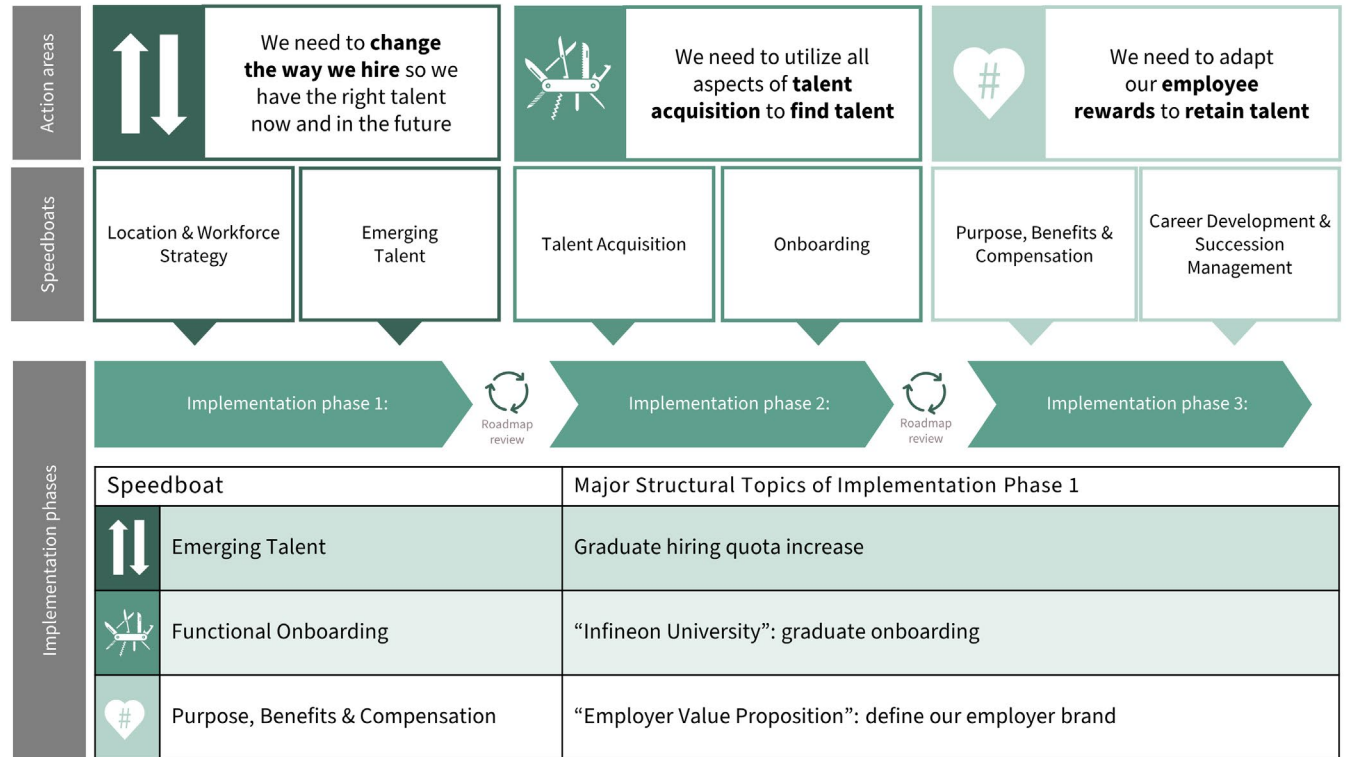


The “Race for Talent” taskforce plays the long game while focusing on quick wins

The main goal of the taskforce was to continuously improve our position as an employer in the challenging talent market. We achieved this by generating quick wins along the way (e.g. open house event for emerging talent) while also tackling larger structural issues which (1) aim to change the way we hire, (2) keep innovating the way we find talent, and (3) put a clear focus on measures to retain our talents. The taskforce followed a roadmap with 185 prioritized topics structured within six different speedboats.

Three examples of major action items are:

- 1) Establish a process to increase the graduate hiring quota
- 2) Support the onboarding process including a global onboarding journey
- 3) Develop a global Employer Value Proposition for Infineon



Fostering retention and engagement: Attractive benefits

Attractive benefits are an important success factor for the retention and engagement of our employees and thus the success of Infineon.

In addition to market-oriented compensation, we therefore offer our employees a wide range of attractive benefits. As the needs of our employees are different and market practices vary from one country to another, we have developed customized benefit packages to create environments where everyone feels comfortable and where extraordinary collaboration is possible so we can work together on innovative and forward-looking solutions.

These packages span many dimensions such as career and development opportunities, working time models, health and well-being offerings, and, of course, the values and culture we live by. You will find many examples of these dimensions in action in this report.

In addition, monetary benefits also play a role. We make an important contribution to the financial security of our employees with benefits in the area of (retirement) pensions and risk protection (insurance). In addition, we support sustainable employee mobility in the form of company cars, subsidized public transport, company bicycles, and shuttle services.

Through regular reviews, we aim to meet the needs of our employees through our benefits and continuously develop our benefit packages further.



Rethinking how we work and collaborate: Our New Work journey

Global market dynamics plus megatrends like digitalization, AI, and human-machine collaboration continue to shape the working landscape. As we all know and have experienced, the accelerated digital transformation has opened up new opportunities to rethink work.

Rethinking how we work and collaborate

As our business environment continues to change, so do we. Lessons learned in recent years have underscored the importance of continuous learning and adaptability to changing needs and circumstances. New Work is the vehicle that enables us to rethink how we work and collaborate. It extends beyond remote work to also encompass work itself, the workforce, and the workplace. It redefines traditional models and leverages technology for seamless collaboration. At Infineon, we are embracing these changing needs and expectations trends to unlock growth for our organization and to offer a great working experience to our employees.

Our ongoing commitment to hybrid work

One element of our New Work approach is our ongoing commitment to hybrid work. Here at Infineon, we are convinced that hybrid work allows us to make the best of both worlds – combining the benefits of remote work with on-site collaboration. With the pandemic largely over, our employees have transitioned back to the office while retaining the flexibility they have come to appreciate. It remains our priority to find a good balance between working at the office and remote work. On our learning journey, we have collected extensive feedback to understand how to make the best of both worlds. By actively seeking feedback, we ensure that our decisions align with the needs and aspirations of our workforce.

Offering flexibility to our employees

A flexible working environment is appreciated by our employees. So, we also offer remote work from abroad. Employees from our EU-based legal entities can work remotely from other EU countries for up to 20 working days per calendar year.



Adapting workspaces for flexibility

As remote work becomes increasingly prevalent and the need for workplace flexibility grows, we are actively adapting our work environments to meet these changing demands. To address this, we have implemented flex desk initiatives across various global locations, each at different stages of development and maturity. Some sites have initiated small-scale pilot programs, while others have taken advantage of new office openings to implement flex desk on a larger scale.

In summary, as the pandemic recedes, we remain committed to embracing New Work. By adopting a hybrid work model, actively listening to feedback from our managers and employees, and providing flexible workspaces through initiatives like flex desk, we seek to provide our employees with a great working environment and contribute to our company's success. By continuously learning and growing together, we aim to ensure that our workforce remains engaged and feels prepared for the challenges and opportunities of the future.

Promoting a healthy lifestyle and good working habits: Health & well-being

The health and well-being of our employees are particularly important to us. Accordingly, we ensure a healthy working environment and help our employees master the challenges of today's working world.

As part of our Corporate Health Management, we support our employees with a variety of measures to promote a healthy lifestyle and good working habits. The wide range of programs and initiatives worldwide include access to company doctors, social counseling, professional reintegration management services, health checks, sports programs, and innovative approaches to health promotion.

In addition to the physical health of the individual and the promotion of self-care, we pay particular attention to a safe working environment. This includes the prevention of accidents and work-related diseases, assistance during acute illnesses, as well as the support of health literacy and healthy behaviors.

As well as being a caring employer, we attach great importance to the mental health of all employees. Therefore, we launched global mindfulness sessions for employees and also established several regional and local mental health activities.

Through our virtual training on 'Healthy Leadership', we give participants an opportunity to learn more about leading a healthy organization while also being a good role model as a manager. To accompany this, we also provide our employees with a collection of curated virtual trainings as part of a 'Health and Well-being' LinkedIn Learning journey.

In the following you can read some examples of how we promote a healthy work environment and lifestyle around the globe.



Your health and well-being matters

Healthy All Year – Infineon Germany

12 months, 12 healthy impulses – that was the motto of Germany's 2023 Healthy All Year campaign. We invited our employees to join us on a journey that would introduce them to healthy things that require little effort but can have a big impact in the long run. Each month, we focused on a specific topic such as mental health, healthy sleep, and environmental well-being, and shared tips and tricks.

InFit Get Active Challenge – Infineon Americas

For the Americas region, this year's InFit Get Active Challenge was all about Mindful Exploration. As mindfulness is embedded within many different cultures through different practices, we started a virtual world tour on 1 May to explore these practices and learn more about them. The tour lasted till 25 June. This year, 897 people on 127 teams participated in this challenge. Collectively our Americas colleagues walked an amazing 487,961,506 steps.



Skin Health – a campaign as part of the Corporate Health Year at Infineon Austria

The Corporate Health Year initiative in Austria included a holistic focus on skin, hair, and nail health. We offered various tools and activities including a skin screener app and 3D skin and face analysis. On Health Day in May, participants had the chance to listen to expert presentations on topics such as sweating, sun protection, and skin as a mirror of the soul. They were also able to engage with these experts and ask questions.



World Health Week – Infineon Singapore

From 3 through 7 April, we not only celebrated the 12th Infineon World Health Week, but also the 75th anniversary of the World Health Organization. To mark the occasion, we put together a series of activities as part of the employee program BERI Health – Boost, Energize, Relish & Interact. Activities included on-site health screenings and virtual health talks on topics such as recognizing and preventing burnout at work, and good carbs, bad carbs. Topping it all off with the all-important fun factor, we had a Zumba mass workout and a carnival day, where guests could get an eye and spinal screen, participate in interactive activities such as riding a juice blender bike, enjoy a free neck massage, and shop at the bazaar for healthy beverages and snacks.



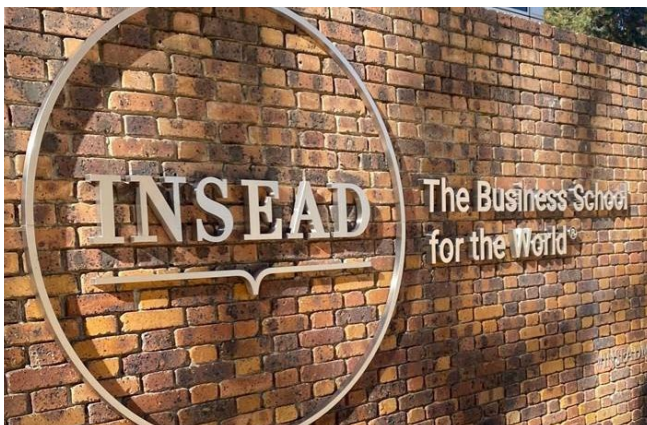


Upskilling & Leadership Development

Equipping our leaders: The Infineon General Management Program

We launched the Infineon General Management Program (IGMP) for our 600+ top managers in 2021. In collaboration with one of the world's leading business schools, INSEAD, we run 6-day on-site programs for cohorts of 40 managers, sponsored by the Board. As we believe that leadership challenges are rising in an increasingly complex environment, we want to equip our leaders with the frameworks and tools they need to lead change and navigate our ambitious growth plan.

Different modules from strategy, decision making, finance, and innovation management presented by world-class professors inspire dialog and promote reflection among our top management. Feedback from the first five classes has been positive.



Reinventing diagnostics: From assessment to development center

The key to readiness for new challenges and responsibilities lies in continued personal growth and skill development. This applies in particular to employees working towards a senior leadership position. For this reason, we have introduced a development center concept. The aim is to evaluate the readiness and aptitude of candidates before they are promoted to a top management position. Unlike our former assessment center concept, we have shifted the focus from testing a person for a specific, predefined position to a more comprehensive analysis of strengths and potential development areas, including tailored guidance on areas offering optimization potential. This will enable us to support our future senior leaders through targeted development measures before they are actually promoted to the position in question, and to ensure sustainable leadership quality at Infineon.

The development center was globally launched in June 2022. The sessions are held virtually by two internal assessors (with a business and HR focus) and one external assessor. Over a period of 3.5 hours, the respective candidate's performance is evaluated by means of a strategy presentation, a competency-based interview, and a dialog simulation. The results of these exercises are used to create a comprehensive picture informing feedback and development measures. The external assessors are experts in development centers such as these and can thus ensure the validity and quality of the concept. In addition, they not only offer a valuable outside-in perspective, but can also contribute benchmarking expertise to support Infineon in strategically growing as an organization. The evaluation of the respective candidate is based on the Management Career competencies for senior leadership positions, enabling the relevant managers and HR Business Partners to carve out an individual development plan so the candidate can effectively grow into a senior leadership position at Infineon.

Driving digital learning across all Infineon sites: LinkedIn Learning

In 2019, we launched our online learning platform LinkedIn Learning. Since then, the platform has been rolled out to all office employees and to our production sites in Asia, Europe and Tijuana. Bringing digital learning opportunities to the entire workforce has always been at the heart of our learning strategy. To engage colleagues worldwide in learning, we have established a global Learning Expert Community, consisting of dedicated Learning Expert roles at each site. The community has set up a variety of local and global communication and engagement activities to promote digital learning around the world. The formats and marketing materials are localized and range from gamified learning formats to moderated exchange groups and local testimonials. In order to make learning more flexible and to improve the learning experience for employees on the shop floor, we have started to enable our learning platform on personal devices in addition to the existing learning infrastructure on the shop floor.



This initiative was accompanied by local enablement sessions and marketing campaigns, including information stands close to the production area, to provide an immediate opportunity to explore this new offering. The positive feedback and high usage of LinkedIn Learning on personal devices confirmed that there is a real need and desire for more flexibility in learning. In particular, the feedback positively rated the convenience of learning, seamless access to learning, the ability to focus on relevant content, and the ability to better organize the learning experience. To date, 4,607 employees have already requested to use LinkedIn Learning on personal devices.

In addition, the success of the Learning Expert Community's ongoing efforts to promote learning across all locations is reflected in high usage rates and the steady increase in license activations since launch. Between September 2022 and including September 2023 8,575 additional employees have activated their free corporate learning license.



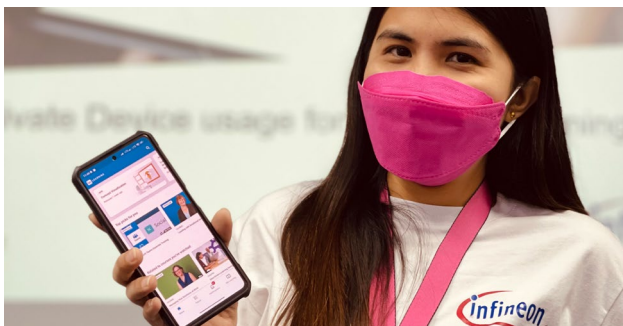
Infineon has been externally recognized for its efforts to drive digital learning across the entire workforce. This is also reflected in the prizes that we won across the globe (including a 2022 award in Singapore for best remote learning, best upskilling strategy, and best career development).



Mindshift Award in Germany

Infineon received the award in the category 'Talent Development' for offering LinkedIn Learning for production employees.

A successful digital transformation requires basic digital skills among all employees. With the development of Industry 5.0, the promotion of "lifelong learning" is particularly important in the production environment. LinkedIn Learning has created a demand-oriented and pragmatic learning opportunity for all production employees.



Expanding our offering: Virtual coaching with “BetterUp”

We added virtual coaching to our portfolio to expand our offerings and reach a wider audience. BetterUp gives our employees the opportunity to choose a coach from a global pool of qualified coaches, regardless of location or time zone.

After piloting the concept, we launched our first program for an international cohort in April 2022. Since then, around 200 colleagues have completed a 6-month virtual module, and the overwhelmingly positive feedback we received about BetterUp showed that concerns about virtual coaching were unfounded. The numbers say it all: 80% of the participants said their coach helped them make progress toward their goals, and 99% rated their coaching experience as life changing, amazing or good.

With approximately 2,500 coaching sessions taken, our participants completed around 2 coaching sessions on average per month. The trending topics were ‘Leading Others’ and ‘Well-Being’, with a particular focus on stress management and self-care. As a result, we are proud to report that our participants experienced a mindset shift and increased their self-awareness by an average of 26%. These and other results translate into better performance and retention, with employees reporting a 7% increase in their sense of belonging and a 15% increase in optimism.

Alliance for digital skills in Bavaria

In the age of digital transformation, digital skills are playing an increasingly important role. Without them, participation in social life, professional development, and the organization of everyday life are hardly possible today. At the same time, digital competencies are the basis for the future viability of Infineon as a company and of our society as a whole. In April 2023, we joined the “Alliance for Digital Skills” organized by the Bavarian State Ministry for Digital Affairs. Together with other partner companies, we promote the development of digital skills in Bavarian society through various Infineon offerings.



“
A company only thrives when individuals grow. That is why we encourage a mindset of continuous learning and development. By equipping our employees with the skills they need to succeed today, we are also preparing

them for future challenges and opportunities. Infineon is home to many great minds – all of them working together to find solutions for a better tomorrow. This is a major undertaking that requires continuous evolution, because innovation does not come from replicating old patterns.

Dr. Rutger Wijburg
Chief Operations Officer



HR Delivery Excellence

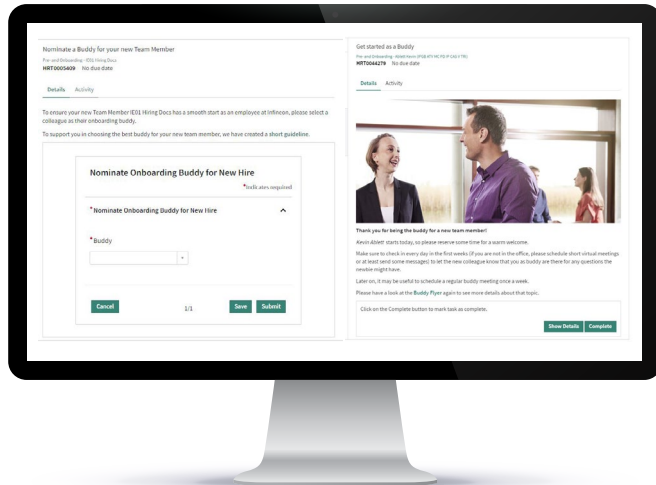


HR Delivery Excellence

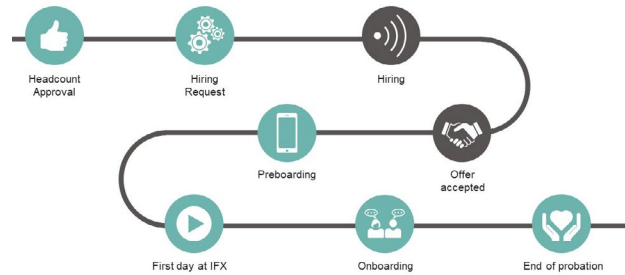
Creating a great employee experience for new hires: Global onboarding with MyHR

Over the past fiscal year, we released the pre- and onboarding lifecycle event in MyHR. Besides technical automation, the global onboarding process provides role-specific onboarding steps so hiring managers and new hires can get in touch easily and work on their tasks. New hires can open the platform from their private devices to access pre-boarding content and administrative tasks – even before their first day of work.

By focusing on the moments that matter, e.g. the nomination of a buddy to give a new team member a warm welcome and the necessary support to start their new role, myHR helps to create the best possible first impression of Infineon as a company.



Moments that Matter: From Headcount to End of Probation



What is MyHR?

The vision behind MyHR is to offer a frictionless and seamless digital experience for everyone. It is a user-friendly, intuitive, one-stop shop where HR customers can easily complete their HR-related tasks along the employee lifecycle – anywhere, anytime. In March 2023, MyHR released its first lifecycle event for pre- and onboarding, embedded into our overarching end-to-end journey from headcount approval to end of probation. It is a holistic approach to guide new employees, hiring managers and the relevant HR colleagues through all steps of the process.



Fostering simplification, consolidation, digitalization, and automation: Outlook on our future HR shared services concept

We have started to transform our HR shared services concept, moving away from a fragmented HR service landscape characterized by local focal points, standards, and tools as well as a high degree of manual tasks. Aiming to consolidate our HR administration services and support digital features and automation, we worked on a new global service delivery model. This included establishing a Service Transition Roadmap, listing processes to be globally harmonized and transferred to our Shared Service Centers.

The global service delivery model is built on an efficient organizational setup and tiered service delivery model. The pilot project in our European HR Service Center in Porto is already showing a significant improvement in the processing of inquiries, employee productivity, and customer satisfaction. The next step in the roll-out process is planned for the start of the next fiscal year.

The consolidation of HR admin services also calls for globally harmonized and standardized processes leveraging our digital HR tools. To achieve this, we redesigned the processes in scope by challenging the as-is processes in relation to customer centricity, automation, and digitalization – while also looking towards best-in-industry standards.

A year of many HR milestones across the globe: Updates from the regions

”

Americas

We opened our new office as part of our Guadalajara launch in, Mexico in August 2023. Guadalajara has been selected as our preferred location for expanding central functions and other highly skilled support functions in the Americas. This expansion will allow us to cultivate and strengthen these critical areas within our organization.

Also, this year, we kicked off our Regional Graduate Program aimed at developing emerging talent among recent bachelor's and/or master's degree university graduates. This program offers participants the opportunity to rotate through various roles and locations across the United States, providing them with a comprehensive leadership development experience. Our internal HR function also offers a rotational internship program, where interns spend 3-4 months in different HR departments over the course of one year. With a view to building a talent pipeline, our goal is to train and prepare interns to become

skilled HR professionals. And we can proudly already share success stories from this program.

As we further evolve our HR function in line with our global strategy, we have fine-tuned our HR service delivery model. This is now being rolled out globally, including the Americas, where we also transformed our internal team by the end of the fiscal year.

Looking back on a successful fiscal year marked by numerous accomplishments, we have established a solid foundation upon which we can confidently build and look forward to the promising opportunities that lie ahead in the coming fiscal year.

”

Greater China

To support strong business growth and the many challenges facing leaders and technical talents in the Greater China region, we launched various university initiatives. The aim was to promote the Infineon brand at university level with a view to attracting young talents and appealing in particular to people with a digital mindset and digital skills. Over the past fiscal year, we welcomed 260 new employees and our attrition rate remains low.

This low attrition rate is attributable to various programs and initiatives that enhance employee engagement, the promotion of Diversity & Inclusion, various health activities, comprehensive benefits, and increased uptake of remote working opportunities.

Within HR, we smoothly managed the transfer of HR service operations to the Melaka team, and supported the successful launch of MyHR. Overall, Greater China's accomplishments in fiscal 2023 demonstrate our commitment to our four overarching Strategic Priorities.



Asia Pacific

Asia Pacific continued to grow exponentially over the past fiscal year and had over 25,000 employees in June 2023. HR plays a key role in many key business developments in this region. These include the opening of a new Research & Development Centre in Hanoi, Vietnam, and of a Customer Application Engineering office in Batam, Indonesia. We are very proud of the high revenue achieved by our business in South Korea and of our investments in our Kulim frontend fab.

Amidst these successes, the talent landscape remains challenging. We focused on employee experience and engagement, as well as on leadership development to enable our leaders and managers to attract and retain talents. We are proud to have received external recognition from reputable HR bodies and agencies in Bangalore, Melaka, Singapore, and Bangkok. These accolades cover a wide spectrum of HR areas, including Diversity & Inclusion, skilling strategies, learning and development, leadership development, workplace wellbeing, health excellence programs,

remote work initiatives, and employee relations and welfare. The employee excellence awards are a testament to our team’s creativity, dedication, and zero-compromises commitment to making our workplace a better one for our employees. We are motivated and encouraged by another year of strong partnership and collaboration with the business, and our contribution to our success as a company.



Japan

Japan faced the same trends and challenges as other regions. Once all COVID-19 restrictions were finally lifted in Japan, we were able to meet face-to-face once again in the office. For many members of the Japanese team, this was also the first opportunity to meet new colleagues from the former Cypress. Now everyone can combine the benefits of remote work with on-site collaboration through flexible work schedules integrating office and home.

Last year, we moved into our new office in the Shibuya district of Tokyo. By the end of the year, the number of employees had risen to more than 600. In addition, we resumed full-scale recruiting activities for new graduates. As part of that push, we accepted many interns and were able to hire a good number of students who will join us when they graduate next spring. As at all other locations across the Infineon universe, the race for talent is a hot topic in Japan and we are heavily focused on the need to hire young talents. HR will continue to focus on opportunities hiring in alignment with our global strategy.



Set up for Success

Set up for Success

Our continued journey to bring HR to the next level: tHRive

Our fourth Strategic Priority is “Set up for Success”. This pillar focuses on the continuous improvement of HR to meet business needs, drive Infineon’s growth, and reach the next level. We can build on a solid foundation from previous HR projects. In 2013, we started with process reviews and initial standardization and harmonization efforts. In 2017, we introduced SuccessFactors driving digitalization even further, and we now have a solid foundation in place to change our HR operating model and set-up so we can better navigate multiple challenges and manage substantial growth. This transformation journey is ongoing and will remain a priority for the coming years as we remain on our harmonization and digitalization path.



tHRive

tHRive marks a new era for HR, building on past projects and our continued focus on digitalization and upskilling we delivered a new HR operating model and organizational setup that will position us as a future-proof organization.

Functional set-up with global end-to-end responsibility: Our HR organization

As part of our continuous improvement efforts aimed at meeting key future business requirements and driving growth at Infineon, we decided this fiscal year to adapt our HR Strategy as outlined in the previous chapters, and to transform our entire HR organization. While we were structured according to a conventional Dave Ulrich Model with business partners, service centers and competence centers, we transitioned to a functional set-up with globally defined end-to-end responsibilities on 1 October 2023. Given the importance of talent acquisition and talent development in the race for talent, these functions will report directly to the Global Head of HR in future.

Building on our organizational HR pillars and a strong sense of collaboration (acting as “oneHR”), we want to foster people engagement. Hence, we act as one global team in shaping the employee experience at Infineon while also continuing to focus on harmonization, standardization, digitalization, and value-add services.



ISO 30414 certification

Infineon is one of the first companies worldwide that received ISO certification for human capital reporting in 2022. This ISO certification is the only official international human capital reporting standard that enables comparable collection and reporting of HR data. Being compliant with ISO 30414 means that Infineon collects and reports comparable HR data, thus transparently documenting the impact of our employees on our organizational performance.



What is ISO 30414 all about?

The core content for external human capital reporting under ISO 30414 is based on 23 human capital-related metrics, which are structured into nine different areas, such as compliance and ethics, costs, diversity, and others.

ISO-standardized human capital reporting brings a variety of benefits to Infineon and its stakeholders. It demonstrates our acknowledgment that human capital is a business opportunity and not just a compliance or cost topic. In effect, it underscores our prioritization of human capital as a strategy for more sustainable profits and improved investor returns.

Enhancing customer experience and ensuring scalability: Digitalization of HR

Structural demand for semiconductors is being driven by decarbonization and digitalization. To capitalize on this growth opportunity, we need to create the right framework. To achieve that, we will continue to harmonize processes on a global scale and foster digitalization. Our new function “HR Digital”, part of our People & Services pillar, will streamline services and provide automated and digital solutions that ensure scalability, enhance the customer experience, and set Infineon up for success. For this, we are investing in digital skills and will build up a team of digital experts within HR to provide consulting and hands-on support to our Global Service Designers (GSD). This support will help to make services leaner, faster, and more scalable.

Our goals are:

- **Digital excellence:** Drive automation and harmonization to improve the customer experience
- **Enhanced collaboration:** Accelerate and simplify collaboration with and within HR
- **Knowledge management Solutions:** Provide knowledge management solutions for HR and our customers
- **Orchestrated HR IT demand:** Orchestrate the HR IT demand process and continue our collaboration with our trusted partners at Infineon IT

What are we doing in 2024 to achieve these goals?

We will provide a comprehensive and transparent digital strategy, which matches our HR strategy and our strategic priorities.

Cascading from our digital strategy, we will derive a digital roadmap and implement it step by step according to the priorities we have defined.

So, also after project closure, we will invest in further ongoing platform improvements of MyHR and let the platform grow and adapt to employee needs and requirements as we move away from individual processes in favor of customer journeys. In addition to focusing on customer journeys, we will also concentrate on improving our base capabilities such as knowledge.



Embracing digitalization and fully leveraging its capabilities is a prerequisite for Infineon’s continued profitable growth. Creating a more efficient and effective workplace for all employees is an important factor on

our way forward. The MyHR platform demonstrates how standardized and digitalized processes make interactions easier, for both our employees and for the HR team.

Elke Reichart

Chief Digital Transformation Officer



Conclusion

Conclusion

We hope you have enjoyed our HR report with its rich insights into HR @ Infineon and the various activities that have kept us busy over the past fiscal year as we manage our most important resource. As always, our main focus is on how we can best support business needs by placing employees at the heart of all our actions. We have aligned our HR strategy as we are convinced that various topics outlined in this report, will continue to shape our work over the upcoming months and years.

There is little doubt that the shortage of qualified employees and – by extension – the race for talent will continue to shape the HR landscape. With our taskforce and its efforts to retain employees, we are well positioned. We are optimistic that we have the right levers in place with our upskilling efforts and offers as well as our focus on driving business success. Of course, we will

also continue to focus on digitalization as an enabler of an enhanced employee experience. We are making good progress in creating a frictionless and seamless digital experience for our HR customers. And looking at ourselves, we are excited to see how our new HR operating model will ‘tHRive’.

Last but not least, we are confident that our various programs and measures as outlined in this report are actively contributing to our vision, namely “Driving decarbonization and digitalization. Together.”



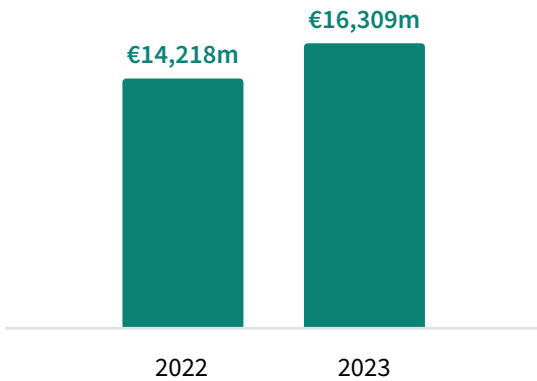


Facts & Figures

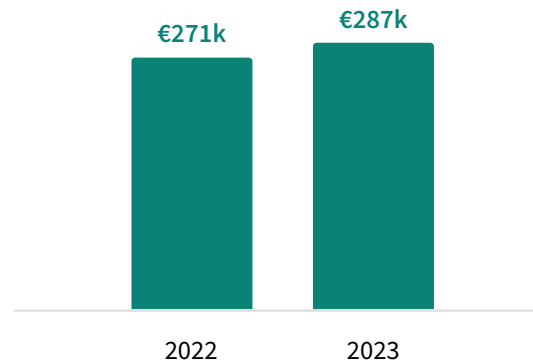
General

Unless stated differently, our new colleagues from Syntronix are not included in the figures.

Revenue



Revenue per employee



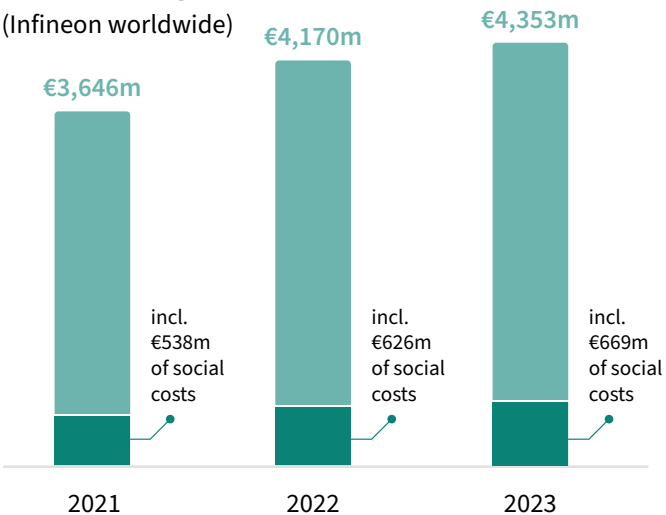
Human Capital ROI

$$\frac{\text{Revenue}}{\text{Pay + Benefits}} = 1.88$$

$$\text{HC ROI} = \frac{\text{Revenue} - (\text{Expenses} - [\text{Pay} + \text{Benefits}])}{[\text{Pay} + \text{Benefits}]}$$

Personnel expenses in € million

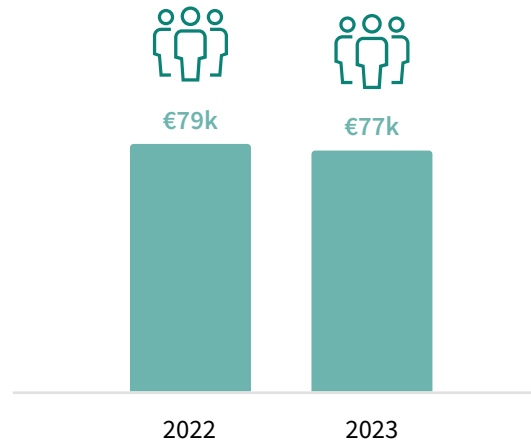
(Infineon worldwide)



Additionally, in 2023 there were €118m of costs with externals (employees with contract of employment by staffing agency).

Personnel expenses per FTE in EUR k

(Infineon worldwide)

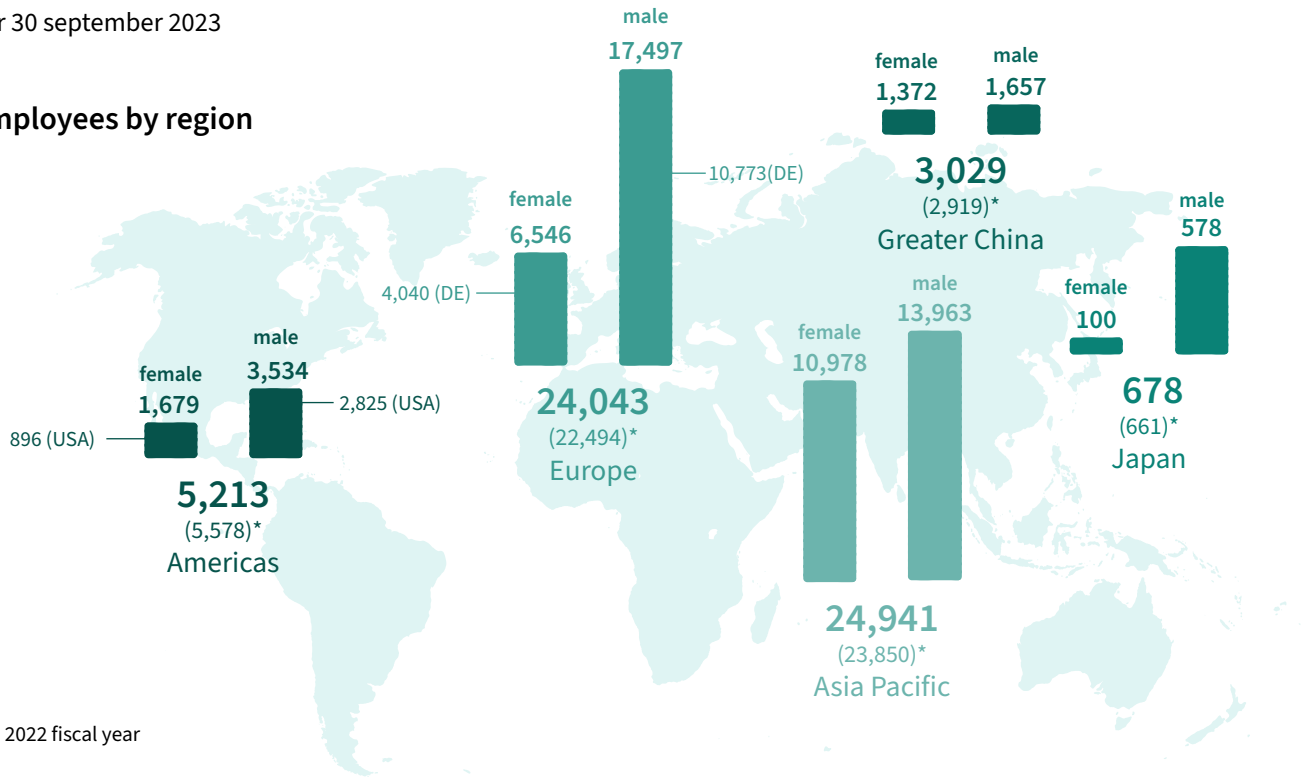


This calculation is based on the average number of employees in 2023 fiscal year.

Workforce

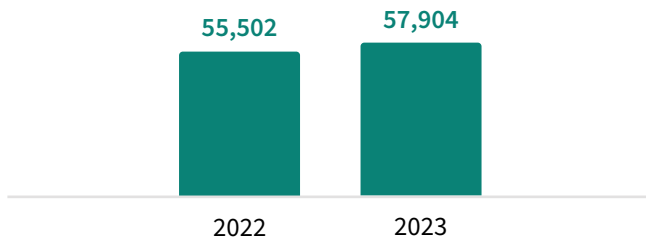
per 30 september 2023

Employees by region



* 2022 fiscal year

Number of employees (Infineon worldwide)

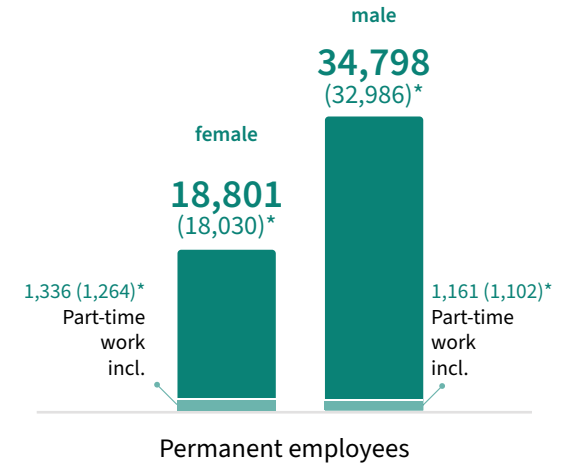


FTE in 2023: 57,178

This is the number of employees and FTE (full-time equivalent) per 30 September of the fiscal year.

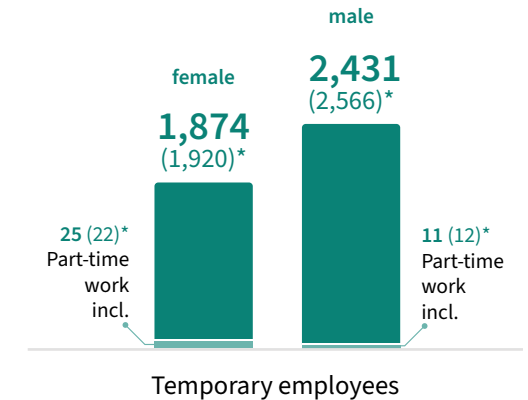
The number of employees of Syntronix per 30 September 2023 is 686. This serves as additional information only. All other numbers exclude Syntronix headcount.

Workforce permanent and temporary (Infineon worldwide)



1,336 (1,264)*
Part-time work incl.

1,161 (1,102)*
Part-time work incl.



25 (22)*
Part-time work incl.

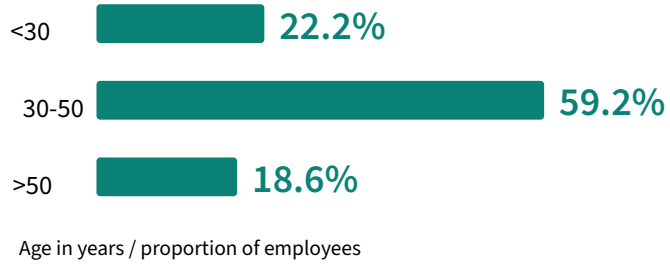
11 (12)*
Part-time work incl.

*2022 fiscal year

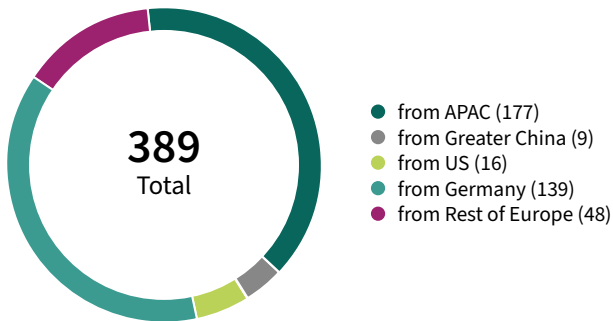
Workforce

per 30 september 2023
(Infineon worldwide)

Age profile

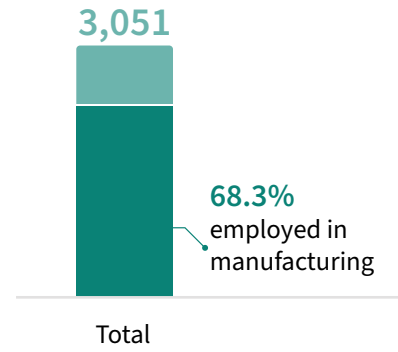


Assignments*

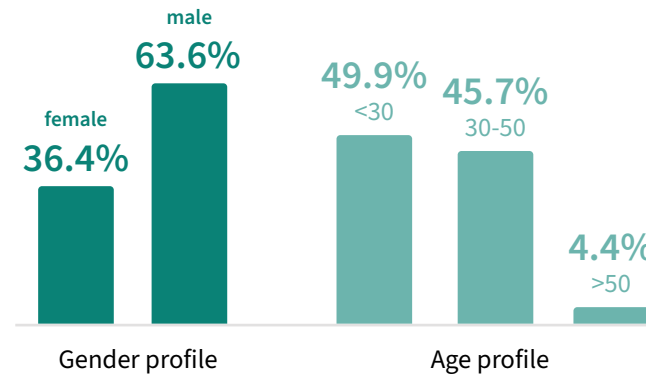


*International assignments offer our employees the opportunity to work at an Infineon site abroad.

Temporary agency staff

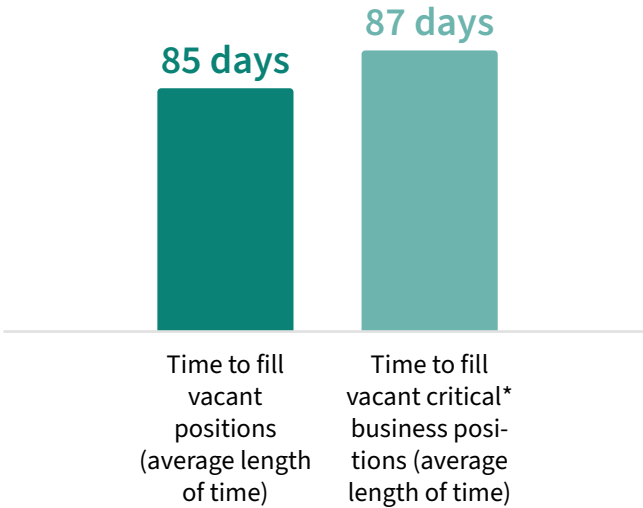


New hires



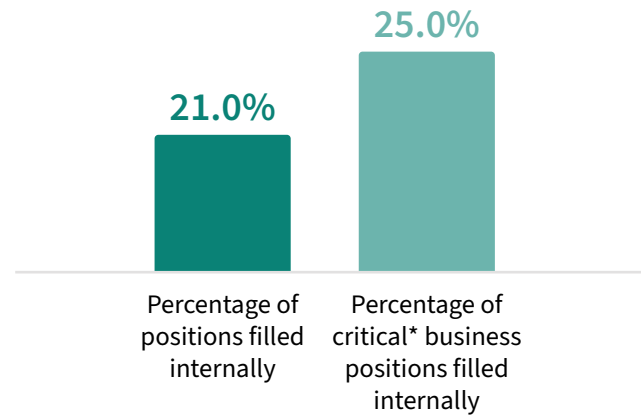
Workforce

Time to fill vacant positions (average length of time)



There has been a change in the logic of Time to Fill compared to 2022 fiscal year: Our evaluation of the Time to Fill is now aligned with external benchmarking standards. We measure the average number of days from when the job is entered into the recruiting tool after all approvals are received, until we have a positive (written) confirmation by the candidate.

Percentage of positions filled internally



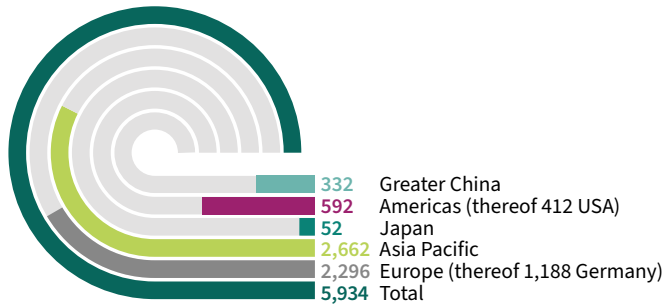
This calculation only includes professional indirect positions. Direct (operator) and student positions are not considered.

* Critical positions are defined as positions or job roles that have a direct and significant impact on the business and are hard to find in the market. These figures relate mainly to Europe, as the process for filling business-critical positions has not yet been fully harmonized. The process is currently being adjusted and will in future, reflect the global totality.

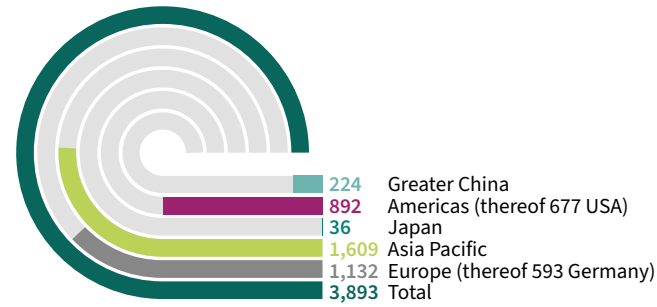
Workforce

(Infineon worldwide 2023)

New hires by regions

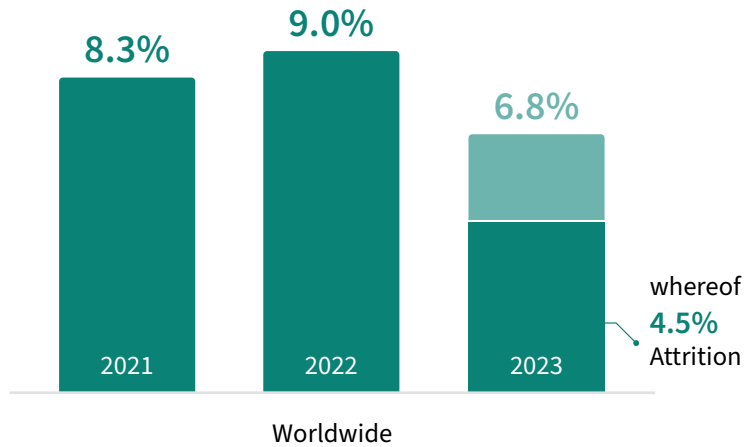


Terminations by regions

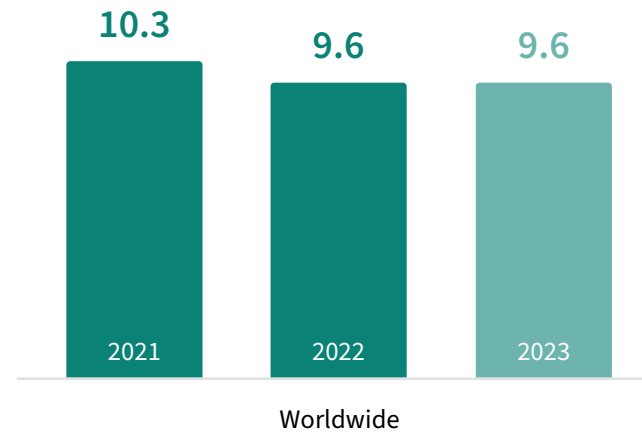


Employee turnover rate

(incl. voluntary resignations and other reasons for leaving)



Length of service in years



Diversity & Inclusion

Disability



2.9%

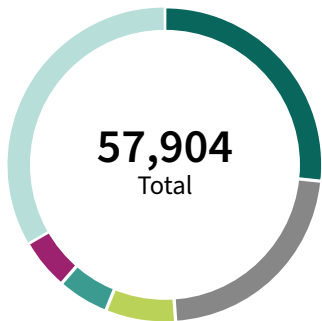


Percentage of disabled workforce

In Germany, Infineon employed 2,9% of persons with severe disabilities (as of 30 September 2023, prepared 23.10.2023). Information on the employment of persons with disabilities at Infineon sites in other countries is only recorded on the basis of voluntary declarations by employees in different ways. Therefore, the percentage of employed persons with disabilities is only reported for Germany.

Nationalities

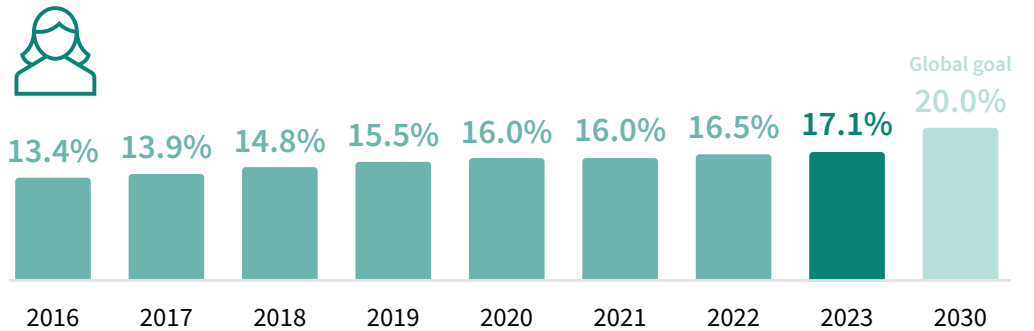
(Infineon worldwide 2023)



- Malaysia (26.8% | 15,540)
- Germany (22.2% | 12,875)
- Austria (7.2% | 4,197)
- China (5.3% | 3,088)
- USA (5.3% | 3,042)
- Other nationalities (111) (33.2% | 19,162)

Women at management level

(Infineon worldwide 2023*)

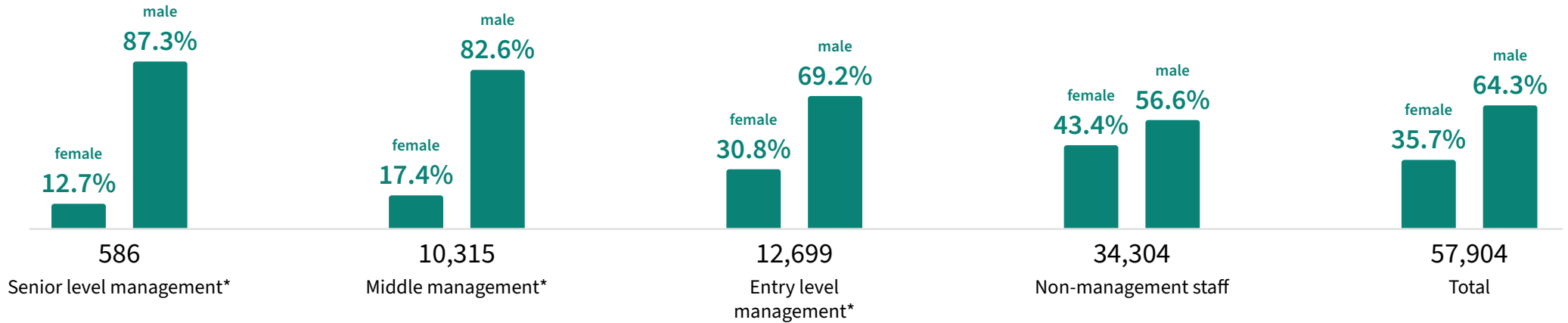


* As of 2021 fiscal year numbers include Cypress data.

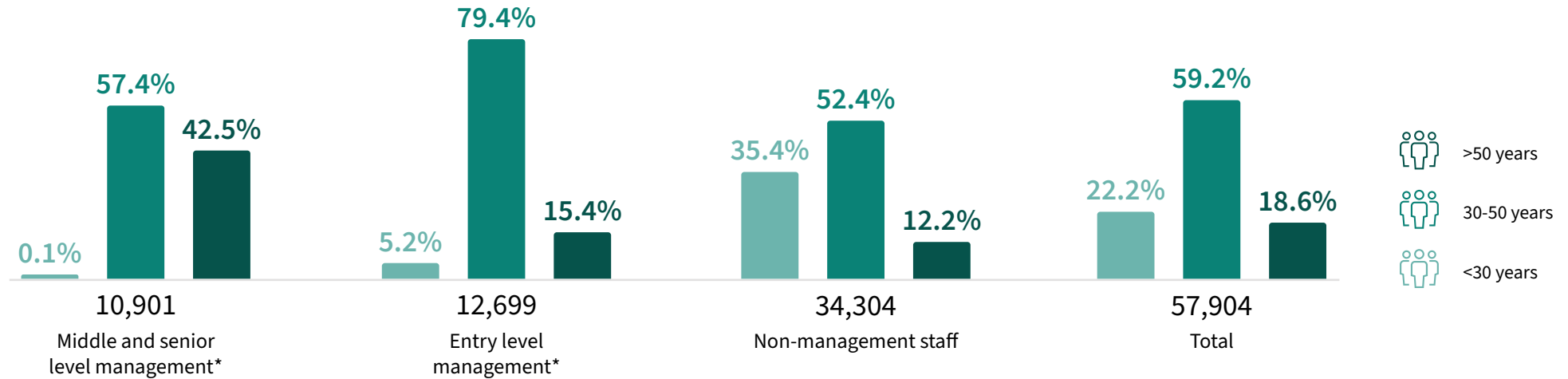
Diversity & Inclusion

(Infineon worldwide 2023)

Female/male employees per level



Age profile per level

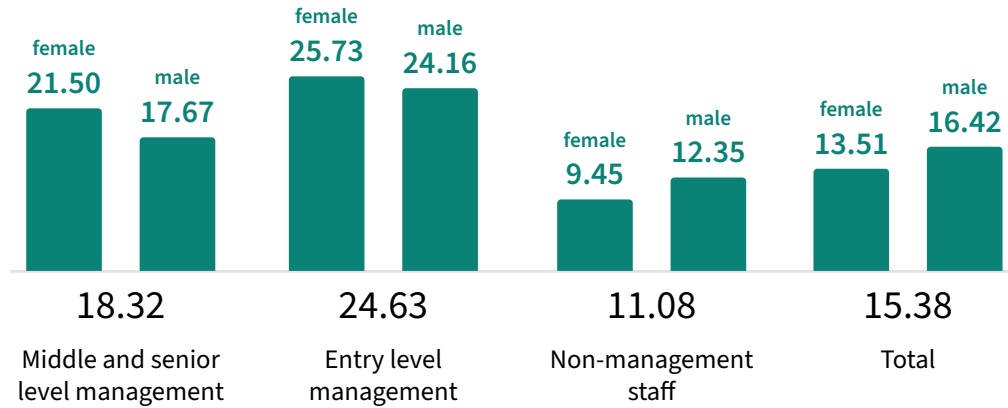


* Infineon defines a management function as both employee management and management on the basis of technical expertise according to the internal job assessment system.

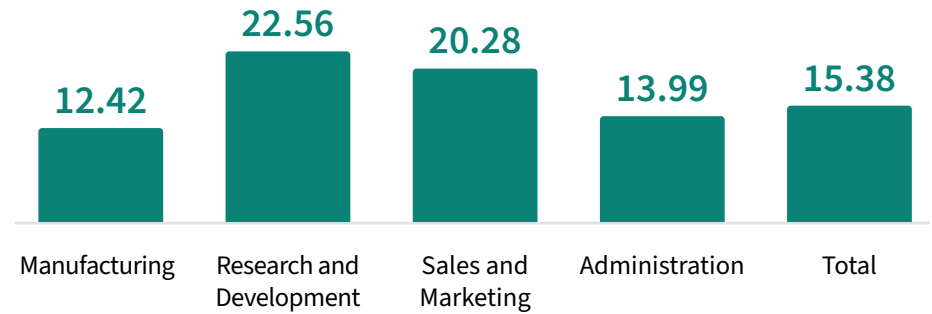
Training

(Infineon worldwide 2023)

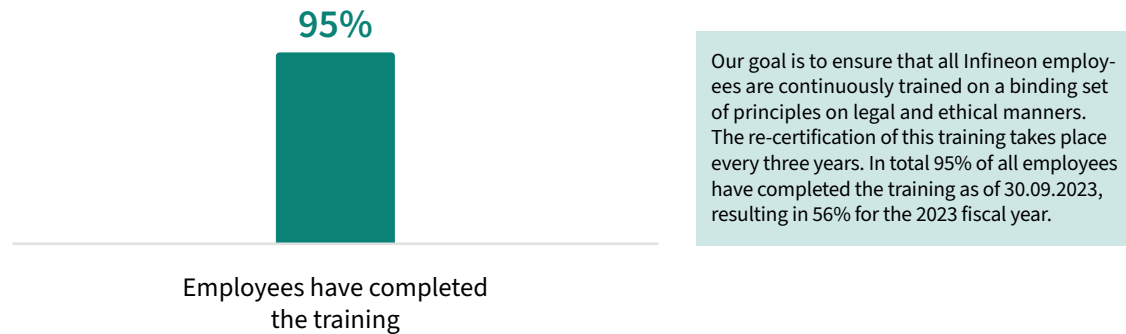
Training hours per employee (level)



Training hours per employee (area)

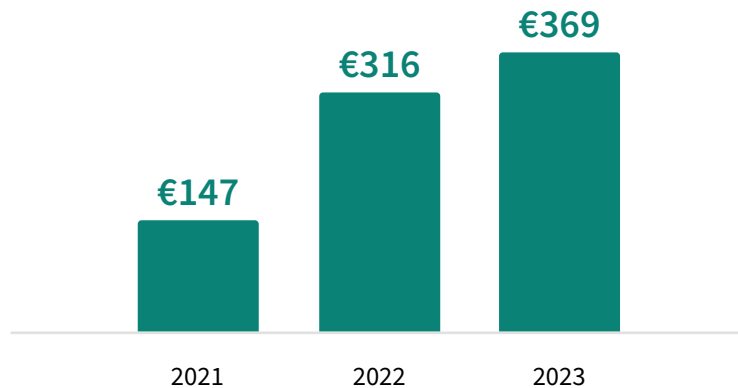


Percentage of trainings completed on compliance and ethics

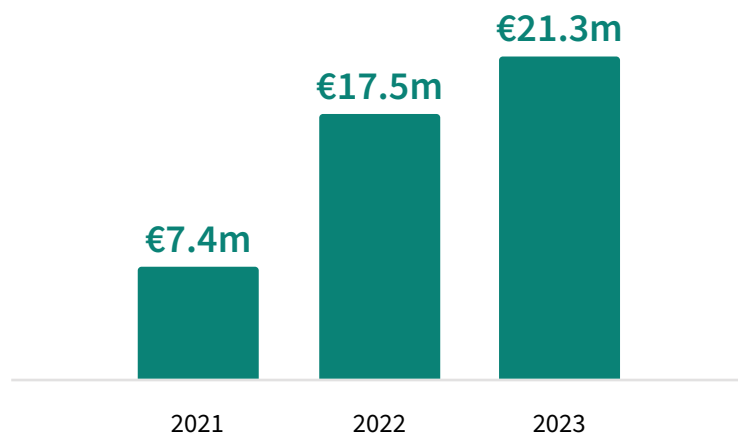


Training

Training and development expenses per employee



Further training expenses



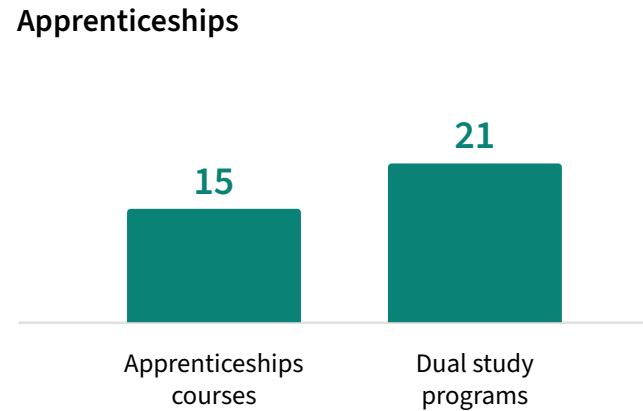
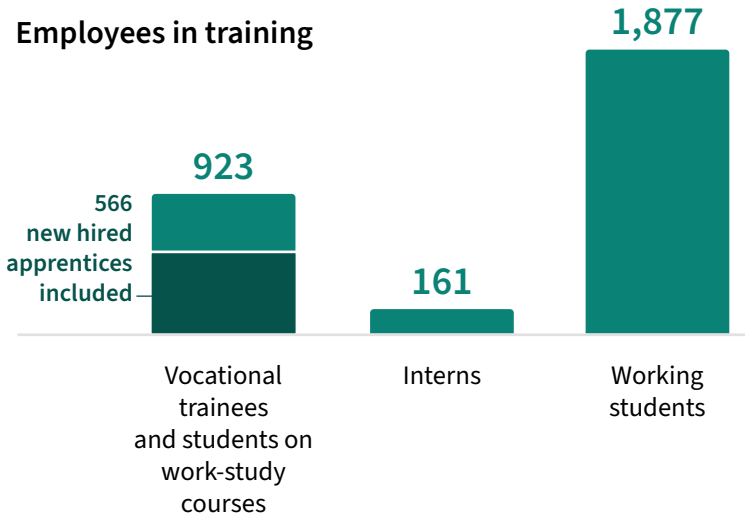
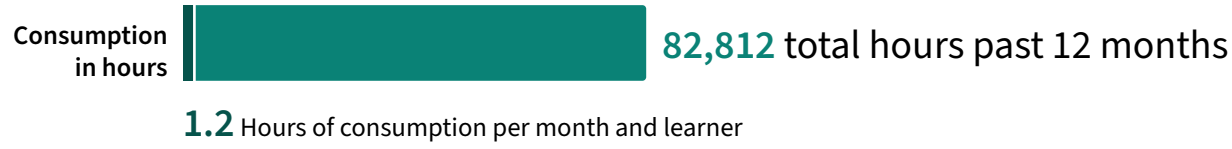
Where it makes sense, Infineon has moved towards blended learning formats for its training. This means that, in these cases, we provide training for our employees and managers in a combination of virtual and classroom-based formats. In addition, we are fostering the use of LinkedIn Learning. A further rise in training costs is explained by a higher level of demand as well as additions to the global training portfolio and the reduction in local programs.

In addition, in 2023 we had internal eLearning expenses of €1.039m.

Training & Apprenticeships

(Infineon worldwide 2023)

LinkedIn Learning consumption



Published by
Infineon Technologies AG
Am Campeon 1-15, 85579 Neubiberg
Germany

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Public

Document number:
B179-I1445-V1-7600-EU-EC
Date: 11/2023



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