

HR Report 2024

Focusing on Business and Talent Development while Driving Digital Transformation in HR



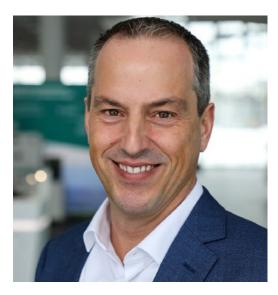


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Dear Readers,

2024 was a year of change and disruption for many of us. The past twelve months were shaped by a complex geopolitical environment, the inevitable intensification of the global race for talent and tangible transformation through generative AI.

Decarbonization and digitalization are having a far-reaching impact on people's lives and careers. From my perspective, "Focusing on Business and Talent Development while Driving Digital Transformation in HR" is crucial to building a modern and competitive organization.

We see HR as a value-adding advisor – and in that capacity we embrace the great journey we have embarked on. As a company, adapting to changed market conditions involves a careful balance between short-term success and long-term profitable growth. We focus on structural improvements to strengthen our competitiveness. To achieve this, we are rolling out the company-wide Step Up program – with significant implications for the role of HR as we evolve from enabler to driver.

I am proud of how HR has transitioned to a functional set-up with globally defined end-to-end responsibilities since October 2023. We brought HR Delivery Excellence to life while prioritizing people. We recognize that sustainable entrepreneurial success is only possible with an engaged and thriving workforce. This ongoing transformation will remain a top priority in the years ahead as we advance on our path of harmonization and digitalization. We are elevating HR for a future we feel optimistic about.

In this report, we summarize how our HR strategy supports the company's business objectives. We deliver on our belief that "people create value, engagement drives people". This enables us to attract and retain the best talent in the market, to focus more strongly on upscaling technologies in the HR sector and to upskill and develop our leaders. We remain committed to diversity and inclusion in all facets of company life.

Markus Fink

Executive Vice President & CHRO



Executive summary

HR and business

HR plays a crucial role in our company's success, especially in volatile times. This report summarizes how our HR team contributes to our growth and sustainability targets by helping to drive decarbonization and digitalization. To strengthen our competitiveness, we are launching a company-wide Step Up program. As a company, we are also fully transitioning into a global functional organization. In addition, this report presents our Global Environmental Sustainability Strategy (GESS), highlighting how sustainability is part of our culture.



The special feature on Corporate Social Responsibility discusses our efforts to address fundamental societal challenges, invest in a sustainable future, and collaborate on regional HR activities with local governments.

Talents

The race for talent is far from over. In addition to economic headwinds, the industry continues to face a growing skills shortage. Our Employer Value Proposition (EVP) defines what makes Infineon stand out as an employer, targeting everyone from young professionals to top management. In terms of upskilling and leadership development, our talent development initiatives include further qualification of the shopfloor workforce, leadership training programs, and the development of high-potential employees.



The special feature on women in tech addresses female leadership and role models, featuring global internal, and external STEM initiatives to combat the underrepresentation of women. It showcases women in leadership positions across Infineon as inspiring examples.

Digital transformation

Process harmonization, efficiency, and digitalization are inextricably linked. We present our new HR digital strategy, which forms the basis for scalable and innovative HR service delivery. We also offer a glimpse into the current phase of our standardization journey. We utilize AI and a talent intelligence platform for screening and hiring the best talent.



The special feature on AI and work outlines the need for the responsible use of AI and, AI regulations at Infineon, the impact of generative AI use cases on the organization and lessons learned from cross-company exchanges.

Infineon in numbers

per 30 September 2024

*Our colleagues from Syntronixs are not included in the figures of the fiscal year 2023

Number of employees

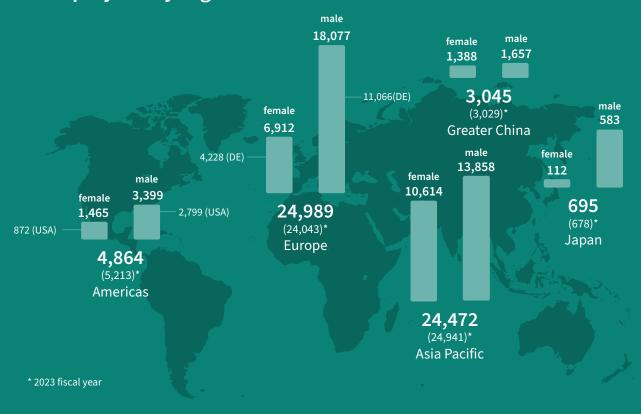
(Infineon worldwide)

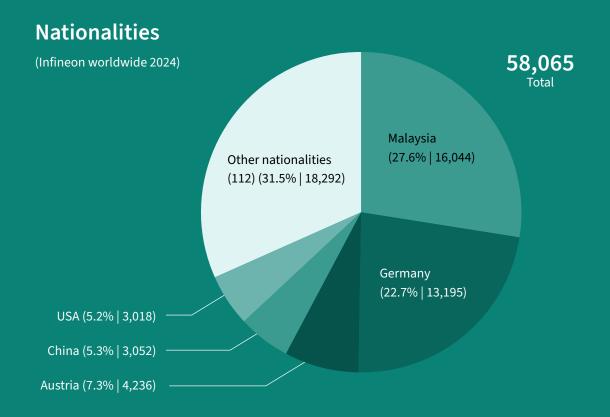


FTE in 2024: 57,266.5

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

Employees by region





Infineon in numbers

Revenue

Revenue per employee





Human Capital ROI

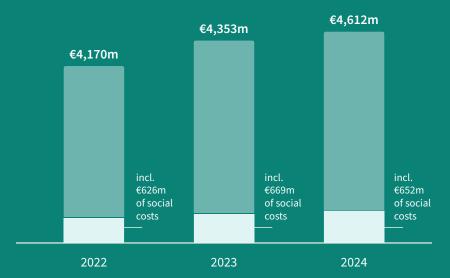


ISO 30414 certification

We have been re-certified to the ISO 30414 Human Capital Reporting standard. We were among the first companies worldwide to receive this ISO certification in 2022. It is the only official international human capital reporting standard, enabling the comparable collection and reporting of HR data. It covers 23 metrics, including leadership and diversity, giving us a transparent blueprint to communicate our employees' contributions to our performance.

Personnel expenses in € million

(Infineon worldwide)



Additionally, in 2024 there were \in 106m of costs with externals (employees with contract of employment by staffing agency).

Personnel expenses per FTE in € k

(Infineon worldwide)



This calculation is based on the average number of employees in 2024 fiscal year.

HR and business

We emphasize co-creation and collaboration across divisions, as HR evolves from enabler to driver.







»To ensure Infineon's competitiveness in a dynamic market, we need the strongest team in the industry. That's why the development of our employees and the continuous improvement of our business structures is a critical task. HR is the cornerstone for driving these efforts and supporting important initiatives such as SPIRIT and Step Up.«

Jochen Hanebeck Chief Executive Officer Labor Director

Structural improvements to strengthen competitiveness

Decarbonization and digitalization remain the key drivers of our profitable growth. To realize the full potential of our company, we are looking to further strengthen our competitiveness. In May, we therefore launched the company-wide Step Up program. With Step Up, we are aiming for high triple-digit million euro improvements to our segment result. Here at HR, we are working closely with the program leader and the management board to

support the strategic direction of the program and to facilitate and help operationalize defined improvement activities. This includes close collaboration with our employee representatives. To maintain and enhance our competitive edge, we need a robust and adaptable organizational framework that supports our ambitious goals.

Shaping the evolution of our culture to improve our business performance

Complementing structural improvements, we also wish to improve our company culture. With our long-term initiative SPIRIT, we want to become more efficient and more successful – as individuals, teams, and as a company. To improve our business performance while maintaining employee and customer satisfaction, we must systematically set ourselves ambitious targets, clarify who is responsible for what and take timely decisions.

Our goal is to live SPIRIT across the entire organization. Company-wide projects and initiatives based on three key behaviors guide our SPIRIT path at corporate level. Here at HR, we are responsible for the project management and the strategic development of this initiative.

Functional organization

Our growth drivers decarbonization and digitalization, coupled with various innovations and investments, have propelled the company along a steady growth path over time. Our past organizational structure has served us very well. Given our continued growth trajectory, we realized however that the time had come to evolve into a clearly defined functional organization capable of better supporting our future success. Under the umbrella of SPIRIT, we therefore initiated a global project to transition towards a fully functional organization based on revised organizational principles.

So where do we stand now? On 1 October 2024, the new functional setup went live for the entire Infineon organization, with all relevant process changes implemented simultaneously. This was the right step for us – at the right time and we are confident that the newly established organization will be crucial for our future growth.



»The employee representatives are currently heavily focused on the Step Up program introduced by the Management Board. It promises fundamental improvements to our competitive position through structural changes, even if these will entail some staff rationalization. The employee representatives are engaging with the program with the expert support of external business management and legal teams in order to best represent the interests of our employees.«

Statement from our Group Works Council Chairman **Johann Dechant** on Step Up



Bringing HR to the next level

This organizational change has extended to our HR function. As part of our continuous improvement efforts with a view to meeting future business requirements and driving growth at Infineon, we adapted our HR strategy and transformed our HR organization. Since tHRive went live on 1 October 2023, the HR organization has had a fully functional organizational structure with globally defined, end-to-end responsibilities.

After a year, we can report several successes and lessons learned, as well as ongoing challenges. We have made tangible progress in harmonizing processes, tools, and policies, improving our digital services and allowing us to focus on value-add services. We have also standardized our global service delivery approach to improve the scalability of our HR portfolio.

While benefits are emerging for our functional HR organization, challenges remain. These include siloed thinking and scope for improving crossfunctional collaboration and communication. Leading diverse functional teams globally and creating a vibrant team culture, largely on a virtual basis, is also a challenge for our HR leaders. Therefore, acting as oneHR and strengthening our functional leadership will be one of our main focuses for the coming fiscal year.



New go-to-market (G2M) approach

Our HR Organization Effectiveness team took the lead to define a concept for the new G2M approach, also coordinating global implementation and transformation of this concept. This comprehensive effort required strong collaboration among multiple HR functions, especially Business Partners of the affected organizations, Rewards, and Benefits, Labor Relations, and People Services.

One of our goals is to make it as easy as possible for customers to work with us. We thus reorganized the SMD organization into a customer-centric structure by establishing market-oriented segments that aim to leverage our entire portfolio for the benefit of our customers.

In addition, we established a pragmatic sales approach (G2M Playbook) to improve the customer experience and a Management Playbook to orchestrate the management processes across the divisions and SMD.

The new G2M approach was defined and implemented through a project involving stakeholders from across Infineon. The transformation is currently in full swing and is being supported by a wide range of training courses as well as comprehensive information, activation, and dialog formats.







»Our customers are at the heart of everything we do.
This also affects the way we structure our collaboration.
With our new go-to-market approach, we are not only delivering a personalized and superior customer experience, but also enabling our teams to grow professionally and develop new skills.
Our HR department supports this transformation by fostering a work environment that drives business success.«

Andreas Urschitz
Chief Marketing Officer



talk #sustainability series with Elke Reichart (Chief Digital and Sustainability Officer) and Corinna Wolf (Global Head of Sustainability), moderated by Sabine Krautzig

Sustainability as part of our culture

A global cross-functional team came together in the 2024 fiscal year to learn, collaborate, and grow, with the aim of helping Infineon to shape a more sustainable future. Our Global Environmental Sustainability Strategy (GESS) focuses on four areas of action: sustainability at our sites, sustainability in our supply base, sustainability as part of our culture and sustainability with our products.

The new global team formulates and navigates our environmental sustainability strategy and objectives, with the support of the HR team to ensure that sustainability principles are embedded at every level of the organization. Content-wise, the team focuses on greenhouse gas emissions and water conservation in distressed areas.

Our employees are actively committed to creating a more sustainable world

Making sustainability a part of our culture, for example, involves going the extra mile in business travel and mobility, attracting talent, integrating sustainability into our High Performance Company Monitor and High Performance Behavior Model and into our behaviors and practices.



Commuting with an electric bus in Wuxi, China



Earth Day speakers and project team

IN ACTION

Sustainability as part of our culture

Business travel

Travel guidelines: We travel in a way that is safe and sustainable for us, our company and the environment

Carpool and rentals: We use Battery Electric Vehicles (BEVs) in our carpool and encourage BEV rentals.

Public urban mobility: Services like bike sharing are supported. Trains, flights, and hotels: We encourage domestic and international travel by rail wherever possible and offer assistance where needed.

We negotiate airfares with carbon offset certificates and focus on hotels with sustainability programs wherever possible.

Mobility

Green fleet goal: By 2030, our aim is to have only BEVs in our fleet. Our management board leads by example and has been ordering BEVs exclusively since October 2023.

Bus shuttles: Bus shuttles are available at various locations including Tijuana, Batam, Melaka, Singapore, Cegléd, Wuxi, Beijing, Shanghai, Xi'an, and the Philippines. In Wuxi, these shuttles are even electric.

Public transport: At certain locations, we subsidize public transport tickets such as the "climate ticket" in Austria.

Bike leasing program: Launched in Germany, Ireland, and Austria.



Talent attraction

Sustainability is a major element of our positioning as an employer and is reflected across all talent touchpoints:

Careers website: Features testimonial stories about our contribution to a greener world.

Social media: Promotion of environmental and climate sustainability initiatives on various social platforms.

Merchandise: Eco-friendly and certificated merchandise articles for career fairs and events offered.

Career events: Dedicated career events to promote jobs that contribute to shaping a better future organized.

Behaviour and practices

IT equipment recycling: Old IT equipment is recycled and resold at some locations.

Sustainability communication: talk #sustainability video format and blog post series launched. Activities organized for Earth Day.





Corporate Social Responsibility (CSR)

Geopolitics and its impact on business, the general economic climate and personal financial prospects are key talking points for many people these days. Now, more than ever, customers, investors, employees, NGOs, and other stakeholders are demanding that companies take a stance on issues beyond their core business. Reflecting our proactive mindset and commitment to positive action, we monitor social trends and shifts – taking preemptive decisions and putting the measures in place to earn the continued trust our stakeholders place in our high CSR standards.

We actively live our values and, through collaboration with policy-makers and other industrial players, proactively address the key issues facing society today.



Susanne Lachenmann (Chairwoman of the General Works Council), Johann Dechant (Group Works Council Chairperson), Jochen Hanebeck (Chief Executive Officer & Labor Director), and Markus Fink (Executive Vice President & CHRO)

Taking a stance against right-wing extremism

We clearly advocate openness, tolerance, diversity, and internationality. With our employees representing a global society, we embrace innovative minds from all cultures. In Germany, we employ people from over 90 nations. We are obviously concerned about the trend toward polarization across society.

In collaboration with the Infineon Works Councils in Germany and Austria, we issued the Regensburg Declaration, promoting harmonious, respectful interaction among all individuals and taking a clear stance against right-wing extremism. This declaration has been communicated internally, reinforcing our commitment to equality and inclusion.

We take action by collaborating with HR site managers and our colleagues to discuss and implement potential measures to actively promote our values. We offer various training formats for managers to confidently navigate shifts toward populism and right-wing ideologies. For apprentices, we provide training on how to recognize fake news. Our Diversity Days inspire various global and local activities to highlight and celebrate diversity.



»Here at Infineon, we live diversity. At the 2024 Works Councils' meeting, the participating Works Councils, our CEO Jochen Hanebeck and our CHRO Markus Fink signed the Regensburg Declaration, taking a strong stance against right-wing extremism. Given current sociopolitical developments, the participants – and the employee representatives – felt it was extremely important that we send a signal and take a clear position. People from all over the world have been working together – successfully and harmoniously – for many decades here at Infineon. Looking ahead, the Regensburg Declaration is our way of saying that we want it to stay that way.«

Johann DechantGroup Works Council Chairman





Investing in a better future

JOBLINGE: "basecamp" in Munich

In Germany, 630,000 young people under the age of 24 are in need of training, education, or work opportunities. Around 2.6 million people under 34 lack any professional qualification. basecamp Munich is being implemented by JOBLINGE in collaboration with Allianz, BMW Group, Infineon, Lufthansa, and Siemens. It demonstrates how private, public, and volunteer sectors can join forces to offer training and help close the skills gap.

We support the JOBLINGE goal of assisting 100,000 young people in their efforts to secure training and jobs by 2030 and are thus helping to tackle youth unemployment and resolve the skills shortage, especially in science, technology, engineering, and mathematics (STEM) professions. This initiative aligns with our strategic goal of unlocking new potential for skilled workers in Germany. Our engagement spans focused workshops, application coaching, corporate volunteering, and mentoring.







Johann Dechant (Group Works Council Chairman, Infineon), Christiane Benner (First Chairperson, IG Metall), Ariane Reinhart (Member of the Executive Board Group Human Relations and Sustainability, Continental), and Markus Fink (EVP & CHRO. Infineon)



Federal Chancellor Olaf Scholz giving a keynote speech at the Allianz der Chancen event

Stifterverband: Zukunftsmission Bildung

The quality of education systems is crucial for personal development and the advancement of innovation. To support our education systems, we are actively contributing to the Germany Alliance for Future Skills initiative ("Zukunftsmission Bildung") organized by the "Stifterverband" foundation, a leading German think tank that brings business, science, politics, and civil society together to further strenghten education, science, and innovation. This is achieved by building powerful stakeholder alliances, creating synergies, and scaling good local practices at national level.

Our work focuses on three initiatives: building extracurricular offerings into schools to help pupils develop new skills; promoting STEM training and studies; and developing future-fit skills especially in the area of AI.



Allianz der Chancen: Networking event in Berlin

We are a member of the Alliance of Opportunities ("Allianz der Chancen"), an initiative to expand employment opportunities and reintegrate individuals from transforming industries. It represents over 2.6 million employees in Germany. In January 2024, representatives from 65 companies, politicians, business leaders, and labor union / works' council speakers joined Federal Chancellor Olaf Scholz in Berlin for a networking event titled "Germany – Our Future". To succeed in the labor market, employees need qualifications, education, career guidance, and integration possibilities. Digital learning, especially in rural areas, is opening up new opportunities. Entry and partial qualifications, particularly for refugees, are key for accessing the German job market. We are actively contributing to new opportunities through education and internships for career orientation and are committed to expanding our efforts in this area.





Regional activities with governments

We cooperate with local governments in the Americas, Europe, Asia-Pacific, Greater China, and Japan. These collaborations reflect our CSR commitment to supporting local communities and fostering sustainable development. Active locations include Kulim and Melaka in Malaysia, Villach in Austria, and Austin, Texas, in the USA. Below, we highlight a few concrete examples of these collaborative endeavors.





Kulim: Skilled Organization Fit For Tomorrow (SOFFT) program

Infineon Kulim has launched a three-year development program to support its expansion into widebandgap semiconductor production.

Developed with the Malaysian Ministry of Human Resources, the program aims to build a competent production workforce. The first year involves training at the Advanced Technology Training Center, followed by two years of on-the-job training at Infineon, culminating in a Malaysian skill diploma in frontend manufacturing. Accredited under the National Dual Training System, it combines practical training with theoretical knowledge. A key goal is to incorporate frontend manufacturing processes documentation in the National Occupational Skills Standard, outlining essential skills for specific job levels.

The program offers development opportunities for shop floor operators to advance into operational technician roles.

As part of the first intake, 20 out of 144 applicants were enrolled in June 2023 and a second wave started in October 2024.

This program is designed to equip Infineon's workforce with the necessary skills in wide-bandgap semiconductor manufacturing, further highlighting the company's commitment to career development for all employees.



Participants in the SOFFT program



Opening day in Villach, Austria

Villach: Third location for the International Daycare Centre (IDC)

Our third bilingual daycare center opened in Villach in fall 2023. Cooperation partners include the city of Villach, the state of Carinthia, and Infineon Austria. The center offers 78 childcare places for children aged 12 months to six years. The IDC is open year-round to meet today's working world needs. Infineon is strongly committed to giving its employees the opportunity to balance career with family life. The first IDC opened in September 2012 and the second in 2016 – both with Infineon Austria as the main initiator and cooperation partner.

All three daycare centers are operated by the non-profit company, Sonnenstrahl GmbH. They follow an innovative educational concept with a focus on technology and science. Seventy-three teachers, 18 of whom are English-speaking, provide bilingual care for children from 35 nations, making international culture a part of daily life.

Austin: Fab25 apprenticeship program

This apprenticeship program in Austin, Texas, aims to attract, train, and retain early talent to meet the needs of our Fab25 facility. As many current maintenance technicians approach retirement, the program addresses the talent pipeline gap. In collaboration with Austin Community College, apprentices receive academic education and on-the-job training under a mentor's guidance.

Registered with the United States Department of Labor, the program is endorsed for its effectiveness in fostering skilled workers for high-growth industries. The Emerging Talent Acquisition and Education Network supports the program through outreach, recruiting, and engagement to ensure a steady flow of qualified candidates.



Apprentices in Austin, Texas

Maintenance technicians in Fab25 are responsible for improving factory performance, solving problems, making production-related decisions, and collaborating with team members.



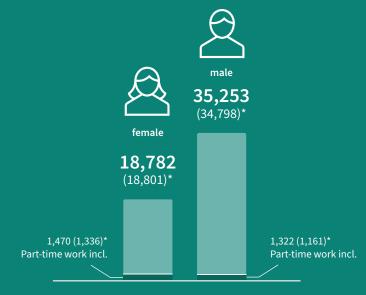


Talents

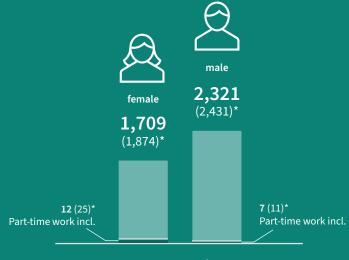
We promote the representation of differences and foster inclusion to exchange perspectives and unlock opportunities.

Workforce permanent and temporary

(Infineon worldwide)



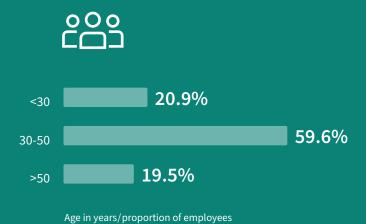
Permanent employees



Temporary employees

^{* 2023} fiscal year Our colleagues from Syntronixs are not included in the figures of the fiscal year 2023

Age profile



New hires by regions

per 30 September 2024 (Infineon worldwide)







»Just as chips need diverse components to function, Infineon needs employees with diverse perspectives, experiences, and backgrounds to succeed in an increasingly complex world. Respecting and appreciating our differences is essential for a company culture where everyone feels valued, included and encouraged to contribute to the best of their ability.«

Dr. Rutger WijburgChief Operations Officer

#WeAreIn

Are you in? Our Employer Value Proposition (EVP)

As part of last year's race for talent taskforce, where strategic measures were implemented to tackle future recruiting demands, we set out to define what makes Infineon stand out as an employer. To gain insights into how Infineon is perceived as an employer, who better to ask than our own employees? Based on a robust study with input from over 600 employees across our diverse locations, we established our first Employer Value Proposition. At its core is togetherness, highlighted by four key messages that describe our promise to talent:

- We offer jobs that matter.

Our tiny chips play a substantial role in powering everything – from the smartphones we use and the cars we drive to the renewable energy sources we rely on and the secure transactions we make.

- Work alongside tech experts.

Our team members are committed to innovation that drives customer success. We share a passion for excellence and push boundaries through our cutting-edge technologies shaping the future.

- At Infineon, you can experience growth.
 We put as much passion into designing our work environments as we do into creating our products.
 Enjoy flexible work options that accommodate your lifestyle and long-term career path so you can grow your skills.
- Where you belong. We create the best Infineon for everyone by embracing each other's unique perspectives and talents worldwide. Our collaborative, open door culture defines the way we work.



On this basis, we developed an employer brand campaign with the main slogan "#WeAreIn. Are you in?". It sets the tone of voice for all talent marketing activities across our touchpoints, including social media, our website, career fairs, and more.





A STRENGTH THAT DRIVES DISCOVERY

Diversity and Inclusion at Infineon

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 of it.

Our holistic view of Diversity and 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.

At Infineon, we are convinced that we need the best talent to successfully implement and execute our corporate goal 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 and supporting D&I.



20%

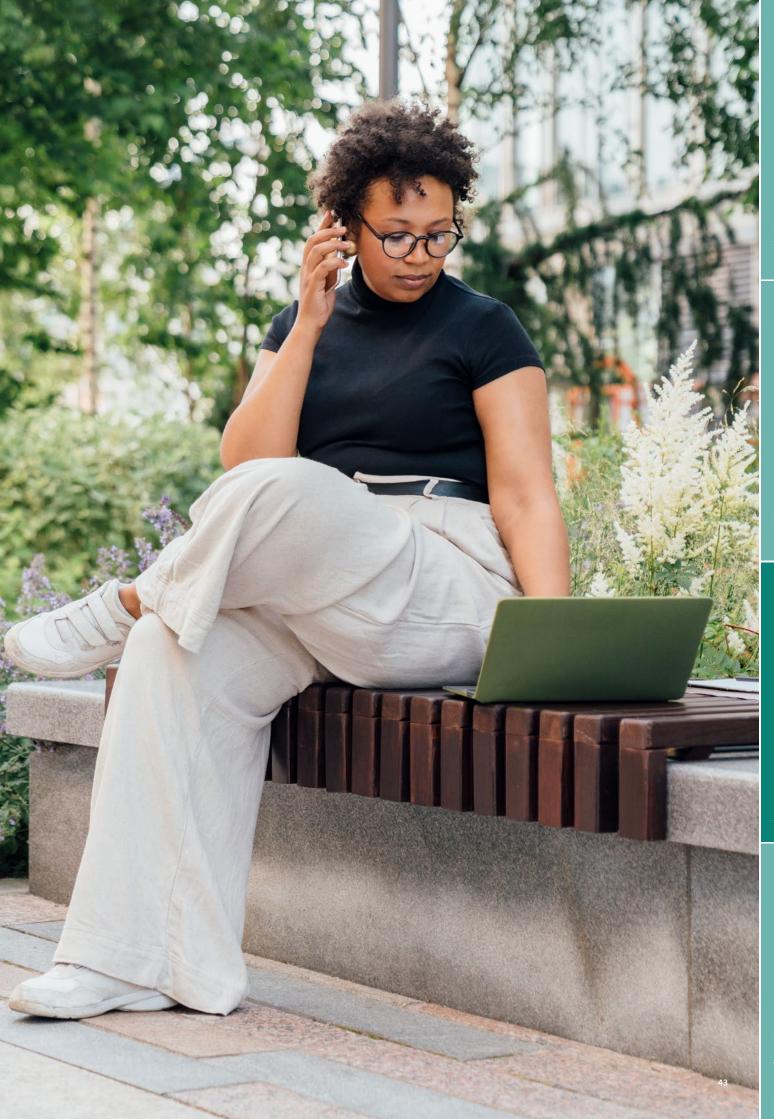
We set an ambitious gender diversity target, aiming for a 20% share of women in leadership positions by 2030*, supported by a variety of recruiting, development, and retention activities for our female talents.

Gender differences have no impact on our human resources decisions. This is reflected in our low gender pay gap, which was less than 1 percent in the 2024 fiscal year. Each employee receives appropriate, transparent remuneration for their work in compliance with all legal standards.

*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 US. 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 US.









Diversity and Inclusion at Infineon

To foster community and peer-to-peer engagement, we support our Employee Resource Groups such as Infineon PRIDE, Spoorthi Women Community, Working Parents at Infineon, and many more. We ensure barrierfree access to the workplace and adapt work environments to the capabilities of each employee. Additionally, we offer talent programs, flexible working arrangements, and employee health and wellness activities.

Through diverse initiatives and support systems, e.g., our D&I toolbox and our D&I learning & training offerings, we aim to create an inclusive work environment where all employees feel valued and empowered. Held for the tenth time, the Infineon Diversity Days provided a global platform to spark conversations about D&I.

The global HR D&I community, in collaboration with employees and supported by external guest speakers, organized more than 40 online and on-site events across all regions. Attendees learned about the importance of psychological safety, the impact of racism in everyday life, and (invisible) disabilities, aiming to make Infineon a place where everyone is respected and valued.

More than 10,000 registrations for the online sessions underscore the ongoing interest in and relevance of D&I for our company culture. This event truly brought the Diversity Days 2024 motto to life: Revealing the Power of Difference.





Andreas Schumacher (Executive Vice President Strategy, Mergers & Acquisitions), Severine Fiegler (Global Head and Vice President HR Talent Acquisition & Head of Diversity and Inclusion), and Marius Wolf (Global Diversity and Inclusion Senior Specialist)



We celebrate diversity through various campaigns, such as Pride Month, International Women's Day, and Religious Celebration Days, which help us honor everyone for who they are and what they contribute.



Diversity Days 2024 around the globe.





YOUNG PROFESSIONALS

Preliminary qualification for refugees – establishing educational bridges

We take a global approach to apprentice recruitment. In cooperation with a Bavarian training institute (bbw) and the Regensburg employment agency, we launched a step-by-step (modular) qualification program specifically for refugees. The aim is to enable them to enter the German apprenticeship and labor market and to recruit them for apprenticeships at Infineon.



 $Participants\ in\ and\ supervisors\ of\ the\ preliminary\ qualification\ program$

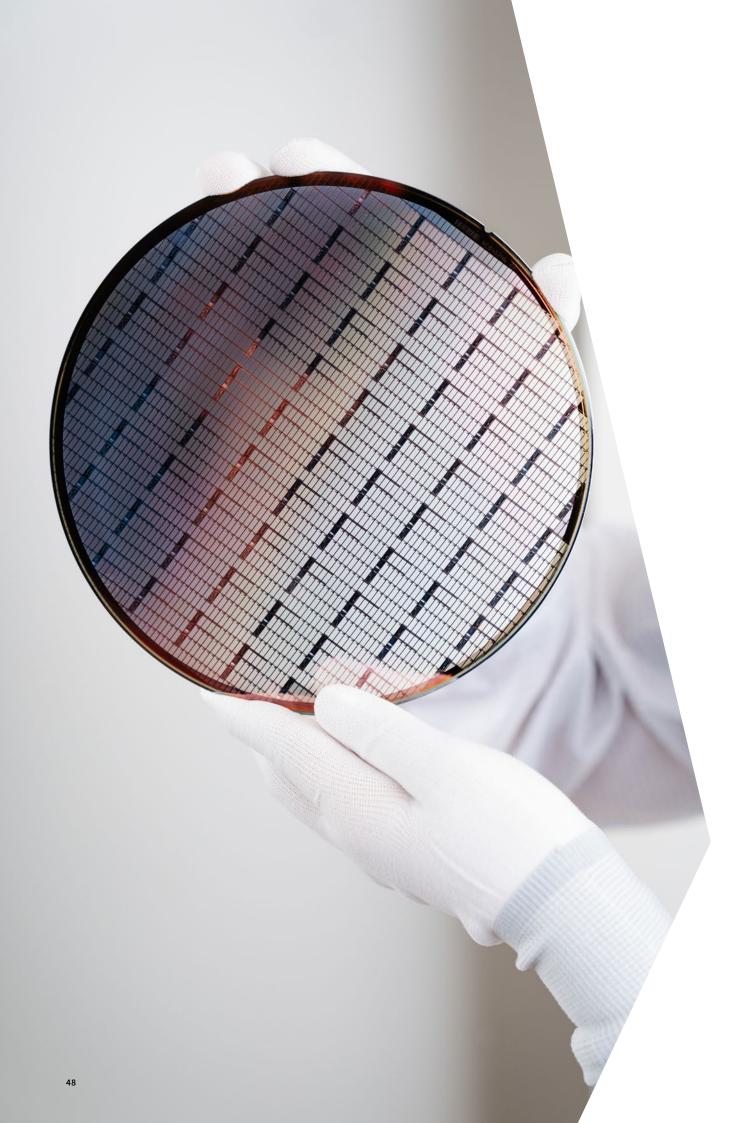




Heiko Schöfer (Director Education Network, Infineon), Markus Fink (EVP & CHRO, Infineon), Kerstin Wagner (EVP Talent Acquisition, Deutsche Bahn), Hubertus Heil (Federal Minister of Labor and Social Affairs), Severine Fiegler (Vice President HR Talent Acquisition & Head of Diversity and Inclusion, Infineon), Johann Dechant (Group Works Council Chairman, Infineon) at the Skilled Labor Award ceremony in Berlin

The project's 20-week framework program includes preliminary qualifications in the fields of electronics and mechatronics as well as German and general knowledge classes, equipping the apprentices with the skills they need to work in industrial/technical environments. After completing the project, some participants become apprentices at Infineon and eight of the graduates were offered permanent positions at Infineon. This initiative not only contributes to integration but also meets the need for skilled workers.

In addition to enriching our workforce culture, this program promotes open-mindedness and inclusion while also strengthening our cooperation with the local employment agency. Numerous press articles and reports have focused on its successes, helping to build our reputation as an employer. We were nominated for the Skilled Labor Award presented by the German government ("Deutscher Fachkräftepreis") and ranked among the top three. We aim to build on our successes and continue this project next year.



Edu4Chip

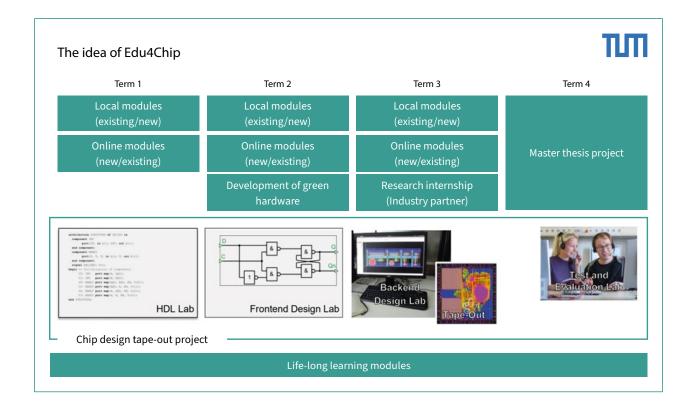
Joint education for advanced chip design in Europe

Universities play a key role in innovative ecosystems by offering valuable research capabilities and excellent higher education opportunities.

As an associated partner, we contribute our outstanding chip design expertise to the EU-funded project Edu4Chip, which started in November 2023. Alongside other academic and industrial partners, we are helping to shape a new master's program for advanced chip design e.g., at the Technical University of Munich.

In this program, students will benefit from student exchange opportunities and excellent lectures at prestigious European partner universities.

The course will cover the entire chip design process, including tape-out and post-silicon verification and testing. By offering highly attractive academic education programs to students from all over the world, this course is an important lever in expanding the European semiconductor talent pool.







Fabmobil

Engaging with Silicon Saxony's future talents

We have been based in Dresden for more than two decades. We are currently building a new factory and also expanding the existing site. Dresden, positioned at the heart of "Silicon Saxony", offers an incredibly innovative ecosystem for semiconductor technology in Europe.

Supported by Infineon and other leading technology companies, FabMobil lab has been touring Saxony since March, visiting various schools and giving pupils a glimpse into the potential and inner workings of semiconductors and microchips.

Through this mobile lab, we're advancing our vision to inspire the next generation of STEM professionals by making microtechnology accessible and fascinating, while also demonstrating the real-world impact of our semiconductor industry. We offer various workshop formats where students can learn about semiconductors and the possibilities of microcontrollers in a practical environment. By the end of this year, we will have visited 16 schools in rural areas of Saxony.





Building a skilled workforce to meet future needs can only succeed if it is a collaborative effort bringing together policy makers, educational institutions, and industry. This is exactly what this project represents: It is sponsored by Saxony's State Ministry of Culture and the DROSOS FOUNDATION and supported by Infineon Technologies, the Silicon Saxony high-tech network, and the semiconductor companies Bosch, GlobalFoundries, and X-FAB.







Upskilling and leadership development

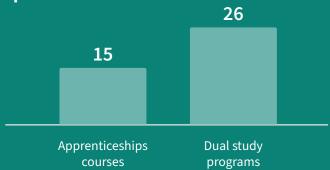
We believe that investing in our people is key to driving business success.

We are committed to providing a range of development opportunities that empower our employees to grow, learn, and thrive. This report highlights our initiatives in high-potential management, career development, shopfloor excellence, leadership development, and cross-functional collaboration.

Training hours per employee (functional area)



Apprenticeships



Training and development expenses per employee



Developing the best

Our commitment to high-potential management excellence

Over the past fiscal year, we focused on highpotential management to ensure optimal identification and development of high potentials. The first step entailed developing a globally applicable definition of what classifies as a "high potential", along with reflection questions to ensure consistent identification of high potentials and support, for example, the nomination process for high-potential programs. These programs prepare our high potentials for more complex roles.

We created a playbook to ensure globally comparable quality standards, providing guiding questions, templates, design elements, mandatory criteria for measuring success, and tips for designing employee-centered programs. We are proud that the implementation of these measures has inspired positive initial feedback, with participants in these programs reporting a consistent and high-quality experience.

Looking ahead, we aim to consolidate our existing program landscape to align with our functional organizational structure, offering participants more networking opportunities, visibility, and career advancement.

Discover your path - Introducing the Career Path Navigator

Launched in May 2024, the Career Path Navigator is a personality assessment questionnaire designed to create transparency regarding individual strengths, areas for development, and alignment with the four Infineon career paths. Comprehensive, self-explanatory individual results reports not only contain ready-to-use recommendations on how to address development areas identified but also link

to additional learning resources and highlight questions to trigger self-reflection. In this way, the Career Path Navigator can be used as a guide for further career planning and the definition of development measures.



»As Infineon continues to develop, it's essential that we take our employees with us on our journey towards long-term, profitable growth. Our leadership team plays a vital role on this journey. Today's leaders are also ambassadors, providing guidance and inspiration to their teams and helping them successfully navigate the complexities of our dynamic industry. By investing in their development, we're investing in Infineon's future success.«

Dr. Sven SchneiderChief Financial Officer

The Operator Qualification Project

Elevating shopfloor excellence

The Operator Qualification Project was established to further qualify our shopfloor workforce, developing their skills for existing positions and preparing them for more senior roles. A special feature of this project is the harmonization of offers across all locations. For the first phase, two main topics were identified based on internal analyses and external benchmarks: soft skills and leadership. In the area of soft skills, the focus is on developing discussion skills on technical topics and intercultural skills. To strengthen leadership skills on the shopfloor,

a Leadership Development Roadmap was created specifically for shift supervisors. Employees with leadership ambitions can also complete a preassessment process. Additionally, skills for the Electrical Engineering Specialist qualification align with the rising demand for maintenance personnel.



من ناد همين عام محمد احانمان

Leadership training

In collaboration with INSEAD, one of the world's leading business schools, the Infineon General Management Program (IGMP) made significant strides in equipping our top managers with the skills required to navigate today's complex business landscape in 2024.

The IGMP, held at INSEAD's Fontainebleau campus, is a comprehensive six-day program covering global organizational management, value creation, finance, decision-making in uncertain times, and more. Participants have rated the program 5.4 out of 6 for its applicability to their everyday roles, confirming the value that the learning experience provides them. This unique program, sponsored by the Executive Board, has consistently received positive feedback from past cohorts. The latest 2024 cohort reaffirmed its success with a 5.8 out of 6 overall satisfaction rating, highlighting the confidence it instills in our leaders.

As we continue to strive for excellence and ambitious growth, the IGMP serves as a testament to our commitment to developing our top leaders and ensuring they are well-equipped to face the challenges of an increasingly dynamic and volatile market climate.

Our broad portfolio of leadership training programs includes opportunities for technical experts and project managers. Our Leading as an Expert and Leading as a Project Manager training programs allow employees to refine their leadership skills in complex and challenging situations.

A 95% increase in participation compared with the previous year highlights the prioritization of personal development post-Covid. This surge reflects the popularity and effectiveness of our specially designed combined technical and leadership training programs, which have received a recommendation rating of 5.5 out of 6 points and a work applicability rating of 5.0 out of 6 points. This success led to the launch of the **Leading as an Expert** Advanced program for Senior Technical Experts in 2023/2024. In the project management field, 28% of our project managers have successfully completed the Leading as a Project Manager training program. This initiative focuses on identifying growth potential, effective team collaboration, and stakeholder management.

A solid 10% increase in the participation relative to the previous fiscal year underscores the program's integration into our development landscape. The program has also received a recommendation rating of 5.3 out of 6 points and an applicability to work rating of 5.0 out of 6 points. To support further specialization, we have developed and piloted the Leading as a Project Manager Advanced training program, with official rollout scheduled for FY 2024/2025.

Learn and train in Asia Pacific

A journey that never ends

Engaging employees as internal trainers promotes a learning organization through our "learn, model, teach, and reinforce" concept. The idea of internal trainers, one of our best practices in Asia Pacific, dates back to 1995. Over the past fiscal year, 512 internal trainers from the Asia Pacific facilitated development in behavioral, technical, and functional skills, contributing a total of 10,162 training hours. Internal trainers are annually recognized for their commitment to people development.

This year, we held our first virtual Internal Trainers' Day from 27–29 May for over 500 internal trainers

platform, giving them an opportunity to connect and share insights on ways of enhancing training.

Over three days, sessions led by our trainers covered captivating presentations, gamified training, and AI in training. The event underscored our commitment to knowledge-sharing and growth, showcasing the impact of internal facilitation in fostering networks, building a learning culture, and enhancing personal mastery.

The purpose was to unite all internal trainers on one

Meet and connect – cross-functional connection and collaboration

Meet and connect is a free, voluntary online platform on the Infineon intranet designed to bring employees together. It is simple, intuitive, and flexible, allowing colleagues who are not acquainted to get to know each other quickly and easily and to exchange ideas on professional and/or private topics. It thus strengthens core elements of our culture, namely cohesion, networking, diversity, and innovation.

Randomized matching often leads to colleagues who would ordinarily never have crossed paths meeting for a coffee and realizing as they chat that there are overlaps in their tasks. This promotes efficiency and helps avoid duplication of work in the future.

Meet and connect started as an idea in Munich and is now available on a global scale with more than 2,000 active users.

in Asia Pacific.



Women in tech

Female leadership and role models

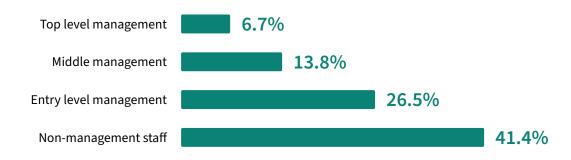
At Infineon, promoting women in tech is not just about increasing numbers. It's also about creating a supportive ecosystem where they can thrive and lead. Female leadership and strong role models are essential for building a more inclusive and equitable world.

By giving women a platform and opportunities to network, learn, and grow, we are paving the way for a decarbonized future that will benefit us all.

Share of women in management revenue-generating functions



Share of women in STEM-related positions







Our commitment is reflected in various initiatives across different regions.

Germany: Bavarian Women in Digital Professions (BayFiD)

The BayFiD initiative was launched by the Bavarian State Ministry for Digital Affairs to inspire more young women to pursue digital careers and build a sustainable network. In Germany, the proportion of women in STEM professions is only 16%. As a sponsor of the program, we welcomed 50 female digital and tech talents to our Munich office in May.

Sessions included female entrepreneurship with Magdalene Böbel, a fireside chat with our CDSO Elke Reichart and a Co-Innovation & Fast Prototyping workshop with the Business Excellence team.

We have hosted three Infineon BayFiD events within the last four years, consistently fostering thought-provoking discussions and inspiring exchanges with the talents.



India: Infineon Women in Leadership League (iWill)

We launched Infineon India's first women leadership development program for female employees in entry and middle management functions, selecting 30 participants based on merit and career potential. This transformative 9-month journey cultivates leadership mindsets and equips talented women with critical skills, preparing them to become future mentors.

Our iWill program aims to enhance diversity in leadership, contribute to our global diversity goals by 2030, and fast-track women's careers. Success is measured by internal career advancements, representation in external forums, and active engagement within Infineon.









Germany: Female Leaders Night at Infineon headquarters

We have launched and successfully established an exclusive event format to attract ambitious women to the company and offer female managers a place to network with like-minded women. In January 2025, the Female Leaders Night will take place for the fourth time. This event will focus on Women's Careers in R&D. We will personally invite about 50 female leaders working in R&D in the semiconductor and related industries to our headquarters. Various keynotes will be held at the event, including by Margret Suckale (Member of the Supervisory Board),

Alexander Rahm (Global Head of Infineon's R&D Organization) and Severine Fiegler (Global Head and Vice President HR Talent Acquisition & Head of Diversity and Inclusion). Our goal is to increase Infineon's visibility and attractiveness and to strengthen our positive reputation as an employer that takes diversity seriously and provides a home for female R&D leaders. We want Infineon to be seen as a great place for development and growth; a great place for innovation.

USA: Women's Leadership Initiative (WLI)

We are part of the WLI, led by the Global Semiconductor Alliance's Women's Leadership Council.

The initiative seeks to increase the number of women in leadership roles in the semiconductor industry. By leveraging the experiences of top female leaders, the WLI Council aims to attract more women to the industry, provide role models, and ensure that their wider contributions to society are recognized.

Goals include enhancing the image of the semiconductor industry, promoting STEM careers to young women, understanding barriers to women's advancement, and supporting female entrepreneurs. The initiative also focuses on recognizing women through different awards.



Digital transformation

We have defined a comprehensive HR digital strategy, setting guardrails and priorities to ensure an aligned oneHR global digitalization approach.





»The goal of digitalization is to improve the customer and employee experience. By automating routine tasks and streamlining processes, our HR teams have more time to focus on what matters most: our employees. For example, our AI-based talent intelligence platform is designed to match internal and external candidates with open positions. This improves hiring efficiency, boosts candidate satisfaction, and promotes diversity by reducing bias.«

Elke ReichartChief Digital and Sustainability Officer

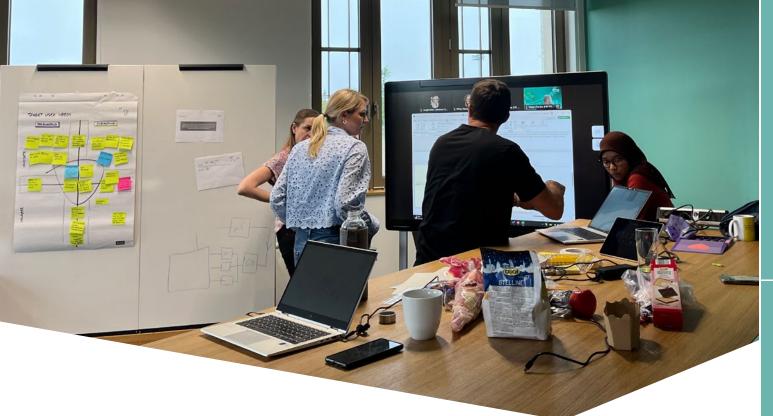
New HR digital strategy

Our HR digital strategy aims to enhance the HR customer experience, increase efficiency for HR, and HR customers and reduce manual effort. We will focus our actions on three guiding principles: automation, customer centricity, and scalability. Starting with strategy, we follow a consistent path all the way to implementation. On the one hand, our multi-year HR digital roadmap is closely linked to our HR digital strategy. Any digitalization action is assessed and prioritized in relation to uniform criteria directly linked to the guiding principles of our HR digital strategy. And on the other, we cascade our multi-year roadmap into a precise plan for the upcoming financial year and commit budget to digitalization actions accordingly. We thus ensure that our digitalization actions support our HR digital strategy.

Our HR digital strategy provides comprehensive benefits to our HR organization as well as to all employees and managers in general. Automation through global process harmonization and HR IT landscape simplification boosts efficiency and reduces manual workload, allowing HR employees to focus on complex and strategic tasks. This also means we can deliver HR services faster to Infineon employees. By following a best-of-suite approach, reducing the number of different IT HR systems and rolling out global systems, we can reduce maintenance effort and costs. Infineon employees benefit from a harmonized IT HR landscape with unified entry points and intuitive solutions.



Re-design pre- and onboarding workshop



Automation and process harmonization

The automation and harmonization of HR processes are crucial for increasing quality and efficiency, expanding self-services, and reducing manual effort at Infineon. We believe that process harmonization is one of the key foundations for digitalization and a prerequisite for AI. We see AI as a technological enabler that brings digital HR solutions to a new level while enhancing the employee-technology interplay.

Efficiency and scalability hinge on harmonization. That's why the process design principles underpinning our global harmonization efforts are built on customer centricity. A collaborative approach ensures that various stakeholders are involved in re-designing our HR processes. A prime example is our redesigned pre- and onboarding journey, which has significantly reduced mandatory tasks, resulting in a better customer experience and improved efficiency.

It should be noted that in some instances, regional exceptions may apply due to various factors such as legal or local requirements (e.g., reference letters). Process harmonization, automation, and the use of AI in HR are key success factors for a modern, efficient, and productive HR organization like ours. By following best practices and harnessing the right technology, we can unlock the full potential of HR.



Digital transformation

Talent intelligence platform

We are introducing an AI-powered recruiting platform across our organization to attract and retain top talent. The platform went live on 1 October 2024. This AI-based intelligent layer sits on top of our recruiting system for applicants, hiring managers, and recruiters.

It intelligently matches internal and external candidates with suitable positions and vacancies, taking into consideration their skills, professional experience, and education based on their CV/ resumé. This will benefit the entire recruitment process, increasing efficiency, and improving the experience for both external and internal applicants, matching applicants more effectively with roles and open positions and enhancing visibility into open positions for internal employees.

While AI makes recruiting more efficient, it cannot replace the human factor. The human touch will always be important, particularly when it comes to understanding nuanced interpersonal skills or assessing a cultural fit within a company. AI will help us by freeing up recruiters for value-adding tasks and allowing them to focus on areas where human judgment and decision-making are needed, while still leveraging the benefits of automation.

Ways AI enhances our recruitment process:

- Proactive and automated matching of candidates with jobs based on their skills and potential
- Reducing bias in the recruiting process: Many applicants undersell their qualifications.
 All helps candidates explore jobs to which they would additionally be potentially suited, helping them to understand why and boosting their confidence and application reach.

Al and work

Al trends in HR

acatech HR Circle: The future of work in the context of digital transformation

The Human Resources Circle coordinated by acatech is a cross-industry forum focused on the future of work. It brings CHROs from leading technology and service companies together with renowned experts from academia to discuss the design questions of the working world of tomorrow. In addition to Infineon, 21 members from various sectors of the German economy as well as 12 scholars from different disciplines and research institutions are currently engaged in the HR Circle.

The HR Circle is dedicated to exploring how companies, employees, social partners, and policymakers can jointly manage the current structural change, particularly in the wake of digital transformation. The goal is to address current developments, discuss experiences, and challenges and develop well-founded action plans for transformation in collaboration with business, politics, and society.

As part of the current comprehensive project "Leveraging the Potential of Artificial Intelligence for and through HR", the HR Circle is exploring the use of AI in companies. The project examines the impacts of AI on employees' work, organizational capabilities, and frameworks. It also focuses on the dual role of HR and specifically the CHRO, who must promote AI adoption in the company and enable both employees and the organization to handle AI. At the same time, CHROs must leverage AI's potential to advance the HR function, anticipate requirements, and needs and support the business. Together with member companies, Infineon will contribute to the analysis of current changes , the identification of solutions and the development of action plans.

The pre-competitive, cross-industry exchange of experiences will provide the pre-competitive, cross-industry exchange of experiences will provide valuable insights and good practices for AI adoption in companies, particularly in HR.













(Generative) Al and HR use cases

As we continue to shape the future of HR, AI plays a critical role in our HR digital strategy. AI is a technological game-changer with the potential to elevate our digital HR solutions and drive significant benefits across multiple areas of work. Specifically, we can accelerate service delivery to HR customers, relieve HR employees of manual tasks and boost process efficiency. Moreover, AI promotes fairness, diversity, and inclusion by reducing bias and supporting decision-making processes.

The potential application of (Gen)AI is broad and we expect highly dynamic developments in this space.

We see a strong opportunity to leverage GenAl for HR knowledge management.

GenAl can present employees and managers with highly specific answers to their HR-related questions. Thus, there is a large opportunity to enhance the HR customer experience while reducing the workload around standard requests handled by HR agents.

In addition, we feel that GenAI offers significant potential to enhance the individualization of learning journeys and content.

This will result in more targeted development of talent and skills, contributing to our strategic HR priority of "Upskilling and Leadership Development". We are convinced that our HR workforce will thrive in this environment.

We are taking a two-fold approach to promote a positive mindset towards AI among employees:

- General enablement involves providing simple learning offerings with practical use cases that support daily tasks.
- Specific enablement involves providing targeted training to selected teams and roles that require in-depth digital skills and know-how.



Building trust in AI

In line with our Manifesto for Responsible AI at Infineon, we are committed to the responsible and transparent use of AI. Our human-centric approach to AI aims to automate repetitive tasks, freeing up our HR employees to focus on more strategic and high-value tasks. We welcome the EU AI Act with its comprehensive regulatory framework classifying AI systems into four risk categories. We anticipate that HR AI systems will largely be classified as high-risk due to their potential impact on individuals' lives and careers. While the core obligation for high-risk systems lies with the providers, we will always ensure compliance with the obligations for deployers, such as maintaining human oversight.

By adhering to these regulations, we will ensure that providers meet high standards of care and compliance, safeguarding individual rights and preventing bias or errors. This approach fosters trust among employees and candidates, laying the foundation for the successful implementation of future AI systems.

Thank you

"I would like to expressly thank the entire HR team worldwide for their hard work, commitment, and performance and for their valuable contribution to Infineon's goal of driving decarbonization and digitalization.

Your efforts have been invaluable, as has your readiness to face the tasks ahead with courage and dedication. Together, we can focus on what is really important to us: empowering HR to evolve from an enabler to a driver of our strategic business goals and supporting our long-term growth path as we continue to face the challenges and opportunities ahead."

Markus Fink

Executive Vice President & CHRO



Facts and figures





HR and business

alents

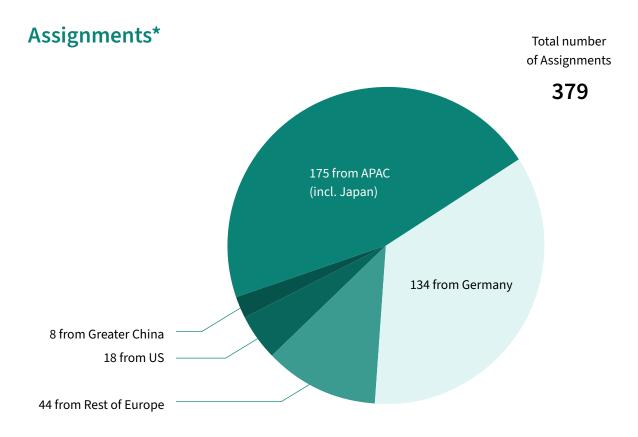
Digital transformation



Workforce

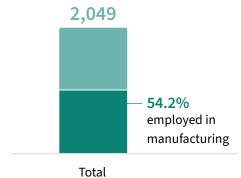
per 30 September 2024 (Infineon worldwide)

Our colleagues from Syntronixs are not included in the figures of the fiscal year 2023

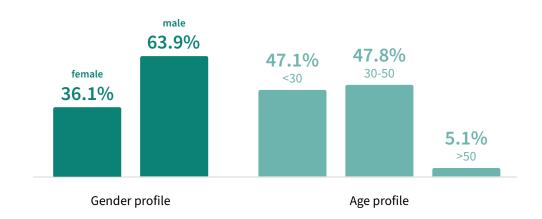


^{*}International assignments offer our employees the opportunity to work at an Infineon site abroad.

Temporary agency staff



New hires



Workforce

per 30 September 2024 (Infineon worldwide)

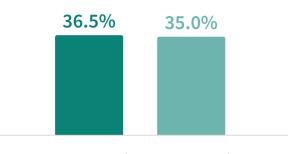
Time to fill vacant positions

filled internally

(average length of time)



Time to fill vacant positions (average length of time) Time to fill vacant critical* business positions (average length of time)



Percentage of positions

Percentage of positions filled internally

Percentage of critical* business positions filled internally

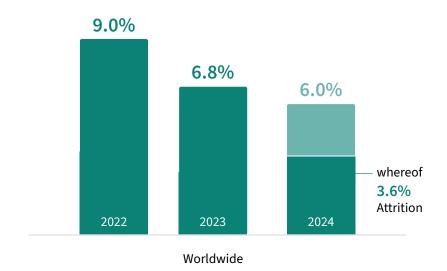
Our evaluation of the Time to Fill is aligned with external benchmarking standards. We measure the average number of days from when the job is entered into the recruiting tool after all approvals are received, until we have a positive (written) confirmation by the candidate. We have changed into this logic in fiscal year 2023.

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.

Employee turnover rate

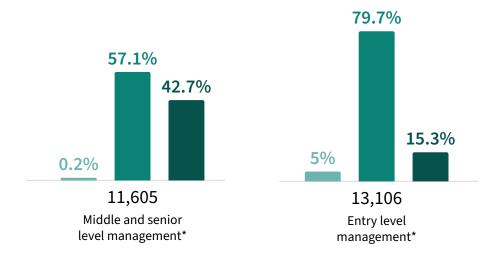
(incl. voluntary resignations and other reasons for leaving)

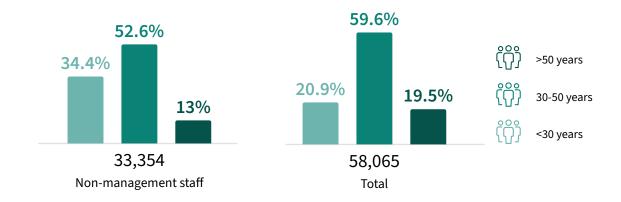


Workforce

per 30 September 2024 (Infineon worldwide)

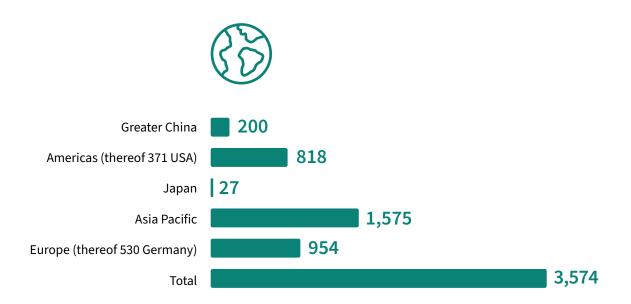
Age profile per level



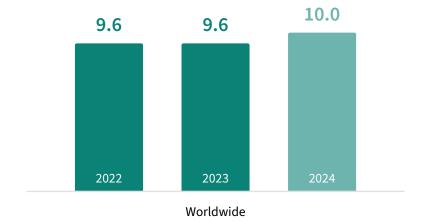


^{*} Infineon defines a management function as both employee management and management on the basis of technical expertise according to the internal job assessment system.

Terminations by regions

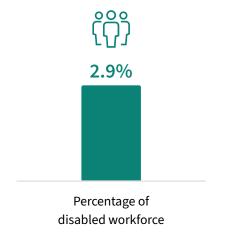


Length of service in years



Diversity and Inclusion

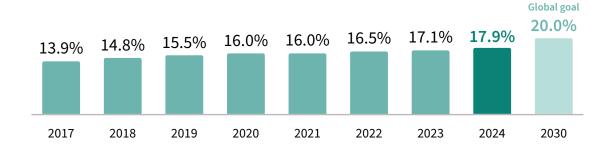
Disability



In Germany, Infineon employed 2,9% of persons with severe disabilities (as of 30 September 2024, prepared 30.09.2024). 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.

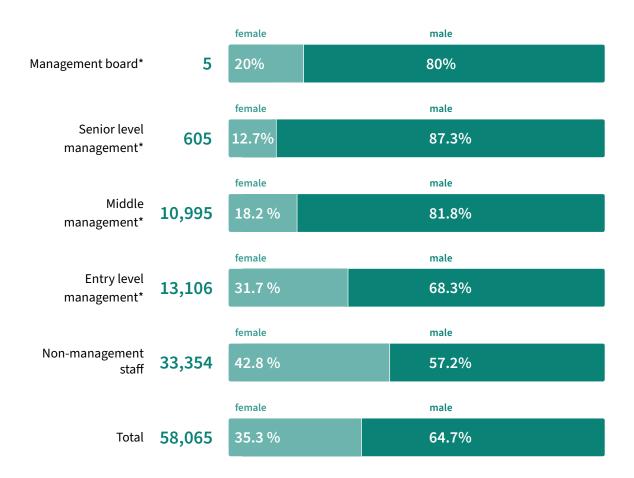
Women at management level

(Infineon worldwide 2024*)



 $^{^{\}star}$ As of 2021 fiscal year numbers include Cypress data.

Female/male employees per level

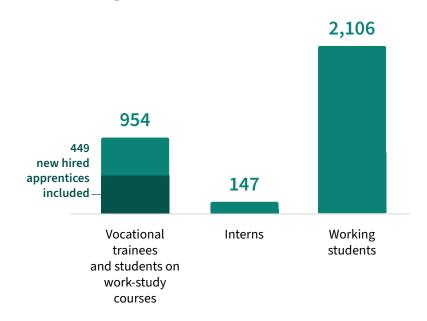


^{*} Infineon defines a management function as both employee management and management on the basis of technical expertise according to the internal job assessment system.

Training

(Infineon worldwide 2024)

Employees in training



Training hours per employee (level)



Percentage of trainings completed on compliance and ethics

Our goal is to ensure that all Infineon employees are continuously trained on a binding set of principles on legal and ethical manners. The recertification of this training takes place every three years. In total, 96% of all employees have completed the training as of 30.09.2024.

96%

Employees have completed the training

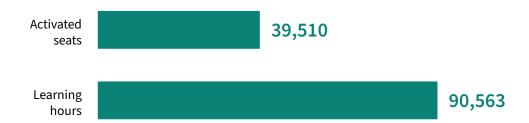
Further training expenses



Infineon has moves towards blended learning formats for its training. We provide training for our employees and managers in a combination of virtual and classroom-based formats. In addition,

we foster the use of LinkedIn Learning. By using the expertise of internal trainers, we have been able to decrease the expenses in training, assuring at the same time the maintenance of its quality.

LinkedIn Learning consumption



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