



# Compliance Dossier Portugal

Plan on the prevention of corruption risks and correlated infractions

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## COMPLIANCE DOSSIER PORTUGAL

### Infineon Technologies AG

Infineon is a global semiconductor leader in power systems and IoT. Infineon drives decarbonization and digitalization with its products and solutions.

The company had around 58,600 employees worldwide (end of September 2023) and generated revenue of about €16.3 billion in the 2023 fiscal year (ending 30 September).

Infineon is listed on the Frankfurt Stock Exchange (ticker symbol: IFX) and in the USA on the OTCQX International over-the-counter market (ticker symbol: IFNNY).

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# 1. Compliance risks

## Corruption risks and occurrences of corruption and related infractions

Corruption is the abuse of entrusted power in order to gain an improper advantage for oneself or third parties.

Infineon is resolute to fight corruption and to implement and enforce effective measures ensuring that corruption is prevented, detected and terminated. We are committed to zero tolerance on corruption and conducting our business in an ethical and legal manner on a global basis.

### Risks and occurrences of corruption and related infractions

Corruption, including its correlated infractions are regulated in the Portuguese Criminal Code, as well as in specific legislation provided for in the general regime for the prevention of corruption, approved by Decree-Law No. 109-E/2021 of 9 December and considering the issuance of recommendations by the Council for the Prevention of Corruption.

Corruption correlated crimes include (not exclusively) undue receipt or offer of an advantage (bribery) quid-pro-quo, embezzlement, economic participation in business (public official grants illicit official acts), concussion (public official receives illegal

advantage without legal justification), abuse of power (public official violates his/ her duties), prevarication (public official conduct illegal acts), influence peddling (trafficking), money laundering, fraud in obtaining a subsidy or grant a diversion of a subsidy, grant or credit.

**»We are committed to zero tolerance on corruption and conducting our business in an ethical and legal manner on a global basis.«**



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# 2. Risk mitigation

**As part of its compliance management program, Infineon has several rules, processes and trainings in place to mitigate Compliance Risks.**

For the Infineon Group, Business Conduct Guidelines have been defined as an umbrella rule. The Infineon Business Conduct Guidelines form the central element of Infineon's Compliance Management System. All employees share the responsibility for ensuring that Infineon meets its Corporate Social Responsibility worldwide. The Infineon Business Conduct Guidelines reflect Infineon's ethical principles and are the fundamental basis for all daily activities. As a code of conduct, the Guidelines are an essential basis for all daily actions and apply to all employees and corporate bodies worldwide when dealing with one another, with our customers, shareholders, business partners or with the public. According to the Business Conduct Guidelines (BCG) of Infineon, we reject corruption, in whatever form. In Section 4.2 of the BCG, the following statements are included:

“We want to compete and win over customers by virtue of the quality of our products and value of our services – not through unfair means. Corrupt conduct is not compatible with our culture and is not tolerated. The mere impression of corruption must be avoided at all times. Infineon supports national and international efforts to combat corruption. None of us may exploit the company's connections to their own advantage or that of a third party and thus adversely affect Infineon. Accepting private benefits from third parties (such as money, services, or discounts) is prohibited because they may impede objective business decisions. In contacts with government bodies, we never make payments or give any kind of benefits to officials in order to gain orders or advantages for Infineon. If officials or business partners ask for or offer a personal benefit, employees must not consent under any circumstances and must notify their manager and the Compliance Office immediately.”

In addition, Infineon has a global rule anti-corruption, that explains various forms of corruption and how to prevent them. The policy constitutes the obligation for all employees group-wide. The global rule anti-corruption also rules dealing with business partners and the integrity checks that are performed prior to starting business with e.g. consultants, distributors, sales representatives, joint venture partners, ecosystem partners or custom agents, those due diligence checks aim avoiding potential liability or reputational damage (e.g. due to corruption) of Infineon by e.g. fraudulent business partners.

Further, Infineon regulates in the global rule handling of gifts of entertainment how to deal with these appropriately. Gifts or entertainment may be permitted to a limited extent provided that they comply with local laws and regulations. However, they shall neither unduly influence the business relationship, nor create the impression thereof. When exceeding a socially accepted level, they are prohibited. Finally, gifts or entertainment to public officials must remain an exception.

Certain gifts & entertainments must be approved by Compliance via the Compliance Approval Tool (COAT). For this purpose, local thresholds are defined in all countries where Infineon operates as guidance for appropriate and reasonable benefits.

With COAT, Compliance transparently assesses and documents whether benefits above local thresholds are acceptable from a corruption perspective.

Gifts and entertainment from or to third parties exceeding local thresholds must be approved via COAT. The same is true for gifts, entertainment and business meals to public officials. Entertainment to public officials must be approved via COAT regardless of value.

A COAT request must be initiated by respective employees who intend to accept or provide benefits from or to third parties or public officials, in particular if defined local thresholds are exceeded. The COAT tool asks for all necessary information required for the evaluation of the request by the Compliance department (e.g. public official, value, ongoing negotiations, involvement of family or friends, benefits provided in the past).

Infineon has developed and implemented a compliance training concept with different content and formats based on demand and relevance.

Employees must regularly take part in mandatory training courses, including Business Conduct Guidelines training and Anti-Corruption Training once in three years.

Compliance defines selection criteria for those employees who have to conduct a mandatory Business Conduct Guideline and Anti-Corruption eLearnings. Employees who meet these criteria, are automatically enrolled by the learning management system. Further there are face-to-face compliance awareness training sessions, where corruption prevention plays a pivotal role. The Regional Compliance Officer conducts such trainings in a timely matter or at ad-hoc necessity. The training completion is tracked, documented and reported. Internal controls for training enrolment and tracking of completion, approval processes and reporting are defined.



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# 3. Compliance risk assessment process

In general, Corporate Risk Management is responsible for risks of all kinds at Infineon. The Corporate Risk Management is responsible in conjunction with the company-wide Risk Officers for identifying relevant business risks as well as opportunities. Corporate Risk Management comprehensively covers and assesses in particular threats to Infineon's earning capacity, technological capabilities and assets having impact within the defined time frame. A corresponding risk management process has been established.

Infineon's Enterprise Risk Management (ERM) approach is based on the globally accepted COSO Risk Management framework released in 2017. Compliance is integrated into this process and uses it to report summarized risks in the areas of antitrust and corruption. The CCO is a risk officer. The detailed and regular identification and evaluation of Compliance risks for the areas of antitrust and corruption prevention is carried out by Compliance risk assessments.

## 3.1 Compliance risk assessment cycle

The Compliance risk assessment cycle consists of the following elements:

- **Assessment**, i.e. basic data and risk scenarios are queried for each entity with the help of a standardized questionnaire
- **Evaluation and measures**, i.e. the questionnaires are analyzed globally and measures are defined
- **Monitoring and Review**, i.e. the defined measures are tracked and, if necessary, elements of the CMS are adapted to adequately control identified risks.

## 3.2 Assessment

The RCO interviews the Local Compliance Contact with the help of a questionnaire and documents the answers. In addition, representative of divisions and other central functions can be included in the Compliance risk assessment interviews.

The questionnaire consists of two parts. The first part requests basic data, while the second evaluates specified risk scenarios.

The first step is to determine whether the risk scenarios are applicable. If so, the net and gross likelihood is queried. These likelihoods and the globally defined impact are used to calculate the net and gross risk. If the net risk is higher than the globally defined risk appetite, response actions are required.

The assessment is conducted for high-risk entities every 2nd year, for low-risk entities every 4th year. A rolling approach ensures that an up-to-date global picture is available every year.

The assessment whether an entity is a low-risk or a high-risk entity is based on these indicators:

- **External data** (e.g. Corruption Perceptions Index)
- **Basic entity data** (e.g. headcount, procurement volume, departments, activities, etc.)
- **Applicable risk scenarios**
- **Additional indicators** (e.g. net risk exceeded risk appetite during previous assessment, M&A activities, assessment by the RCO)

## 3.3 Evaluation and measures

The evaluation is carried out across all entities, focusing on scenarios in which the net risk is above the defined risk appetite, taking into account both whether an entity is conspicuous in several scenarios and whether a scenario is not sufficiently controlled in several entities.

Depending on the results, global, regional or local response actions are defined.

These are usually new or improved risk response measures.

Risk response measures are the permanent responses or countermeasures to a known risk (including the strategy ‘avoid, reduce, transfer, or accept’), e.g. trainings, COAT, CMAP, etc.

Response actions are specific activities to further reduce the net risk in order to meet the risk appetite.

Global and regional response actions are transferred to the annual Compliance program.



## 3.4 Monitoring and review

The RCO tracks local response actions in the risk assessment process (file or tool) itself. Global and regional response actions are tracked in the annual Compliance program.

On the one hand, the risk assessment results in response actions that have a concrete effect on a specific risk. These are intended to establish or improve risk response measures to such an extent that the net likelihood is reduced.

On the other hand, there are also indications for the general improvement of the CMS. These are then part of the Compliance Management System Monitoring and Improvement (CMSMI) process.

The Compliance risk assessment cycle itself is monitored and, if necessary, improved within this CMSMI process. The risk scenarios in particular are reviewed, adjusted and, if required, new ones are included. The risk impact is also adjusted as required (e.g. due to changes in legislation).

In compliance with the provisions of Decree-Law no. 109-E/2021 the implementation of the Plan on the Prevention of risks of corruption and correlated infractions for the Portuguese subsidiary is subject to monitoring, carried out as follows:

- A mid-term assessment report is drawn up in October for situations identified as high or maximum risk;
- Preparation, in April of the following year, of an annual evaluation report, containing annual assessment report, including quantification of the degree of implementation of the preventive and corrective measures identified, as well as measures identified, as well as a forecast of their full implementation.

The Plan on the Prevention of risks of corruption and correlated infractions is reviewed every three years or whenever there is a change in the attributions or organizational structure

Within the framework of the RGPC, Infineon Technologies AG has appointed a Compliance Officer, **Dr. Jorgete Vitorino**, responsible for ensuring and supervising the application of the programme for compliance with the Plan on the prevention of corruption risks and correlated infraction - PPR, its monitoring, review and disclosure.

### 3.5 Mid-term assessment report

Based on the last compliance risk assessment carried out at Infineon Technologies Business Solutions Unipessoal Lda. (Porto), it demonstrated that the subsidiary in question has a low risk for corruption and correlated infractions.

Around 40 standard risk scenarios were analyzed in 2024, over 20 of it focused on corruption. Due to the local activities carried out by the Infineon Technologies Business Solutions, Unipessoal Lda, only 10 of all global standard corruption scenarios are applicable. The potential impact was defined for all of abovementioned 10 scenarios. The gross and net likelihood was analyzed, as well as whether the risk mitigation controls implemented to date are effective.

Based on this data, the net risk level could be determined

The effectiveness of the global and local mitigation controls already implemented was confirmed for all of these scenarios. Which controls are meant?

The net risk level is rated as low in each case and overall.

### 3.6 Annual evaluation report

The mitigation controls mentioned under 3.5. are generally defined, implemented and monitored at a global level within the Infineon Group.

In general, the Compliance Management System (CMS) of the Infineon Group (and thus also valid for Infineon Technologies Business Solution´, Unipessoal Lda.) consists of the elements global rules, training and approval processes, among others, which together effectively control and reduce possible corruption risks. Infineon's CMS is based on the principles of the German audit standard IDW PS 980 (latest version, IDW PS 980 n.F. 09/2022).

The annual evaluation report includes:

- Business conduct guideline e-learning to be conducted by all employees;
- Anti-corruption e-learning training to be conducted by all employees;
- Communication of compliance cases during all-hands meetings with the employees by Managing Director, in order to raise awareness for the topic anti-corruption;
- Promotion Infineon's whistleblower system during all-hands meetings to the employees by Managing Director;
- Promotion and use of Compliance Approval Tool (COAT).

## 4. Whistleblower system

Employees of Infineon can always report Compliance violations regarding the Business Conduct Guidelines, including corruption directly to their manager, to the responsible HR Business Partner or to a Compliance Officer (contact details).

In addition, several further channels are available to employees and third parties for reports to the Compliance department:

- **Infineon Integrity Line:** Infineon has established an online whistleblower portal, the Infineon Integrity Line. This portal supports written reports in eight languages. Authorization to view and manage reports in the whistleblower portal is granted exclusively to selected employees of the Infineon Compliance department.
- **Telephone hotline:** Reports can be made by telephone at any time globally by calling the following Infineon internal quick dial number: 83199
- **E-Mail inbox:** Reports can be made by e-mail to the following address: [Compliance@infineon.com](mailto:Compliance@infineon.com)
- 
- **Post service:** Reports can be submitted by post service to the following address:

Infineon Technologies AG Compliance Department  
/ Attention: Compliance Officer Investigations  
Am Campeon 1-15 85579  
Neubiberg (Germany)

Infineon encourages all employees to report potential violations of laws or guidelines via the internal reporting channels.

Further contact details for the regions are also available on the Compliance Office intranet page. Information on further internal and external reporting channels can be found on the Infineon website.

For Portugal specifically, there are additional reporting channels, which can be used:

- **By email:** [Compliance.portugal@infineon.com](mailto:Compliance.portugal@infineon.com)
- **By phone:** +351 910799079
- **By post – addressed to:**  
Infineon Technologies Business Solutions,  
Unipessoal Lda.  
A/C Joana Marques  
TECMAIA – Parque de Ciências e Tecnologia da Maia  
Rua Engenheiro Frederico Ulrich 2650  
4470-605 Maia, Moreira  
Portugal

Infineon safeguards the interests of the whistleblower by providing assurances that all information received by the Compliance office will be treated confidentially. Whistleblowers will receive in due time confirmation of receipt of their report and will be duly informed about the investigation and its results. No one who reports a suspected compliance violation in good faith needs to fear disadvantages, even if the suspected violation turns out to be unjustified. We do not tolerate any retaliation against whistleblowers and will protect them in a resolute manner.



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# 5. Conclusion

As a global company, Infineon believes that responsible, lawful behavior is a basic requirement for business success. All Infineon employees and all Infineon Business Partners are expected to comply with the laws, rules and regulations of the countries in which we operate, as well as our internal policies, standards and procedures. Corruption and bribery are not tolerated in any form. We comply with all laws enacted to promote fair competition.

Infineon has developed a compliance management system (CMS) for this purpose.

The CMS is including the program, policies, processes and tools for Infineon Technologies AG and its directly and indirectly controlled entities, therefore also valid and applicable for the Infineon Technologies Business Solutions, Unipessoal Lda.

In addition to various corruption prevention measures, the CMS includes a regular compliance risk assessment process and a monitoring process. The risk assessment for the Infineon Technologies Business Solutions, Unipessoal Lda and the monitoring process have not revealed any indications of a low net corruption risk.

The CMS including all mitigation controls are effective.

# Appendix

## List of abbreviations

- BIC: Business Partner Integrity Check
- CCO: Chief Compliance Officer
- CMAP: Competitor Meeting Assessment Process
- CMS: Compliance Management System
- COAT: Compliance Approval Tool
- ERM: Enterprise Risk Management
- FCO: Functional Compliance Officers
- ICS: Internal Controls System
- RCO: Regional Compliance Officer
- RIC: Risk Management & Internal Controls

## Definition of risk assessment terms

- **Risk response measures:**  
Risk response measures are the permanent responses or countermeasures to a known risk (including the strategy ‘avoid, reduce, transfer, or accept’), e.g. trainings, COAT, CMAP, etc.)
- **Risk response actions:**  
Risk response actions are specific activities to further reduce the net risk in order to meet the risk appetite. The definition, implementation or improvement of a risk response measure (permanently implemented) is a risk response action (one-time effort / time-limited).
- **Risk appetite**  
Risk appetite is the level of risk that an organization is prepared to accept in pursuit of its objectives, before action is deemed necessary to reduce the risk. It represents a balance between the potential benefits of opportunities vs. risks/threats, that change brings.

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