



# Remuneration Report 2023

Infineon Technologies AG



[www.infineon.com](http://www.infineon.com)

The Remuneration Report explains the principles of the remuneration system for the Management Board and Supervisory Board of Infineon Technologies AG and sets out, on an individual basis, the remuneration awarded or due to current and former members of the Management Board and Supervisory Board in the 2023 fiscal year (1 October 2022 to 30 September 2023) in a clear and understandable manner. It complies with the new requirements stipulated in section 162 of the German Stock Corporation Act (AktG) introduced by the German Act Implementing the Second Shareholder Rights Directive (ARUG II).

In this report, Infineon Technologies AG is also referred to as “the Company” and the Infineon Group is also referred to as “Infineon”.

Due to rounding, individual figures in this report may not add up precisely to the totals provided, and the percentages shown may not precisely reflect the absolute values to which they relate.

KPMG Wirtschaftsprüfungsgesellschaft audited the Remuneration Report for compliance with the requirements of section 162, paragraph 3, sentences 1 and 2 of the German Stock Corporation Act (AktG), as well as for its content, and issued its unqualified audit opinion thereon.

# Contents

- 2 Review of the 2023 fiscal year**
- 2 Successful 2023 fiscal year**
- 2 Changes in the composition of the Management Board and Supervisory Board**
- 2 Adjustments to the remuneration system for the Management Board**
  
- 3 Management Board remuneration**
- 3 Remuneration system**
- 3 Determining the remuneration
- 3 Strategic approach and appropriateness of the remuneration
- 4 Remuneration structure and components, target/minimum/maximum remuneration
- 9 Variable remuneration in the 2023 fiscal year**
- 9 Short-term variable remuneration (Short-Term Incentive, STI)
- 12 Long-term variable remuneration (Long-Term Incentive, LTI)
- 18 Commitments to Management Board members upon termination of their Board activities**
- 18 Benefits and pension entitlements in the 2023 fiscal year
- 19 Remuneration awarded or due in the 2023 fiscal year**
- 19 Active members of the Management Board
- 22 Former members of the Management Board
- 22 Other information**
  
- 23 Supervisory Board remuneration**
- 23 Remuneration structure and components**
- 24 Remuneration awarded or due in the 2023 fiscal year**
  
- 25 Comparative review of remuneration trends and Infineon’s earnings performance**
  
- 27 Independent auditor’s report**

# Review of the 2023 fiscal year

## Successful 2023 fiscal year

In line with the principle enshrined in the remuneration system that excellent performance should be appropriately rewarded and failure to meet targets should result in a significant reduction in remuneration (the “pay for performance” principle), the successful 2023 fiscal year – despite an ongoing challenging environment – is reflected in the variable remuneration of the Management Board. Not only financial success but also sustainability aspects are considered. The remuneration of the Management Board members is therefore also aligned with the interests of the shareholders and other stakeholders.

## Changes in the composition of the Management Board and Supervisory Board

There were no changes in the composition of the Management Board in the 2023 fiscal year.

On 18 October 2023, Constanze Hufenbecher resigned from her position as a member of the Management Board with effect from the end of 31 October 2023; her employment contract ends as scheduled at the end of 14 April 2024. As Constanze Hufenbecher’s successor, the Supervisory Board appointed Elke Reichart on 18 October 2023 as a new member of the Management Board with effect from 1 November 2023 and until 31 October 2026.

The following changes were made to the composition of the Supervisory Board:

Géraldine Picaud resigned from her position on Infineon’s Supervisory Board with effect from the end of 2 February 2023. On 19 April 2023, the Munich Local Court (commercial register) resolved to appoint Ute Wolf as a new member of the Supervisory Board for a limited period of time until the Company’s next Annual General

Meeting in February 2024. Ute Wolf also succeeds Géraldine Picaud on the Supervisory Board’s Investment, Finance and Audit Committee.

With effect from the end of the Annual General Meeting held on 16 February 2023, Dr. Wolfgang Eder resigned both as a member and as Chairman of Infineon’s Supervisory Board. Dr. Herbert Diess was elected by the Annual General Meeting as a new member of the Supervisory Board until the end of the Annual General Meeting 2027. At the meeting it held following the Annual General Meeting 2023, the Supervisory Board elected Dr. Herbert Diess as its Chairman.

Hans-Ulrich Holdenried also resigned from his position on the Supervisory Board with effect from the end of the Annual General Meeting held on 16 February 2023. Klaus Helmrich was elected by the Annual General Meeting as a new member of the Supervisory Board until the end of the Annual General Meeting 2027.

## Adjustments to the remuneration system for the Management Board

On 25 November 2022, on the recommendation of its Executive Committee, the Supervisory Board resolved to make changes to the remuneration system for Management Board members, which the Annual General Meeting had last approved on 25 February 2021. The main changes were as follows:

- › The framework for the variable portion of the Management Board remuneration was expanded in line with the market and linked even more closely with the success of the business (“pay for performance”).
- › Scope was provided to raise the level of remuneration of Management Board members who have served on the Infineon Management Board for longer than four years, again in line with the market, resulting in the maximum remuneration for such Board members increasing from €4.2 million to €5.3 million for a full Management Board member and from €7.2 million to €9.2 million for the Chief Executive Officer.

- › The modifier applied to date to the target achievement relating to the short-term variable remuneration (Short-Term Incentive, STI) was restricted in compliance with the adjustment options set out in the German Stock Corporation Act (AktG) and German Corporate Governance Code. In the future, the target achievement can only be reduced or increased by a factor of 0.7 to 1.3 in exceptional cases, i.e., when unplanned extraordinary developments occur. An adjustment in each fiscal year based on specific modifier criteria determined by the Supervisory Board will therefore no longer be applied. In the view of the Supervisory Board, the financial and non-financial performance criteria for the STI and for the long-term variable remuneration component LTI (Long-Term Incentive) are sufficient and appropriate for performance assessment.
- › Finally, the Supervisory Board created the option of increasing the weighting of the ESG targets as part of the LTI from the previous figure of 20 percent to 30 percent, thus taking greater account of sustainability considerations.

The revised Management Board remuneration system was approved by the Annual General Meeting held on 16 February 2023 with a majority of 87.70 percent. It was thereupon implemented in all current Management Board employment contracts with effect from 1 October 2022 and, in the case of the adjustment made to the STI modifier, with effect from 1 October 2023.

The Management Board remuneration system decided upon by the Supervisory Board on 20 November 2020 and approved by the Annual General Meeting on 25 February 2021 in accordance with section 120a of the German Stock Corporation Act (AktG) is referred to below as the “2020 Remuneration System”, while the Management Board remuneration system amended by the Supervisory Board on 25 November 2022 and approved by the Annual General Meeting on 16 February 2023 is referred to below as the “2022 Remuneration System”.

# Management Board remuneration


## Remuneration system

### Determining the remuneration

The remuneration system for the Management Board (including the remuneration of individual Management Board members) is determined by the Supervisory Board on the recommendation of the Executive Committee and is reviewed on a regular basis.

The 2022 Remuneration System has applied in full since 1 October 2022 or, in the case of the STI modifier, since 1 October 2023. The previous remuneration systems will continue to apply for a transitional period with respect to the tranches in the Mid-Term Incentive (MTI) and Long-Term Incentive (LTI) schemes that were still outstanding when the new remuneration systems were established.

The main components of the remuneration system are described below. A more detailed description of the remuneration system can also be found on Infineon’s website.

 [www.infineon.com/management-board-remuneration-system](https://www.infineon.com/management-board-remuneration-system)

### Strategic approach and appropriateness of the remuneration

In accordance with legal requirements and the recommendations of the German Corporate Governance Code (DCGK), the remuneration of the Management Board members is intended to reflect the typical level and structure of management board remuneration at comparable companies as well as Infineon’s economic position and future prospects. Other aspects to be taken into account are the duties, responsibilities and performance of each individual Management Board member and Infineon’s wider pay structure. The relationship between Management Board remuneration and the remuneration of senior management and of the workforce as a whole is considered, including changes over time.

The remuneration structure is to be oriented towards the promotion of a sustainable and long-term development of the Company. The level of remuneration should contribute towards Infineon's business strategy and long-term development, with a cap in place in the event of extraordinary developments. The Company sets remuneration at a level that is competitive both nationally and internationally, with the aim of inspiring and rewarding dedication and success in a dynamic environment.

### Strategic approach

The Management Board remuneration system is closely linked with Infineon's strategy and makes a significant contribution to the achievement of its corporate targets. Incorporating Infineon's key performance indicators into the remuneration of the Management Board incentivizes long-term sustainable growth and growing profitability. Account should also be taken of efforts that contribute towards Infineon's strategic, technological and structural development. The review of Infineon's performance in comparison with that of relevant competitors should encourage long-term outperformance for Infineon, while simultaneously uniting the interests of the Management Board more closely with those of the shareholders. At the same time, the Supervisory Board is aware of Infineon's responsibility as part of society. Therefore, non-financial factors, mainly from the areas of Environmental, Social & Governance (ESG), are also relevant for the remuneration of the Management Board.

### Appropriateness

To ensure the appropriateness of the Management Board remuneration, the Supervisory Board performs horizontal and vertical comparisons on a regular basis.

### Horizontal comparison

The horizontal view involves the comparison of the remuneration of the Management Board of the Company with that of similar companies. The relevant peer group is taken to be the DAX 40 companies.

### Vertical comparison

In addition to the horizontal comparison, a vertical view is also taken. Here, the internal remuneration structure is examined by comparing the remuneration of the Management Board with that of the workforce as a whole in Germany. In addition to the current status, changes in the level of remuneration over time are also considered.

### Review of appropriateness

The most recent review of the appropriateness of the Management Board's remuneration system took place in the 2022 fiscal year. This was a review commissioned by the Supervisory Board and conducted by an independent remuneration expert to ensure the system's compliance with legal requirements and objective appropriateness. On this occasion, a review was also performed of the target total remuneration of the individual Management Board members. The conclusion of the independent expert's report was that Infineon's remuneration system complied both with the legal requirements and with the recommendations of the German Corporate Governance Code (DCGK). In particular, the report concluded that the variable remuneration was oriented towards the Company's sustainable and long-term development. It also noted that the remuneration of the Management Board was appropriate, although in some areas, the level of remuneration was below normal market rates. When a comparison was made with the market, other companies were also more heavily weighted towards the variable remuneration component. The results presented in the review by the remuneration expert were discussed in detail by the Supervisory Board, which shared the expert's conclusions.

The next review of appropriateness is scheduled to take place in the 2024 fiscal year.

## Remuneration structure and components, target/minimum/maximum remuneration

### Overview of the remuneration structure and remuneration components

The 2022 Remuneration System comprises the fixed and variable remuneration components presented in the following overview. Fixed remuneration includes the basic annual salary, fringe benefits and the company pension plan. The variable (performance-related) remuneration comprises the one-year Short-Term Incentive (STI) and the four-year Long-Term Incentive (LTI).

Fixed remuneration	
Basic annual salary	Fixed, non-performance-related remuneration paid in twelve equal monthly installments
Fringe benefits	Primarily a company car with chauffeur (also for private use), and an allowance for health and nursing care insurance as well as various insurance and general employee benefits
Company pension plan	Defined contribution plan that provides an annual pension contribution and capital market-oriented interest rate
Variable (performance-related) remuneration	
Short-Term Incentive (STI) – short-term variable remuneration	
Performance criteria	<ul style="list-style-type: none"> <li>› 1/3 Return on Capital Employed (RoCE) as planned</li> <li>› 1/3 Free Cash Flow (FCF) as planned</li> <li>› 1/3 Segment Result Margin as planned</li> </ul>
Modifier (0.7 to 1.3)	<ul style="list-style-type: none"> <li>› Collective performance of the Management Board using specific criteria<sup>1</sup></li> <li>› Extraordinary developments</li> </ul>
Performance period	One year
Limitation/cap	250 percent of the contractual allocation amount
Payment	In cash
Long-Term Incentive (LTI) – long-term variable remuneration	
Plan type	Performance Share Plan
Performance criteria	<ul style="list-style-type: none"> <li>› 70-80 percent relative Total Shareholder Return (TSR)</li> <li>› 20-30 percent ESG targets</li> </ul>
Performance period	Four years
Limitation/cap	250 percent of the allocation amount
Payment	Generally in shares

#### Other parts of the contract

Malus & clawback	Partial or complete reduction or clawback of variable remuneration components <ul style="list-style-type: none"> <li>› The employment contracts contain malus and clawback provisions that allow variable remuneration components (STI and LTI) already paid out or not yet paid out to be reclaimed or reduced, in particular in the event of compliance violations</li> </ul>
Share Ownership Guidelines (SOG)	Mandatory personal investment in Infineon shares
Chief Executive Officer (CEO)	150 percent of gross basic annual salary
Full member of the Board	100 percent of gross basic annual salary
Accumulation phase	Generally five years
Holding obligation	Term of the employment contract and two years after termination of the employment contract
Maximum remuneration <sup>2</sup>	Maximum remuneration of the Management Board determined in accordance with section 87a, paragraph 1, no. 1 AktG (including fringe benefits and expenses for the company pension plans)
Chief Executive Officer (CEO)	€7,200,000 or (after four years) €9,200,000
Full member of the Board	€4,200,000 or (after four years) €5,300,000
Change-of-control clause	Time-limited right to extraordinary termination in the event of a change of control with limited severance pay regulation <ul style="list-style-type: none"> <li>› Management Board members may resign from office and terminate service contracts within a period of 12 months after a change of control becomes known (third party holds at least 50 percent of the voting rights in the Company); they are then entitled to continued payment of their basic annual salary and variable remuneration components until the end of the originally agreed term but for a maximum of 24 months</li> <li>› Otherwise, no severance payment commitment applies in the event of early termination of the service contract</li> </ul>

<sup>1</sup> The “collective performance of the Management Board” criterion was withdrawn with effect from 1 October 2023 and was therefore applied for the last time for the reporting year.

<sup>2</sup> See the section below for the maximum remuneration in the 2022 – 2024 fiscal years, which differs for Management Board members with employment contracts that were applicable at the time the 2020 Remuneration System was introduced, [p. 8 ff.](#)

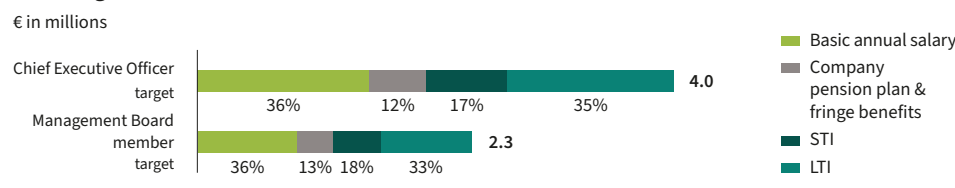
## Target remuneration as well as minimum and maximum remuneration

### Target remuneration

The target total remuneration comprises the total fixed remuneration (basic annual salary, fringe benefits and the company pension plan) and the variable remuneration components, which depend on 100 percent target achievement for the STI and LTI (with regard to the contractual allocation amount). The target total remuneration is €4.0 million for the Chief Executive Officer and €2.3 million for full members of the Management Board.

The Chief Executive Officer’s basic annual salary comprises 36 percent of his target total remuneration. Fringe benefits comprise 1 percent, while the company pension plan comprises 11 percent of his target total remuneration. The STI comprises 17 percent of his target total remuneration and the LTI 35 percent. This means that, as a proportion of the total, his variable remuneration exceeds his fixed remuneration, in line with the pay-for-performance approach. In addition, by weighting the LTI more heavily than the STI, the focus is on the sustainable and long-term development of Infineon. For full Management Board members, the percentages for the basic salary, STI, LTI and fringe benefits differ by only a few percentage points.

### C01 Target total remuneration



Once a Board member has completed four years in office, the maximum remuneration increases to €9.2 million for the Chief Executive Officer and to €5.3 million for full Board members. If the Supervisory Board takes advantage of this extended scope, the target total remuneration for the Management Board members affected increases accordingly.

In the 2022, 2023 and 2024 fiscal years, the STI allocation amount for the Management Board members with employment contracts already in place when the 2020 Remuneration System was introduced was temporarily increased in order to compensate for the payout shortfall caused by the abolition of the Mid-Term Incentive (MTI).

The third variable remuneration component, the MTI, was abolished with the introduction of the 2020 Remuneration System for the Management Board. Prior to this, each fiscal year began with its own new three-year MTI tranche. At the end of the three years, a payment was made in cash. The amount of the payment depended on the results achieved for RoCE and Free Cash Flow in each year of the three-year period. The target values for RoCE and Free Cash Flow for the individual years in an MTI tranche corresponded to the STI targets that had been determined previously each year. To arrive at the MTI amount payable at the end of the three-year period, the arithmetic average of the three annual levels of target achievement needed to be calculated. The MTI tranches still in place at the time the MTI was abolished were terminated at the end of the three-year period, without any further annual tranches being added. The last MTI tranche ended on 30 September 2022 and was paid out in the 2023 fiscal year. The level of target achievement for this MTI tranche, consisting of the annual tranche for the 2020 fiscal year, was 86.9 percent.

In the 2022, 2023 and 2024 fiscal years, the Chief Executive Officer’s basic annual salary therefore comprises 34 percent of his target total remuneration. Fringe benefits comprise 1 percent and the company pension plan comprises 10 percent of his target total remuneration. The STI comprises 22 percent of his target total remuneration and the LTI 33 percent. This ensures that the proportion of the target total remuneration comprised by the LTI will always exceed the proportion comprised by the STI. For those full members of the Management Board affected, the percentages for the basic salary, STI, LTI and fringe benefits differ by only a few percentage points.

The individual target amounts for the contractually agreed remuneration components in the 2023 and 2022 fiscal years are set out below, together with the relative proportions of the individual remuneration components.

	Jochen Hanebeck <sup>1</sup> Chief Executive Officer				Constanze Hufenbecher Management Board member				Dr. Sven Schneider Management Board member			
	2023		2022		2023		2022		2023		2022	
	in €	in %	in €	in %	in €	in %	in €	in %	in €	in %	in €	in %
<b>Fixed remuneration</b>												
Basic annual salary	1,410,000	34	1,127,000	33	844,000	36	844,000	36	844,000	30	844,000	33
Fringe benefits	45,000	1	45,000	1	45,000	2	45,000	2	45,000	2	45,000	2
<b>Total fixed remuneration</b>	<b>1,455,000</b>	<b>35</b>	<b>1,172,000</b>	<b>34</b>	<b>889,000</b>	<b>38</b>	<b>889,000</b>	<b>38</b>	<b>889,000</b>	<b>32</b>	<b>889,000</b>	<b>35</b>
<b>Variable remuneration</b>												
Short-term variable remuneration (STI)	911,667	22	771,667	22	405,000	18	405,000	18	792,000	28	655,000	25
Long-term variable remuneration (LTI)												
Performance Share Plan	1,397,000	33	1,084,500	32	772,000	33	772,000	33	864,000	31	772,000	30
<b>Total variable remuneration</b>	<b>2,308,667</b>	<b>55</b>	<b>1,856,167</b>	<b>54</b>	<b>1,177,000</b>	<b>51</b>	<b>1,177,000</b>	<b>51</b>	<b>1,656,000</b>	<b>59</b>	<b>1,427,000</b>	<b>55</b>
Company pension scheme	423,000	10	423,000	12	253,200	11	253,200	11	253,200	9	253,200	10
<b>Target total remuneration</b>	<b>4,186,667</b>	<b>100</b>	<b>3,451,167</b>	<b>100</b>	<b>2,319,200</b>	<b>100</b>	<b>2,319,200</b>	<b>100</b>	<b>2,798,200</b>	<b>100</b>	<b>2,569,200</b>	<b>100</b>

	Andreas Urschitz Management Board member since 1 June 2022				Dr. Rutger Wijburg Management Board member since 1 April 2022			
	2023		2022		2023		2022	
	in €	in %	in €	in %	in €	in %	in €	in %
<b>Fixed remuneration</b>								
Basic annual salary	844,000	36	281,333	36	844,000	36	422,000	36
Fringe benefits	45,000	2	15,000	2	45,000	2	22,500	2
<b>Total fixed remuneration</b>	<b>889,000</b>	<b>38</b>	<b>296,333</b>	<b>38</b>	<b>889,000</b>	<b>38</b>	<b>444,500</b>	<b>38</b>
<b>Variable remuneration</b>								
Short-term variable remuneration (STI)	405,000	18	135,000	18	405,000	18	202,500	18
Long-term variable remuneration (LTI)								
Performance Share Plan	772,000	33	257,333	33	772,000	33	386,000	33
<b>Total variable remuneration</b>	<b>1,177,000</b>	<b>51</b>	<b>392,333</b>	<b>51</b>	<b>1,177,000</b>	<b>51</b>	<b>588,500</b>	<b>51</b>
Company pension scheme	253,200	11	84,400	11	253,200	11	126,600	11
<b>Target total remuneration</b>	<b>2,319,200</b>	<b>100</b>	<b>773,066</b>	<b>100</b>	<b>2,319,200</b>	<b>100</b>	<b>1,159,600</b>	<b>100</b>

1 For Jochen Hanebeck, the target total remuneration was calculated taking into account the remuneration as Management Board member agreed until 31 March 2022 and the remuneration as Chief Executive Officer applicable from 1 April 2022, whereby for the company pension plan for the 2022 fiscal year, only the basic annual salary agreed from 1 April 2022 applied.



### Minimum and maximum remuneration

Both the individual variable remuneration components granted for a fiscal year and the sum of all remuneration components granted to the Management Board members for a fiscal year, including fringe benefits and the company pension plan (total remuneration), are capped, in each case irrespective of the date they are actually paid. In accordance with section 87a, paragraph 1, no. 1 of the German Stock Corporation Act (AktG), a maximum sum was determined for the total remuneration that could be achieved in a fiscal year. Consequently, the remuneration for the Chief Executive Officer could not exceed an amount of €7.2 million or, after four years, €9.2 million. For full members of the Management Board the remuneration could not exceed €4.2 million or, after four years, €5.3 million (maximum remuneration).

For the 2022, 2023 and 2024 fiscal years, as a result of the temporary increase in the STI allocation amount (to compensate for the abolition of the MTI) for employment contracts already in place when the changeover to the 2020 Remuneration System occurred, a maximum remuneration of €8.2 million applies for the Chief Executive Officer and €4.75 million for full members of the Management Board.

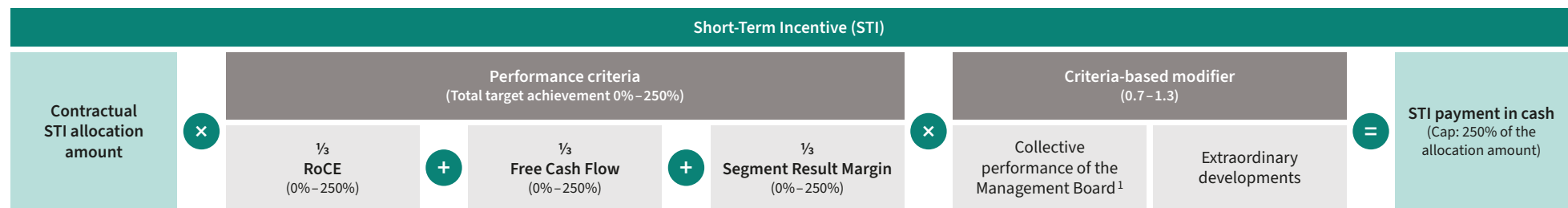
The caps on the individual variable remuneration components are set out below in detail. However, compliance with the maximum remuneration for the reporting year can only be verified retrospectively, once the final remuneration component for the reporting year has been paid. For the 2023 fiscal year, the LTI tranche 2023–2026 was granted. Its performance period ends on 30 September 2026 and is fulfilled upon completion of the waiting period on 31 March 2027. For this reason, compliance with the rules on maximum remuneration for the 2023 fiscal year can only be reported in the Remuneration Report for the 2027 fiscal year.

in €	Jochen Hanebeck Chief Executive Officer		Constanze Hufenbecher Management Board member		Dr. Sven Schneider Management Board member		Andreas Urschitz Management Board member		Dr. Rutger Wijburg Management Board member	
	2023 (min.)	2023 (cap)	2023 (min.)	2023 (cap)	2023 (min.)	2023 (cap)	2023 (min.)	2023 (cap)	2023 (min.)	2023 (cap)
<b>Variable remuneration</b>										
Short-term variable remuneration (STI)	–	2,279,168	–	1,012,500	–	1,980,000	–	1,012,500	–	1,012,500
Long-term variable remuneration (LTI)										
Performance Share Plan	–	3,492,500	–	1,930,000	–	2,160,000	–	1,930,000	–	1,930,000

## Variable remuneration in the 2023 fiscal year

### Short-term variable remuneration (Short-Term Incentive, STI)

#### C02 Short-Term Incentive (STI)



<sup>1</sup> From the 2024 fiscal year, the specific performance criteria will no longer apply and only extraordinary developments will be taken into account under the STI modifier.

#### Performance criteria

The Short-Term Incentive (STI) is intended to reward performance over the fiscal year just ended, reflecting Infineon’s recent progress. The relevant equally weighted performance criteria for the STI are Infineon’s three financial key performance indicators: Return on Capital Employed (RoCE), Free Cash Flow and Segment Result Margin.

At the beginning of the fiscal year, the Supervisory Board sets the targets for all levels of target achievement up to 250 percent for the three financial performance criteria, which are derived from the annual plan for the Infineon Group. To determine the target achievement in each case, the actual figures disclosed in the relevant approved consolidated financial statements of Infineon Technologies AG are compared with the targets set at the beginning of the fiscal year. The actual levels of target achievement are determined on the basis of the defined targets and target ranges for the relevant performance criterion and may be between 0 percent and 250 percent. If the actual figure is below or equal to the threshold, the level of target achievement is 0 percent. If the actual figure is equal to or above the maximum level, the level of target achievement is 250 percent.

At the end of the relevant fiscal year, the Supervisory Board determines the level of target achievement for each performance criterion. This may be between 0 percent and 250 percent for each performance criterion. The overall target achievement is calculated by adding the equally weighted levels of target achievement for the three performance criteria and may be between 0 percent and 250 percent.

If a Management Board member’s employment contract begins or ends during a fiscal year, that member’s entitlement to the STI is reduced on a pro rata monthly basis (by one-twelfth for each full month missing from the complete STI tranche). Management Board members are not entitled to receive the STI for the fiscal year in which they resign from the Board (unless this is for good cause, for reasons beyond their control) or if the Management Board member’s contract is terminated by the Company for good cause.

The actual payment is made as soon as possible after the determination of the payment amount by the Supervisory Board. However, it should be paid in cash within five months of the end of the fiscal year at the latest.

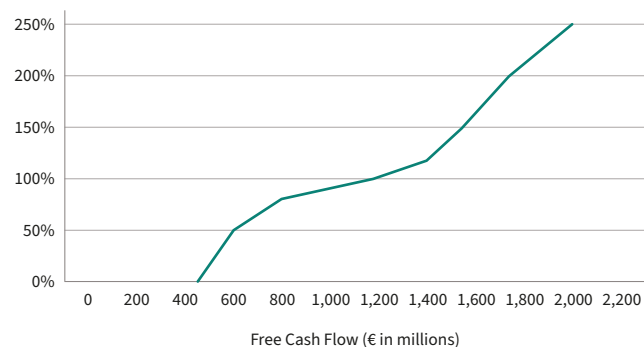
## 2023 fiscal year

### Free Cash Flow

With regard to the Free Cash Flow performance indicator for the 2023 fiscal year, the Supervisory Board had set, among other things, a threshold of €450 million (0 percent target achievement), a target of €1,150 million (100 percent target achievement) and a maximum figure of €2,000 million (250 percent target achievement).

#### C03 Free Cash Flow target curve

Target achievement



Explanation	
€ in millions	Target achievement
2,000	250%
1,150	100%
450	0%

Target curve refers to Infineon's continuing operations.

Free Cash Flow for the 2023 fiscal year was €1,158 million, which corresponds to a target achievement level of 100.6 percent.

### RoCE

With regard to the RoCE performance indicator for the 2023 fiscal year, the Supervisory Board had set, among other things, a threshold of 5.6 percent (0 percent target achievement), a target of 16.2 percent (100 percent target achievement) and a maximum figure of 24 percent (250 percent target achievement).

#### C04 Return on Capital Employed target curve

Target achievement



Explanation	
RoCE	Target achievement
24.0%	250%
16.2%	100%
5.6%	0%

Target curve refers to Infineon's continuing operations.

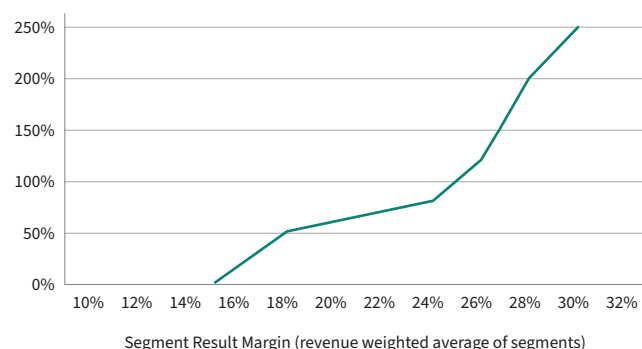
When calculating the RoCE relevant for determining the level of target achievement, those factors that cannot be influenced by the relevant decision-makers are adjusted for in the earnings figure (operating profit from continuing operations after tax). This applies, in particular, to earnings components that are not directly segment-related. To that extent, there is a difference between this calculation of RoCE and reported RoCE. RoCE determined in this way for the 2023 fiscal year was 18.8 percent, corresponding to a target achievement level of 142.4 percent.

### Segment Result Margin

With regard to the Segment Result Margin performance indicator for the 2023 fiscal year, the Supervisory Board had set, among other things, a threshold of 15.2 percent (0 percent target achievement), a target of 25.2 percent (100 percent target achievement) and a maximum figure of 30.2 percent (250 percent target achievement).

#### C05 Segment Result Margin target curve

Target achievement



Explanation	
Segment Result Margin	Target achievement
30.2%	250%
25.2%	100%
15.2%	0%

Target curve refers to Infineon's continuing operations.

When calculating the Segment Result Margin relevant for determining the level of target achievement, an adjustment is made for those factors that cannot be influenced by the relevant decision-makers. This applies in particular to earnings components that are not directly segment-related. To that extent, there is a difference between this calculation of the Segment Result Margin and the reported Segment Result Margin. The Segment Result Margin determined in this way for the 2023 fiscal year was 27.08 percent, corresponding to a target achievement level of 155.1 percent.

### Overall target achievement

With all three targets (Free Cash Flow, RoCE and Segment Result Margin) given equal weighting, an arithmetic average is calculated to arrive at a figure for overall target achievement for the 2023 fiscal year of 132.7 percent.

### STI modifier

The STI includes a modifier. This enables the Supervisory Board to take appropriate account of extraordinary developments that were not adequately reflected in the targets originally set. After the end of the relevant fiscal year, the Supervisory Board applies a factor of between 0.7 and 1.3 to determine the overall level of target achievement.

The “collective performance of the Management Board” criterion was withdrawn with effect from 1 October 2023 (see above) and the modifier was therefore applied in respect of this criterion for the last time for the 2023 fiscal year. The factor relating to the collective performance of the Management Board rewarded the extent to which the Management Board had contributed to Infineon’s sustainable development – in a strategic, technological or structural sense. Prior to the beginning of each fiscal year, the Supervisory Board selects the criteria it deems relevant for the fiscal year in question, based on the following categories:

- › sustainable strategic, technological or structural development of the business;
- › portfolio-related measures, particularly successful mergers and acquisitions together with the associated integration measures;
- › successful development of new growth markets, improvement of market position;
- › optimizations, efficiency improvement programs, restructuring;
- › successful completion of key projects;
- › improved innovative strength and delivery capabilities; and
- › progress in Environmental, Social & Governance (ESG) matters.

For the 2023 fiscal year, the Supervisory Board continued to apply one of the specific criteria defined for the 2022 fiscal year on the recommendation of the Executive Committee. Performance of the Management Board should be measured in terms of the development of key technologies and innovations and, in this context, in terms of the resulting growth in the market for SiC and GaN products, markets which are strategically important for Infineon.

Revenue-based targets were defined for the above targets. The achievement of these targets resulted in an overall final STI modifier of 1.0, so that the overall STI target achievement described above was not adjusted.

## Long-term variable remuneration (Long-Term Incentive, LTI)

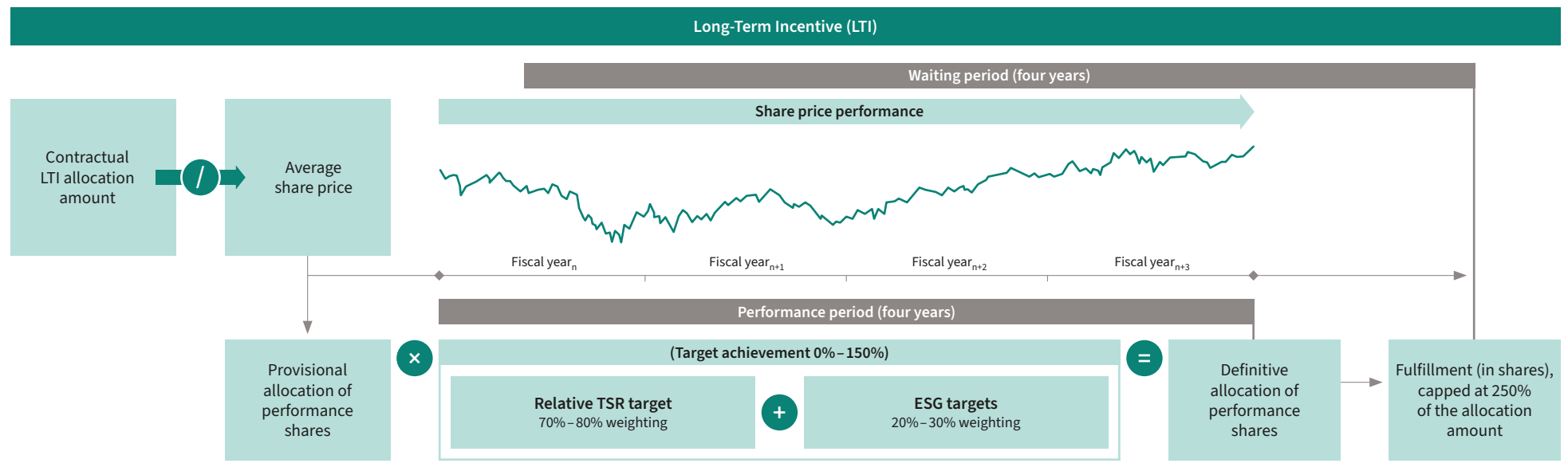
### Performance criteria

The LTI is a performance share plan with a four-year performance period.

The performance period begins on 1 October of the first fiscal year of the respective performance period and ends on 30 September, four years later.

During this period, performance is measured on the basis of two criteria: a financial performance criterion based on relative Total Shareholder Return (TSR) as compared with a selected industry peer group and a non-financial performance criterion derived from strategic Environmental, Social & Governance (ESG) targets. The TSR target and the ESG target contribute 70-80 percent and 20-30 percent to overall target achievement, respectively.

### C06 Long-Term Incentive (LTI)



For each fiscal year beginning on 1 October, the LTI tranche is allocated on the following 1 April of the same fiscal year. The decision to make the allocation date 1 April was made to synchronize with the corresponding allocations to those employees entitled to the LTI, thus simplifying the administration. At the beginning of the performance period, in order to determine the number of performance shares to be provisionally awarded on the allocation date, the individual LTI allocation amount is divided by the average share price of the Company over the last 60 trading days prior to the beginning of the performance period. The extent to which the targets have been achieved is determined at the end of the four-year performance period. The definitive number of performance shares to be allocated after the end of the performance period is calculated by multiplying the number of provisionally allocated performance shares by the overall target achievement. The final allocation of performance shares in an LTI tranche must not result in the Management Board member making a gain (before tax) of more than 250 percent of the respective LTI allocation amount. Above this cap, any performance shares that could still theoretically be allocated will lapse.

If the service contract of a Management Board member begins and/or ends during the fiscal year, the LTI allocation amount for the fiscal year is reduced on a pro rata monthly basis (by one-twelfth for each missing full month).

### TSR

The Total Shareholder Return (TSR) is defined as the share price performance of Infineon Technologies AG over the performance period, including any dividends per share paid during that period (cumulative and notionally reinvested) compared to a pre-defined peer group of its major international competitors (industry peer group):

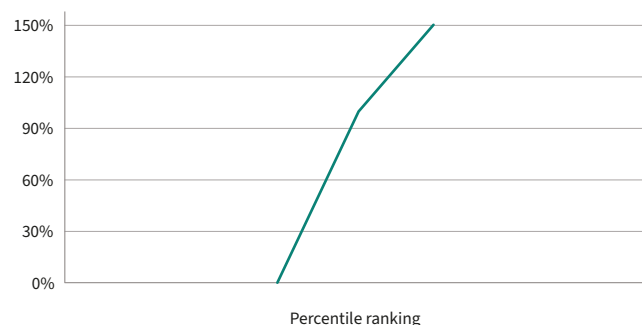
- › Analog Devices Inc.
- › Broadcom Inc.
- › China Electronics Huada Technology Company Ltd.
- › Elmos Semiconductor SE
- › Fuji Electric CO., LTD.
- › GigaDevice Semiconductor (Beijing) Inc.
- › Knowles Corp.
- › Macronix International Co., Ltd.

- › MediaTek Inc.
- › Microchip Technology Inc.
- › Micron Technology, Inc.
- › Mitsubishi Electric Corp.
- › Nuvoton Technology Corp.
- › NXP Semiconductors N.V.
- › Omron Corp.
- › ON Semiconductor Corp.
- › Power Integrations Inc.
- › Qualcomm, Inc.
- › Renesas Electronics Corp.
- › Rohm CO., LTD.
- › Shanghai Fudan Microelectronics Group Co., Ltd.
- › Silicon Laboratories, Inc.
- › STMicroelectronics N.V.
- › Synaptics Inc.
- › Texas Instruments Inc.
- › Toshiba Corp.
- › Vishay Intertechnology, Inc.
- › Winbond Electronics Corp.
- › Wolfspeed, Inc. (formerly Cree, Inc.)

The target achievement for Infineon's TSR performance criterion is determined using the ranking method. In this context, the TSR is calculated for Infineon and for all the companies in the peer group and ranked according to size. This ranking results in a percentile rank that indicates where Infineon's TSR is positioned.

The TSR target achievement can range between 0 percent and 150 percent. If Infineon's TSR is positioned at the 60th percentile, the target achievement is 100 percent. A position at or below the 25th percentile results in a target achievement of 0 percent, while a position at or above the 75th percentile results in a target achievement of 150 percent. Target achievements between the defined target achievement points are linearly interpolated. The TSR target achievement comprises 70–80 percent of the overall target achievement for the LTI.

### C07 Total Shareholder Return target curve



Explanation	
Percentile ranking	Target achievement
≥ 75th	150%
60th	100%
≤ 25th	0%

### ESG

ESG targets are defined as non-financial performance criteria relating to environmental, social and governance matters. Establishing a clear link between ESG targets and Infineon’s business and sustainability strategy, on the one hand, and current market requirements, on the other, creates incentives for managing the Company on a sustainable basis in the interests of its stakeholders.

The ESG targets specific to each tranche are determined in the abstract by the Supervisory Board prior to the beginning of the fiscal year. The Supervisory Board defines up to three ESG targets, which are weighted equally. Then, at the beginning of the fiscal year, the Supervisory Board decides on the specific target curves. After the end of the performance period, target achievement is determined, and this can range from 0 percent to 150 percent. The target achievement relating to ESG targets comprises 20–30 percent of the overall target achievement for the LTI.

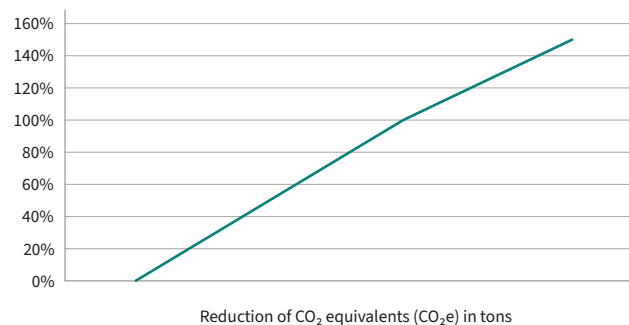
### 2023 fiscal year

#### Issue of the 2023 tranche

For the LTI tranche issued on 1 April 2023, the Supervisory Board defined two ESG targets. One of these related to the environment and the other to social matters.

The environmental target is to achieve 75 percent carbon neutrality in the 2026 fiscal year. The base period for these purposes is the 2019 calendar year. The target is to be achieved by switching to renewable energy (green electricity), through technical measures at Infineon sites such as reducing PFC (perfluorinated compound) emissions, energy efficiency measures, and/or development assistance measures associated with decarbonization. The aim is to achieve a total reduction of 80,000 tons in carbon emissions in the period from the 2023 fiscal year up to and including the 2026 fiscal year as a result of technical measures. Target achievement for this environmental target is within a range of 0 percent to 150 percent. If carbon emissions are reduced by less than 25,000 tons, target achievement is 0 percent. If carbon emissions are reduced by 80,000 tons, target achievement is 100 percent, and if they are reduced by 120,000 tons or more, target achievement is 150 percent. If 75 percent CO<sub>2</sub> neutrality is not achieved in the 2026 fiscal year, the target achievement is 0 percent regardless of the aforementioned linear component. The environmental target comprises 10 percent of the overall target achievement for the LTI.

### C08 CO<sub>2</sub>e reduction target curve



Explanation	
CO <sub>2</sub> e	Target achievement
≥ 120,000t	150%
80,000t	100%
≤ 25,000t	0%

The Supervisory Board also defined a second ESG target, one that relates to social matters. As part of the diversity target, gender diversity is taken into account, i.e., the proportion of women in management positions. In addition to gender diversity, other

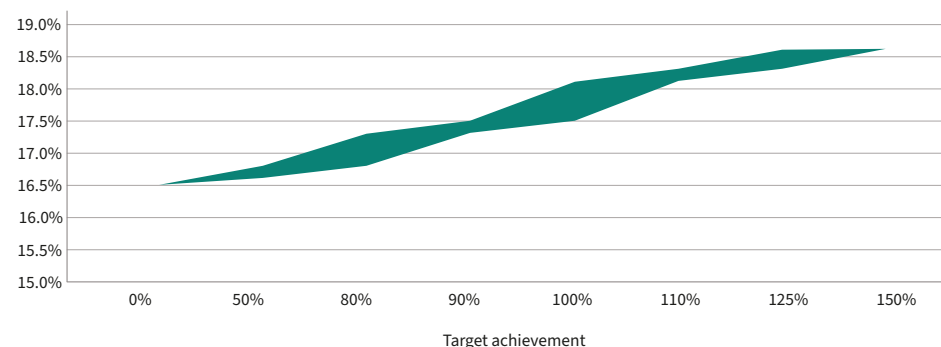
diversity factors are also included. A target range has been defined for the proportion of women. The aim is to increase the proportion of women in GG (Global Grade) 13+ positions to within a target range between 18 percent and 20 percent by the 2030 fiscal year. Target achievement for the diversity target can range between 0 percent and 150 percent. A 100 percent target achievement corresponds to an increase between 1.2 percentage points and 1.8 percentage points at the end of the performance period. The baseline is 15.2 percent as of 30 September 2020. If the proportion of women is increased by up to 0.3 percentage points during the performance period, this results in a target achievement of 0 percent. An increase in the proportion of women by more than 2.3 percentage points would result in a target achievement of 150 percent. Target achievements between the defined target achievement points are linearly interpolated. The diversity target comprises 10 percent of the overall target achievement for the LTI.

The following table shows the virtual performance shares provisionally allocated to the Management Board members in the 2023 fiscal year.

Management Board member	Allocation amount in €	End of the waiting period	Average share price in the 60 trading days before the start of the performance period in €	Fair value per performance share in € at the grant date	Number of provisionally allocated virtual performance shares	Fair value of the provisionally allocated performance shares in €
<b>Jochen Hanebeck</b> (Chief Executive Officer)	1,397,000	31 March 2027	25.00	32.31	55,880	1,805,483
<b>Constanze Hufenbecher</b> (Management Board member)	772,000				30,880	997,733
<b>Dr. Sven Schneider</b> (Management Board member)	864,000				34,560	1,116,634
<b>Andreas Urschitz</b> (Management Board member) <sup>1</sup>	1,029,333				41,173	1,330,300
<b>Dr. Rutger Wijburg</b> (Management Board member)	772,000				30,880	997,733

<sup>1</sup> In accordance with his employment contract, Andreas Urschitz was also entitled to the LTI tranche for the 2022 fiscal year on a pro rata temporis basis. He was therefore entitled to the allocation of performance shares for the months of June to September 2022. As the annual allocation of performance shares for the 2022 fiscal year had already taken place when Andreas Urschitz took office, the allocation will be made together and in accordance with the terms and conditions of the allocation for the 2023 fiscal year (pro rata allocation amount: €257,333).

C09 Diversity target





A report will be given on the 2023 LTI tranche as part of the remuneration granted in the fiscal year of the final allocation of that tranche (the 2027 fiscal year). (For further information on the reporting system, see “Remuneration awarded or due in the 2023 fiscal year”, [p. 19 ff.](#)).

#### Settlement of the 2019 tranche (based on the plan terms and conditions applicable until 2020)

In the 2023 fiscal year, the 2019 tranche was settled. This tranche was still subject to the old rules that applied until the establishment of the 2020 Remuneration System in November 2020.

The (virtual) performance shares were allocated as of 1 March 2019 for the fiscal year that began on 1 October 2018, initially on a provisional basis. Performance shares were allocated provisionally in euros on the basis of the “LTI allocation amount” agreed upon individually in the service contract of each Management Board member. The number of performance shares was determined by dividing the LTI allocation amount by the average price of the Infineon share (Xetra closing price) during the nine months prior to the allocation date. The prerequisites for the definitive allocation of the performance shares (which were at that stage still virtual) were (i) that the Management Board member invested 25 percent of his individual LTI allocation amount in Infineon shares and (ii) that the holding period of four years applicable both for the Board member’s own investment and for the performance shares had come to an end. In addition, 50 percent of the performance shares were performance-related; they could

only be definitively allocated if (iii) the Infineon share outperformed the Philadelphia Semiconductor Index (SOX) between the date of the provisional allocation of the performance shares and the end of the holding period. If the conditions for the definitive allocation of performance shares – either all the performance shares or only those performance shares that were not performance-related – were met at the end of the holding period, the Management Board member acquired an entitlement against the Company for the transfer of the corresponding number of (real) Infineon shares. Any performance shares that did not achieve the performance target were forfeited. The value of the performance shares definitively granted to the Management Board member per LTI tranche at the end of the holding period could not exceed 250 percent of the relevant LTI allocation amount. Any performance shares above this cap lapse.

The final allocation of performance shares occurred on 1 March 2023. For the 2019 tranche, the performance target was not reached, with the result that only 50 percent of the performance shares were definitively allocated. The final allocations for the 2019 tranche are shown in the table below. For better transparency with regard to the amounts for the prior year specified below (“Remuneration awarded or due in the 2023 fiscal year”, [p. 19 ff.](#)), the following table also includes the allocations from the 2018 tranche, for which the final allocation took place on 1 March 2022 in accordance with the plan terms and conditions in place at the time. A total of 50 percent of the virtual performance shares in the 2018 tranche also lapsed since the performance target was not reached.

Management Board member	Allocation amount in €	Nine-month average price in € before allocation	Fair value in € per performance share at allocation	Number of the provi- sionally allocated performance shares	Share price in € at final allocation	Number of finally allocated performance shares	Fair value of finally allocated perfor- mance shares in €
<b>Tranche due in the 2023 fiscal year</b>							
Jochen Hanebeck (Chief Executive Officer) <sup>1</sup>	240,000	20.02	13.79	11,988	35.12	5,994	210,526
<b>Tranche due in the 2022 fiscal year</b>							
Jochen Hanebeck (Chief Executive Officer) <sup>1</sup>	240,000	21.48	15.25	11,172	28.23	5,586	157,670

<sup>1</sup> Jochen Hanebeck was a member of the Management Board until 31 March 2022 and has been CEO of Infineon Technologies AG since 1 April 2022. The final allocation takes into account the remuneration agreed as a member of the Management Board until 31 March 2022.

### Overview of the performance shares outstanding

The following table shows the performance shares outstanding in the 2023 and 2022 fiscal years of the individual members of the Management Board:

Management Board member	Fiscal year	Performance Share Plan				
		Virtual performance shares outstanding at the beginning of the fiscal year	Virtual performance shares newly granted in the fiscal year	Virtual performance shares finally allocated in the fiscal year	Virtual performance shares expired in the fiscal year <sup>2</sup>	Virtual performance shares outstanding at the end of the fiscal year
		Number	Number	Number	Number	Number
<b>Jochen Hanebeck</b> (Chief Executive Officer)	2023	90,195	55,880	5,994	5,994	134,087
	2022	70,248	31,119	5,586	5,586	90,195
<b>Constanze Hufenbecher</b> (Management Board member)	2023	37,657	30,880	–	–	68,537
	2022	15,505	22,152	–	–	37,657
<b>Dr. Sven Schneider</b> (Management Board member)	2023	77,112	34,560	–	–	111,672
	2022	54,960	22,152	–	–	77,112
<b>Andreas Urschitz</b> (Management Board member) <sup>1</sup>	2023	–	41,173	–	–	41,173
	2022	–	–	–	–	–
<b>Dr. Rutger Wijburg</b> (Management Board member)	2023	11,076	30,880	–	–	41,956
	2022	–	11,076	–	–	11,076
<b>Total</b>	2023	216,040	193,373	5,994	5,994	397,425
	2022	140,713	86,499	5,586	5,586	216,040

1 In accordance with his employment contract, Andreas Urschitz was also entitled to the LTI tranche for the 2022 fiscal year on a pro rata temporis basis. He was therefore entitled to the allocation of performance shares for the months of June to September 2022. As the annual allocation of performance shares for the 2022 fiscal year had already taken place when Andreas Urschitz took office, the allocation was made together and in accordance with the terms and conditions of the allocation for the 2023 fiscal year.

2 In the 2023 and 2022 fiscal years, virtual performance shares expired because the performance hurdle had not been met.

## Commitments to Management Board members upon termination of their Board activities

### Benefits and pension entitlements in the 2023 fiscal year

The Management Board members have a contribution-based defined benefit pension scheme that is essentially based on the Infineon Pension Plan for all employees. Accordingly, the Company has set up a personal pension account (basic account) for each beneficiary, to which it makes annual pension contributions. For each full fiscal year, the Company makes pension contributions at the end of that fiscal year that amount to 30 percent of that Management Board member's agreed basic annual salary. The Company adds annual interest to the prior-year balance in the basic account using the maximum actuarial interest rate applicable for insurance-type commitments (guaranteed interest rate) until disbursement of the pension begins and may also award surplus credits. A total of 95 percent of any income earned over and above the guaranteed interest rate is credited to the pension account, either at the date on which disbursement of the pension begins or, at the latest, when the beneficiary reaches the age of 60. The balance of the basic account when disbursement of the pension begins (due to age, invalidity or death) – increased by an adjusting amount in the event of invalidity or death – constitutes the retirement benefit entitlement and is paid out to the Management Board member or his or her surviving dependents in twelve annual installments (or if so requested by the Management Board member in eight annual installments), as a lump sum or as a lifelong pension.

Moreover, in addition to the contribution-based defined benefit plan that has been in place for Dr. Reinhard Ploss since 1 January 2016, a fully vested annual fixed-amount pension entitlement of €210,000 exists for his Board activities up to 31 December 2015, which will not increase in the future. This pension is payable in twelve monthly installments from his pension start date.

Insofar as pension entitlements of Management Board members are not protected by the state pension insurance association (Pensions-Sicherungs-Verein), the Company protects those entitlements by contractual means against insolvency.

The amounts credited to the pension accounts of Management Board members – in line with the plan rules applied to Infineon employees – are paid out once the member reaches the age of 67, provided the service contract arrangements have also ended. Upon request, amounts can also be paid out earlier if the service contract arrangements end when the Management Board member reaches 60 (or 62, in the case of commitments made from 2012 onwards). If the beneficiaries elect to have their pension paid out in monthly installments, the pension amount is adjusted automatically every year in accordance with the Infineon Pension Plan.

The following table shows the annual pension contributions, the service cost and the present value of the pension commitments in accordance with IFRS for each member of the Management Board.

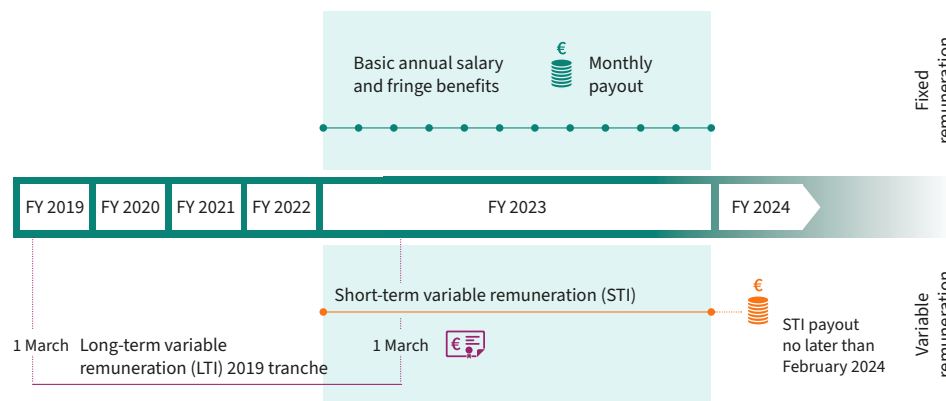
in €	Jochen Hanebeck Chief Executive Officer		Constanze Hufenbecher Management Board member		Dr. Sven Schneider Management Board member		Andreas Urschitz Management Board member		Dr. Rutger Wijburg Management Board member	
	2023	2022	2023	2022	2023	2022	2023	2022	2023	2022
Pension contribution (defined contribution plan)	423,000	423,000	253,200	253,200	253,200	253,200	253,200	119,190	253,200	145,519
Service cost (IAS 19)	113,163	105,107	196,927	264,376	213,825	231,327	124,794	37,599	124,856	28,589
Defined benefit obligation <sup>1</sup>	2,896,783	3,146,142	427,236	286,219	828,052	710,548	1,186,664	1,214,570	609,592	523,105

<sup>1</sup> IFRS actuarial interest rate as of 30 September 2023: 4.11% (30 September 2022: 3.76%).

## Remuneration awarded or due in the 2023 fiscal year

### Active members of the Management Board

C10 Overview of remuneration awarded or due in the 2023 fiscal year



The following table shows the individual remuneration in the 2023 and 2022 fiscal years of those members of the Management Board who were active in the reporting year. The remuneration awarded or due to the individual Management Board members in the reporting period is disclosed in the table in accordance with section 162, paragraph 1, sentence 1 of the German Stock Corporation Act (AktG). The disclosure requirements set out in section 162, paragraph 1, sentence 2, no. 1 AktG include not only the amounts of remuneration but also the relative share in the total remuneration of all fixed and variable remuneration components. The relative share disclosed here relates to the remuneration components awarded or due in each fiscal year in accordance with section 162, paragraph 1, sentence 1 AktG.

This table includes the payments made in the fiscal year for basic remuneration as well as for fringe benefits and/or related non-cash benefits in accordance with German income tax law.

The short-term variable remuneration (STI) is disclosed in the fiscal year for which all the underlying performance requirements have been fulfilled by the balance sheet date. The cash payment for the STI is made as soon as possible after the determination of the payment amount by the Supervisory Board and no later than five months from the end of the relevant fiscal year. Therefore, the STI payment amount is disclosed for the reporting year even though the disbursement does not take place until after the end of the relevant reporting year. This makes the reporting transparent and comprehensible while ensuring the link between performance and remuneration in the reporting period.

In the 2023 and 2022 reporting years, the virtual performance shares in the 2019 and 2018 tranches, which were provisionally allocated in the 2019 and 2018 fiscal years respectively, also became due. However, because the performance target was not reached, only 50 percent of the performance shares were definitively allocated (see “Settlement of the 2019 tranche (based on the plan terms and conditions applicable until 2020)”, [p. 16](#)). The liability was settled by transferring Infineon shares in the 2023 and 2022 fiscal years, respectively. The value of the Infineon shares at the date of transfer is disclosed in the table under “Long-term variable remuneration (LTI)” for the relevant fiscal year.

To ensure consistent and transparent reporting, the pension expense for the defined contribution pension commitments granted to active members of the Management Board is also disclosed below for each individual member. This figure does not represent actual remuneration received by the Management Board member and is therefore not “remuneration awarded or due” as defined by section 162 of the German Stock Corporation Act (AktG).

The disclosure is equivalent to the disclosure that has been made in the past in accordance with the model table for remuneration received by Management Board members (“Zufluss”) set out in the German Corporate Governance Code (DCGK) as amended on 7 February 2017, thereby ensuring a consistently transparent and comparable presentation of the remuneration of the individual Management Board members at Infineon.

	Jochen Hanebeck <sup>2</sup> Chief Executive Officer				Constanze Hufenbecher Management Board member				Dr. Sven Schneider Management Board member			
	2023		2022		2023		2022		2023		2022	
	in €	in %	in €	in %	in €	in %	in €	in %	in €	in %	in €	in %
<b>Fixed remuneration</b>												
Basic annual salary	1,410,000	49	1,127,000	38	844,000	58	844,000	50	844,000	43	844,000	36
Fringe benefits	38,226	1	33,035	1	67,067	5	32,074	2	60,239	3	59,476	3
<b>Total fixed remuneration</b>	<b>1,448,226</b>	<b>50</b>	<b>1,160,035</b>	<b>39</b>	<b>911,067</b>	<b>63</b>	<b>876,074</b>	<b>52</b>	<b>904,239</b>	<b>46</b>	<b>903,476</b>	<b>39</b>
<b>Variable remuneration</b>												
Short-term variable remuneration (STI)	1,209,782	42	1,539,476	52	537,435	37	807,975	48	1,050,984	54	1,306,725	56
Medium-term variable remuneration (MTI) <sup>1</sup>												
2020 – 2022 tranche			98,487	3							108,625	5
Long-term variable remuneration (LTI)												
Performance Share Plan												
due in the 2023 fiscal year	210,526	8										
due in the 2022 fiscal year			157,670	6								
<b>Total variable remuneration</b>	<b>1,420,308</b>	<b>50</b>	<b>1,795,633</b>	<b>61</b>	<b>537,435</b>	<b>37</b>	<b>807,975</b>	<b>48</b>	<b>1,050,984</b>	<b>54</b>	<b>1,415,350</b>	<b>61</b>
<b>Total remuneration in accordance with section 162, paragraph 1, sentence 1 AktG</b>	<b>2,868,534</b>	<b>100</b>	<b>2,955,668</b>	<b>100</b>	<b>1,448,502</b>	<b>100</b>	<b>1,684,049</b>	<b>100</b>	<b>1,955,223</b>	<b>100</b>	<b>2,318,826</b>	<b>100</b>
Pension expense	113,163		105,107		196,927		264,376		213,825		231,327	
<b>Total remuneration incl. pension expenses</b>	<b>2,981,697</b>		<b>3,060,775</b>		<b>1,645,429</b>		<b>1,948,425</b>		<b>2,169,048</b>		<b>2,550,153</b>	

1 The medium-term variable compensation (MTI) under the Management Board remuneration system applicable prior to the 2020 fiscal year was paid out for the last time for the 2022 fiscal year.

2 In the case of Jochen Hanebeck, the total remuneration 2022 comprises the remuneration as Management Board member agreed until 31 March 2022 and the remuneration as Chief Executive Officer applicable from 1 April 2022.

	Andreas Urschitz Management Board member				Dr. Rutger Wijburg Management Board member			
	2023		2022		2023		2022	
	in €	in %	in €	in %	in €	in %	in €	in %
<b>Fixed remuneration</b>								
Basic annual salary	844,000	59	281,333	50	844,000	59	422,000	50
Fringe benefits	42,506	3	12,640	2	39,256	3	19,183	2
<b>Total fixed remuneration</b>	<b>886,506</b>	<b>62</b>	<b>293,973</b>	<b>52</b>	<b>883,256</b>	<b>62</b>	<b>441,183</b>	<b>52</b>
<b>Variable remuneration</b>								
Short-term variable remuneration (STI)	537,435	38	269,325	48	537,435	38	403,988	48
Medium-term variable remuneration (MTI) <sup>1</sup> 2020 – 2022 tranche								
Long-term variable remuneration (LTI) Performance Share Plan due in the 2023 fiscal year								
due in the 2022 fiscal year								
<b>Total variable remuneration</b>	<b>537,435</b>	<b>38</b>	<b>269,325</b>	<b>48</b>	<b>537,435</b>	<b>38</b>	<b>403,988</b>	<b>48</b>
<b>Total remuneration in accordance with section 162, paragraph 1, sentence 1 AktG</b>	<b>1,423,941</b>	<b>100</b>	<b>563,298</b>	<b>100</b>	<b>1,420,691</b>	<b>100</b>	<b>845,171</b>	<b>100</b>
Pension expense	124,794		37,599		124,856		28,589	
<b>Total remuneration incl. pension expenses</b>	<b>1,548,735</b>		<b>600,897</b>		<b>1,545,547</b>		<b>873,760</b>	

1 The medium-term variable compensation (MTI) under the Management Board remuneration system applicable prior to the 2020 fiscal year was paid out for the last time for the 2022 fiscal year.

## Former members of the Management Board

The following table shows the fixed and variable remuneration components awarded or due to former members of the Management Board in the 2023 fiscal year in accordance with section 162 of the German Stock Corporation Act (AktG). The disclosure of the basic remuneration (including fringe benefits) and of the STI and LTI tranches is based on the same principles as for the active members of the Management Board.

The pension payments and severance payments are included in the fiscal year in which they are disbursed as remuneration awarded. The compensation payable to Dr. Helmut Gassel in relation to the non-competition clause is disclosed in the fiscal year in which all the conditions for the creation of the entitlement have been satisfied at the balance sheet date.

Former Management Board member <sup>1</sup>	End of term	Basic annual salary and fringe benefits		Short-term variable remuneration (STI)		Long-term variable remuneration (LTI)		Severance and termination payments		Pension payments		Total
		in €	in %	in €	in %	in €	in %	in €	in %	in €	in %	in €
Dr. Reinhard Ploss <sup>2</sup>	31 March 2022	361,090	24	348,891	24	368,403	25	-	-	394,741	27	1,473,125
Dr. Helmut Gassel <sup>2</sup>	31 May 2022	15,060	-	-	-	210,526	7	2,829,511	93	-	-	3,055,097
Former Management Board members	Resigned for more than 10 years	-	-	-	-	-	-	-	-	2,594,171	100	2,594,171

<sup>1</sup> The table contains only remuneration granted to the former Management Board members after their resignation from the Management Board.

<sup>2</sup> Dr. Reinhard Ploss and Dr. Helmut Gassel resigned from the Management Board of Infineon Technologies AG in the 2022 fiscal year. Their employment contracts ran until 31 December 2022 and 30 September 2022, respectively. Dr. Reinhard Ploss and Dr. Helmut Gassel were entitled to all remuneration entitlements for this period. In addition, Dr. Helmut Gassel was granted a severance payment, and a post-contractual non-competition clause was agreed that ran until November 2023, for which he receives a waiting allowance.

## Other information

In the 2023 fiscal year, no benefits were promised or granted by third parties to any member of the Management Board for their Management Board activities.

Neither current nor former members of the Management Board received loans from the Company in the 2023 fiscal year or 2022 fiscal year.

The Supervisory Board did not avail itself of the option to reclaim any variable remuneration components in the 2023 fiscal year.

In the 2023 fiscal year, there was no deviation from the specifications of the remuneration systems.

This Remuneration Report will be presented for approval at the Annual General Meeting in February 2024 in accordance with section 120a, paragraph 4 of the German Stock Corporation Act (AktG). The Remuneration Report for the 2022 fiscal year was approved by a large majority (92.57 percent) at the Annual General Meeting on 16 February 2023. As a result of the high approval rate, there was no reason to make any modifications to the remuneration system, its implementation or the manner of reporting other than the changes to the Management Board remuneration system mentioned.

# Supervisory Board remuneration

The most recent amendments to the Articles of Association with regard to Supervisory Board remuneration were agreed at the Annual General Meeting held on 25 February 2021. At the same time, the remuneration system for the Supervisory Board was approved in accordance with section 113 AktG. The current Supervisory Board remuneration system has applied since 1 October 2021.

The main components of the remuneration system are described below. A detailed description of the Supervisory Board remuneration system can be found on Infineon's website.

📄 [www.infineon.com/supervisory-board-remuneration-system](http://www.infineon.com/supervisory-board-remuneration-system)

## Remuneration structure and components

The remuneration of the members of the Supervisory Board (total remuneration) is governed by article 11 of the Company's Articles of Association and comprises the following:

- › Fixed annual remuneration (basic remuneration) of €100,000. This amount applies to each Supervisory Board member and is paid within one month of the end of the fiscal year.
- › Allowances in recognition of the additional work involved in performing certain functions within the Supervisory Board. The Chairman of the Supervisory Board receives an allowance of €100,000, while each deputy receives an allowance of €30,000. Each member of the Investment, Finance and Audit Committee receives an allowance of €40,000, and each member of one of the other Supervisory Board committees, with the exception of the Mediation Committee, receives an allowance of €25,000. The allowance for the Chairs of the Investment, Finance and Audit Committee and the Strategy and Technology Committee is 200 percent of the relevant

allowance for the members of that committee. The committee-related allowances are payable to the committee members only if at least three meetings of the relevant committee have taken place in the fiscal year concerned. If members of the Supervisory Board perform several of the functions mentioned, they receive all the allowances provided in each case. However, the total amount that can be paid in committee-related allowances to the Supervisory Board member is capped at a maximum figure of €100,000.

- › An attendance fee of €2,000 for personal participation – regardless of whether this is physical, virtual or by telephone – in a meeting of the Supervisory Board or of one of its committees. For extraordinary meetings that take place in the form of telephone or video conferences and at which no resolutions are passed, Supervisory Board members receive a reduced attendance fee of €1,000. The attendance fee is paid only once if more than one meeting takes place on a given day, in which case the attendance fee is always €2,000.

In the event that a member, during a fiscal year, joins (or leaves) the Supervisory Board or one of its committees, or takes on (or ceases to perform) a Supervisory Board function for which an allowance is payable, the relevant remuneration components are disbursed on a pro rata basis, i.e., payment of one-twelfth of the relevant annual remuneration for each started month of membership or exercise of function.

Moreover, Supervisory Board members are reimbursed for all expenses incurred in connection with the performance of their Supervisory Board duties as well as for any value-added tax payable by them in this connection. The Company also pays Supervisory Board members any value-added tax incurred on their total remuneration (including meeting attendance fees). In addition, it pays any employer's contributions for social insurance arising in accordance with foreign laws in respect of the member's Supervisory Board activities.

The fixed remuneration is payable within one month of the end of the fiscal year to which the remuneration relates and the attendance fees are payable within one month of the relevant meeting.



## Remuneration awarded or due in the 2023 fiscal year

The total remuneration awarded or due to the members of the Supervisory Board for the 2023 fiscal year (including the meeting attendance fees) is presented in the following table. The amounts disclosed do not include value-added tax at 19 percent (or withholding tax, in the case of Supervisory Board members resident abroad), the solidarity surcharge or any other taxes arising. The Supervisory Board activities on which the remuneration for members of the Supervisory Board for the 2023 fiscal year is based had been completed by the balance sheet date. Therefore, the remuneration for the Supervisory Board activities is classified as awarded and due in the 2023 fiscal year, even though the disbursement of the Supervisory Board remuneration did not take place until after the end of the 2023 fiscal year.

Supervisory Board member, in €	Fiscal year	Fixed remuneration	Allowance for specific functions	Meeting attendance fees <sup>1</sup>	Total remuneration <sup>2</sup>
Xiaoqun Clever-Steg	2023	100,000	25,000	20,000	145,000
	2022	100,000	25,000	20,000	145,000
Johann Dechant	2023	100,000	95,000	34,000	229,000
	2022	100,000	95,000	42,000	237,000
Dr. Herbert Diess <sup>3</sup>	2023	66,667	133,333	21,000	221,000
	2022	-	-	-	-
Dr. Wolfgang Eder <sup>4</sup>	2023	41,667	89,583	18,000	149,250
	2022	100,000	200,000	48,000	348,000
Dr. Friedrich Eichiner	2023	100,000	100,000	39,000	239,000
	2022	100,000	90,417	28,000	218,417
Annette Engelfried	2023	100,000	65,000	34,000	199,000
	2022	100,000	65,000	40,000	205,000
Peter Gruber	2023	100,000	25,000	20,000	145,000
	2022	100,000	25,000	20,000	145,000
Klaus Helmrich <sup>5</sup>	2023	66,667	-	12,000	78,667
	2022	-	-	-	-
Hans-Ulrich Holdenried <sup>6</sup>	2023	41,667	10,417	10,000	62,084
	2022	100,000	25,000	36,000	161,000

Supervisory Board member, in €	Fiscal year	Fixed remuneration	Allowance for specific functions	Meeting attendance fees <sup>1</sup>	Total remuneration <sup>2</sup>
Dr. Susanne Lachenmann	2023	100,000	25,000	20,000	145,000
	2022	100,000	25,000	20,000	145,000
Géraldine Picaud <sup>7</sup>	2023	41,667	10,417	7,000	59,084
	2022	100,000	10,417	19,000	129,417
Dr. Manfred Puffer	2023	100,000	10,417	18,000	128,417
	2022	100,000	25,000	21,000	146,000
Melanie Riedl	2023	100,000	-	18,000	118,000
	2022	100,000	-	16,000	116,000
Jürgen Scholz	2023	100,000	25,000	20,000	145,000
	2022	100,000	25,000	20,000	145,000
Kerstin Schulzendorf	2023	-	-	-	-
	2022	66,667	-	10,000	76,667
Dr. Ulrich Spiesshofer	2023	100,000	35,417	20,000	155,417
	2022	100,000	50,000	20,000	170,000
Margret Suckale	2023	100,000	50,000	35,000	185,000
	2022	100,000	50,000	37,000	187,000
Mirco Synde	2023	100,000	-	18,000	118,000
	2022	33,333	-	4,000	37,333
Diana Vitale	2023	100,000	25,000	26,000	151,000
	2022	100,000	25,000	36,000	161,000
Ute Wolf <sup>8</sup>	2023	50,000	20,000	14,000	84,000
	2022	-	-	-	-
<b>Total</b>	2023	1,608,335	744,584	404,000	2,756,919
	2022	1,600,000	735,834	437,000	2,772,834

1 The amounts relating to meeting attendance fees for the previous year were adjusted for amounts awarded but not yet paid out in the 2022 fiscal year.

2 The total remuneration consists exclusively of the fixed remuneration components.

3 Member of the Supervisory Board since 16 February 2023. The remuneration for the 2023 fiscal year was therefore awarded on a pro rata basis.

4 Member of the Supervisory Board until 16 February 2023. The remuneration for the 2023 fiscal year was therefore awarded on a pro rata basis.

5 Member of the Supervisory Board since 16 February 2023. The remuneration for the 2023 fiscal year was therefore awarded on a pro rata basis.

6 Member of the Supervisory Board until 16 February 2023. The remuneration for the 2023 fiscal year was therefore awarded on a pro rata basis.

7 Member of the Supervisory Board until 2 February 2023. The remuneration for the 2023 fiscal year was therefore awarded on a pro rata basis.

8 Member of the Supervisory Board since 19 April 2023. The remuneration for the 2023 fiscal year was therefore awarded on a pro rata basis.

Supervisory Board members did not receive any loans from Infineon in either the 2023 or 2022 fiscal year.

# Comparative review of remuneration trends and Infineon's earnings performance

The following table gives an overview of Infineon's earnings performance and the trends in the average remuneration of employees and the remuneration of the members of the Management Board and Supervisory Board over the past five fiscal years. Earnings performance is presented in the form of the net profit of Infineon Technologies AG in accordance with the German Commercial Code (HGB), supplemented by performance indicators for the Infineon Group (RoCE, Segment Result, Segment Result Margin and Free Cash Flow), which are partially relevant figures in the calculation of target achievement in the short-term (and before the introduction of the 2020 Remuneration System, also for the medium-term) variable remuneration of the individual members of the Management Board. The average remuneration of employees comprises the salaries (including variable remuneration) for the relevant fiscal year on a full-time equivalent (FTE) basis of employees of the Infineon Group in Germany with the exception of employees of Hitex GmbH and non-consolidated companies based in Germany. The companies that have been excluded are currently not integrated into the Group-wide accounting systems and employ less than 1 percent of all the workforce at Infineon's German companies. In addition, the trends in the remuneration awarded or due to current and former members of the Management Board and Supervisory Board are disclosed for the 2023 fiscal year and prior years.

	Δ in % 2020 v. 2019	Δ in % 2021 v. 2020	Δ in % 2022 v. 2021	Δ in % 2023 v. 2022
<b>Key figures Group development/ earnings development</b>				
RoCE (Group)	(75)	180	50	32
Free Cash Flow (Group)	(17,349)	123	5	(30)
Segment Result (Group)	(11)	77	63	30
Segment Result Margin (Group)	(16)	36	27	13
Net income of Infineon Technologies AG (under HGB)	(782)	259	170	120
<b>Average employee remuneration</b>	<b>2</b>	<b>11</b>	<b>0</b>	<b>(1)</b>
<b>Management Board remuneration</b>				
<b>Active Management Board members<sup>1</sup></b>				
Jochen Hanebeck (Management Board member since 1 July 2016, Chief Executive Officer since 1 April 2022)	(3)	32	59	(3)
Constanze Hufenbecher (Management Board member since 15 April 2021)	-	-	146	(14)
Dr. Sven Schneider (Management Board member since 1 May 2019)	138	46	31	(16)
Andreas Urschitz (Management Board member since 1 June 2022)	-	-	-	153
Dr. Rutger Wijburg (Management Board member since 1 April 2022)	-	-	-	68
<b>Former Management Board members</b>				
Dr. Reinhard Ploss (Chief Executive Officer until 31 March 2022)	(20)	18	32	(63)
Dr. Helmut Gassel (Management Board member until 31 May 2022)	(3)	28	98	(17)
Former Management Board members resigned for more than 10 years	10	18	(1)	0

<sup>1</sup> Any significant increases in Management Board remuneration in a year-on-year comparison result, among other things, from Management Board members taking office during the year as well as from the above-average achievement of targets in the previous fiscal years.

	Δ in % 2020 v. 2019	Δ in % 2021 v. 2020	Δ in % 2022 v. 2021	Δ in % 2023 v. 2022
<b>Supervisory Board remuneration<sup>2</sup></b>				
<b>Active Supervisory Board members<sup>3</sup></b>				
Xiaoqun Clever-Steg	-	58	18	0
Johann Dechant	4	(1)	52	(3)
Dr. Herbert Diess	-	-	-	-
Dr. Friedrich Eichiner	-	62	59	10
Annette Engelfried	-	-	52	(3)
Peter Gruber	(2)	(3)	18	0
Klaus Helmrich	-	-	-	-
Dr. Susanne Lachenmann	(2)	(2)	18	0
Dr. Manfred Puffer	(4)	(6)	43	(12)
Melanie Riedl	-	34	14	2
Jürgen Scholz	(3)	(6)	22	0
Dr. Ulrich Spiesshofer	-	57	28	(9)
Margret Suckale	-	69	58	(1)
Mirco Synde	-	-	-	216
Diana Vitale	14	5	19	(6)
Ute Wolf	-	-	-	-
<b>Former Supervisory Board members<sup>4</sup></b>				
Dr. Wolfgang Eder	35	6	57	(57)
Hans-Ulrich Holdenried	(2)	6	19	(61)
Géraldine Picaud	(6)	2	27	(54)

2 The amounts relating to meeting attendance fees for the previous year were adjusted for amounts awarded but not yet paid out in the 2022 fiscal year.

3 Any significant increases in Supervisory Board remuneration in a year-on-year comparison are mainly the result of Supervisory Board members taking office during the year.

4 Supervisory Board members who resigned in the 2023 fiscal year.

Neubiberg, November 2023

Infineon Technologies AG

Dr. Herbert Diess  
Chairman of the  
Supervisory Board

Jochen Hanebeck  
Chief Executive Officer

Dr. Sven Schneider  
Member of the  
Management Board

# Independent auditor's report

To Infineon Technologies AG, Neubiberg

## Report on the audit of the remuneration report

We have audited the attached remuneration report of Infineon Technologies AG, Neubiberg, for the financial year from 1 October 2022 to 30 September 2023, including the related disclosures, prepared to meet the requirements of section 162 AktG [Aktiengesetz: German Stock Corporation Act].

### Responsibilities of Management and the Supervisory Board

The management and the Supervisory Board of Infineon Technologies AG are responsible for the preparation of the remuneration report, including the related disclosures, in accordance with the requirements of section 162 AktG. The management and the Supervisory Board are also responsible for such internal control as they have determined necessary to enable the preparation of the remuneration report that is free from material misstatement, whether due to fraud or error.

### Auditor's responsibilities

Our responsibility is to express an opinion on this remuneration report, including the related disclosures, based on our audit. We conducted our audit in accordance with the German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the remuneration report, including the related disclosures, is free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts, including the related disclosures, in the remuneration report. The procedures selected depend on the auditor's professional judgement. This includes an assessment of the risks of material misstatement, whether due to fraud or error, in the remuneration report, including the related disclosures. In assessing these risks, the auditor considers the internal control system relevant for the preparation of the remuneration report, including the related disclosures. The objective is to plan and perform audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management and the Supervisory Board, as well as evaluating the overall presentation of the remuneration report, including the related disclosures.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Opinion

In our opinion, on the basis of the knowledge obtained in the audit, the remuneration report for the financial year from 1 October 2022 to 30 September 2023, including the related disclosures, complies in all material respects with the financial reporting requirements of section 162 AktG.

### Other matter – formal examination of the remuneration report

The substantive audit of the remuneration report described in this independent auditor's report includes the formal examination of the remuneration report required by section 162 (3) AktG, including issuing an assurance report on this examination. As we have issued an unqualified opinion on the substantive audit of the remuneration report, this opinion includes the conclusion that the disclosures pursuant to section 162 (1) and (2) AktG have been made, in all material respects, in the remuneration report.

### Limitation of liability

The terms governing this engagement, which we fulfilled by rendering the aforesaid services Infineon Technologies AG, are set out in the General Engagement Terms for Wirtschaftsprüfer and Wirtschaftsprüfungsgesellschaften [German Public Auditors and Public Audit Firms] as amended on 1 January 2017. By taking note of and using the information as contained in this auditor's report, each recipient confirms to have taken note of the terms and conditions laid down therein (including the limitation of liability of EUR 4 million for negligence under Clause 9 of the General Engagement Terms) and acknowledges their validity in relation to us.

Munich, 23 November 2023

KPMG AG  
Wirtschaftsprüfungsgesellschaft  
[Original German version signed by:]

Huber-Straßer	Schmitt
Wirtschaftsprüferin	Wirtschaftsprüfer

**Published by Infineon Technologies AG**

Am Campeon 1-15, 85579 Neubiberg near Munich (Germany)

Public