

**Company Name** Infineon Technologies AG  
**Industry** ICT (Own operations and Supply Chain)  
**UNGP Core Score (\*)** 4.5 out of 26

Score	Out of	For indicators
<b>Governance and Policy Commitments</b>		
1	2	A.1.1 Commitment to respect human rights
0.5	2	A.1.2 Commitment to respect the human rights of workers
0	2	A.1.4 Commitment to engage with stakeholders
0	2	A.1.5 Commitment to remedy
<b>Embedding respect and Human Rights Due Diligence</b>		
Embedding respect		
0	2	B.1.1 Embedding - Responsibility and resources for day-to-day human rights functions
Human Rights Due Diligence (HRDD)		
0	2	B.2.1 HRDD - Identifying: Processes and triggers for identifying human rights risks and impacts
0	2	B.2.2 HRDD - Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)
0	2	B.2.3 HRDD - Integrating and Acting: Integrating assessment findings internally and taking appropriate action
0	2	B.2.4 HRDD - Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts
0	2	B.2.5 HRDD - Reporting: Accounting for how human rights impacts are addressed
<b>Remedies and Grievance Mechanisms</b>		
1.5	2	C.1 Grievance channels/mechanisms to receive complaints or concerns from workers
1.5	2	C.2 Grievance channels/mechanisms to receive complaints or concerns from external individuals and communities
0	2	C.7 Remedying adverse impacts and incorporating lessons learned
<b>4.5</b>	<b>26</b>	

(\*) Instead of the full list of indicators in the 2020 CHRB Methodology, this year's assessment uses the CHRB Core UNGP Indicators. These are 13 non-industry specific indicators that focus on three key areas of the UNGPs: high level commitments, human rights due diligence and access to remedy.

The 13 indicators selected from the full CHRB Methodology are scored on a simple unweighted basis, with a maximum of 2 points for each indicator for a maximum total of 26 points.

In addition, allegations of severe human rights impacts (Measurement Theme E) were also assessed but do not impact overall final scores

Please note that the "Not met" labels in the Explanation boxes below do not necessarily mean that the company does not meet the requirements as they are described in the bullet point short text. Rather, it means that the analysts could not find information *in public sources* that met the requirements *as described in full* in the CHRB 2020 Methodology document. For example, a "Not met" under "General HRs Commitment", which is the first bullet point for indicator A.1.1, does not necessarily mean that the company does not have a general commitment to human rights. Rather, it means that the CHRB could not identify a public statement of policy in which the company commits to respecting human rights.

## Detailed assessment

### Governance and Policies

Indicator Code	Indicator name	Score (out of 2)	Explanation
A.1.1	Commitment to respect human rights	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: General HRs commitment: The Company explicitly commits to respecting human rights in its Business Conduct Guidelines. 'We are especially committed to respecting and protecting human rights and have undertaken to uphold the principles of the United Nations Global Compact in relation to human rights, labor standards, the environment and anti-corruption'. [Business Conduct Guideline, 07/2019: <a href="http://infineon.com">infineon.com</a>]</li> <li>• Met: UNGC principles 1 &amp; 2: See above. [Business Conduct Guideline, 07/2019: <a href="http://infineon.com">infineon.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Not met: UNGPs</li> <li>• Not met: OECD</li> </ul>
A.1.2	Commitment to respect the human rights of workers	0.5	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• Met: UNGC principles 3-6: The Company committed to uphold the UNGC principles. 'We are especially committed to respecting and protecting human rights and have undertaken to uphold the principles of the United Nations Global Compact in relation to human rights, labor standards, the environment and anti-corruption'. [Business Conduct Guideline, 07/2019: <a href="http://infineon.com">infineon.com</a> &amp; UN Global Compact, N/A: <a href="http://unglobalcompact.org">unglobalcompact.org</a>]</li> <li>• Not met: Explicitly list ALL four ILO for ICT suppliers: The Company explicitly lists its demands to its suppliers which include a prohibition of all forms of child and forced labor and requires its suppliers not to tolerate any discrimination, harassment or offense. However, there is no description of the right to bargain collectively and freedom of association. [Principles of Purchasing, 10/2014: <a href="http://infineon.com">infineon.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• Met: Explicit commitment to All four ILO Core: The Company discloses that 'observe and promote the basic fundamental principles defined in the conventions of the International Labor Organization such as the protection against discrimination in selection, hiring occupation and promotion of employees, the right to form employee representative bodies, and the rejection of child labor and any form of forced labor. With respect freedom of association and collective bargaining, the Company indicates: 'We respect and acknowledge the right of employees to form representative bodies to conduct collective bargaining negotiations on working conditions.' [Business Conduct Guideline, 07/2019: <a href="http://infineon.com">infineon.com</a>]</li> <li>• Met: Respect H&amp;S of workers: The Company commits to protecting the health and safety of workers. "The first priority in terms of our responsibilities for our employees is the prevention of health and safety risks." [Infineon CSR Policy, 07/2018: <a href="http://infineon.com">infineon.com</a>]</li> <li>• Met: H&amp;S applies to ICT suppliers: The Company states in its supplier code that 'we are committed to protect our employees' health and safety. Consequently, our Suppliers shall provide a safe and healthy working environment for all their employees and minimize all risks and hazards at all workplaces in order to protect the health and wellbeing of their employees, contractors and third parties visiting the premises'. [Principles of Purchasing, 10/2014: <a href="http://infineon.com">infineon.com</a>]</li> <li>• Not met: working hours for workers: The Company does not make a formal commitment to respecting worker's working hours as it only states its accordance with local requirements and "reasonable working hours". [Business Conduct Guideline, 07/2019: <a href="http://infineon.com">infineon.com</a>]</li> <li>• Not met: Working hours for ICT suppliers: The Company expects suppliers respect workers working hours. 'Furthermore, we compensate our employees fairly for</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
			their work with wages that meet at least minimum legal standards and adhere to the applicable laws, regulations and agreements on working hours and general working conditions. Our Suppliers shall comply with these principles'. However, no evidence found of references to standard weekly hours or the Company explicitly committing to respect ILO conventions on working hours, or clarifies maximum working hours and minimum breaks. [Principles of Purchasing, 10/2014: <a href="http://infineon.com">infineon.com</a> ]
A.1.4	Commitment to engage with stakeholders	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Commits to stakeholder engagement: Although the Company discloses its processes for stakeholder engagement, it does not have a commitment to engage with its affected stakeholders. [Materiality Disclosure and target setting, 11/2019: <a href="http://infineon.com">infineon.com</a>]</li> <li>• Not met: Regular stakeholder engagement</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Commits to engage stakeholders in design</li> <li>• Not met: Regular stakeholder design engagement</li> </ul>
A.1.5	Commitment to remedy	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Commits to remedy</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Not obstructing access to other remedies</li> <li>• Not met: Collaborating with other remedy initiatives</li> <li>• Not met: Work with ICT suppliers to remedy impacts</li> </ul>

### Embedding Respect and Human Rights Due Diligence

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.1.1	Responsibility and resources for day-to-day human rights functions	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Commits to ILO core conventions: See indicator A.1.2. The Company is committed to the 10 principles of the UN Global Compact. [UN Global Compact, N/A: <a href="http://unglobalcompact.org">unglobalcompact.org</a>]</li> <li>• Not met: Senior responsibility for HR</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Day-to-day responsibility</li> <li>• Not met: Day-to-day responsibility for ICT in supply chain</li> </ul>
B.2.1	Identifying: Processes and triggers for identifying human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Identifying risks in own operations</li> <li>• Not met: Identifying risks in ICT suppliers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Ongoing global risk identification</li> <li>• Not met: In consultation with stakeholders</li> <li>• Not met: In consultation with HR experts</li> <li>• Not met: Triggered by new circumstances</li> </ul>
B.2.2	Assessing: Assessment of risks and impacts identified (salient risks and key industry risks)	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Salient risk assessment (and context)</li> <li>• Not met: Public disclosure of salient risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>
B.2.3	Integrating and Acting: Integrating assessment findings internally and taking appropriate action	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Action Plans to mitigate risks</li> <li>• Not met: Including in ICT supply chain</li> <li>• Not met: Example of Actions decided</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirements under score 1 met</li> </ul>

Indicator Code	Indicator name	Score (out of 2)	Explanation
B.2.4	Tracking: Monitoring and evaluating the effectiveness of actions to respond to human rights risks and impacts	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: System to check if Actions are effective</li> <li>• Not met: Lessons learnt from checking effectiveness</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Both requirement under score 1 met</li> </ul>
B.2.5	Communicating : Accounting for how human rights impacts are addressed	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Comms plan re identifying risks</li> <li>• Not met: Comms plan re assessing risks</li> <li>• Not met: Comms plan re action plans for risks</li> <li>• Not met: Comms plan re reviewing action plans</li> <li>• Not met: Including ICT suppliers</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Responding to affected stakeholders concerns</li> <li>• Not met: Ensuring affected stakeholders can access communications</li> </ul>

## Remedies and Grievance Mechanisms

Indicator Code	Indicator name	Score (out of 2)	Explanation
C.1	Grievance channel(s)/mechanism(s) to receive complaints or concerns from workers	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Channel accessible to all workers: The Company states its grievance channel is called Infineon Integrity Line and it "can be used to report possible violations of national regulations or internal guidelines - personally or anonymously. The channel is open to all employees, business partners, customers or other stakeholders. [Compliance Guideline Anticorruption, 11/2018: <a href="https://infineon.com">infineon.com</a> &amp; Business Ethics, N/A: <a href="https://infineon.com">infineon.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Number grievances filed, addressed or resolved</li> <li>• Met: Channel is available in all appropriate languages: The Company's Infineon Integrity Line is available in local languages in addition to English. [Compliance Guideline Anticorruption, 11/2018: <a href="https://infineon.com">infineon.com</a> &amp; Business Ethics, N/A: <a href="https://infineon.com">infineon.com</a>]</li> <li>• Met: Opens own system to ICT supplier workers: See above. The Company's Infineon Integrity Line channel is open to suppliers. [Compliance Guideline Anticorruption, 11/2018: <a href="https://infineon.com">infineon.com</a>]</li> </ul>
C.2	Grievance channel(s)/mechanism(s) to receive complaints or concerns from external individuals and communities	1.5	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Met: Grievance mechanism for community: The Company states its grievance channel is called Infineon Integrity Line and it "can be used to report possible violations of national regulations or internal guidelines - personally or anonymously. The channel is open to all employees, business partners, customers or other stakeholders. [Compliance Guideline Anticorruption, 11/2018: <a href="https://infineon.com">infineon.com</a>]</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Describes accessibility and local languages: The company's integrity line is translated into eight different languages. [Business Ethics, N/A: <a href="https://infineon.com">infineon.com</a> &amp; Infineon CSR Policy, 07/2018: <a href="https://infineon.com">infineon.com</a>]</li> <li>• Met: ICT supplier communities use global system: See above (C.1.). [Compliance Guideline Anticorruption, 11/2018: <a href="https://infineon.com">infineon.com</a>]</li> </ul>
C.7	Remedying adverse impacts and incorporating lessons learned	0	The individual elements of the assessment are met or not as follows: Score 1 <ul style="list-style-type: none"> <li>• Not met: Describes how remedy has been provided</li> <li>• Not met: Says how it would remedy key sector risks</li> </ul> Score 2 <ul style="list-style-type: none"> <li>• Not met: Changes introduced to stop repetition</li> <li>• Not met: Approach to learning from incident to prevent future impacts</li> <li>• Not met: Evaluation of the channel/mechanism</li> </ul>

## Performance: Responses to Serious Allegations (Not included in the overall score)

Indicator Code	Indicator name	Score (out of 2)	Explanation
E(1).0	Serious allegation No 1		<ul style="list-style-type: none"> <li>• <b>Headline:</b> Infineon and other companies' suppliers accused of forced labour on migrant workers in Malaysia</li> <li>• <b>Area:</b> Forced labour, working hours, security of persons</li> <li>• <b>Story:</b> On June 28, 2019, Danwatch, a Danish investigative media and research centre, published an investigation report detailing alleged fundamental human and labour rights violations against Nepalese and Indonesian migrant employees working at Malaysian factories producing components for major electronics companies, including Infineon.</li> </ul> <p>The report is based on interviews with workers employed by labour agency JS Global, which supplies workers to manufacturing companies, including German industrial group Possehl, which supplies products to Infineon, ST Microelectronics, NXP, Texas Instruments, Vishay and Diodes Inc.</p> <p>Employees reported several allegations constituting some form of forced labour</p> <ul style="list-style-type: none"> <li>- excessive recruitment fees (exceeding amounts required by Malaysian government-approved agencies for the legalisation of workers' status)</li> <li>- arbitrary reductions of wages</li> <li>- violent threats when employees complained about wage reduction or non-payment</li> <li>- passport confiscation</li> <li>- excessive overtime work</li> </ul> <ul style="list-style-type: none"> <li>• Sources: [Danwatch 28/06/2019: <a href="http://danwatch.dk">danwatch.dk</a>][ ][ ][ ]</li> </ul>
E(1).1	The Company has responded publicly to the allegation	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• <b>Met:</b> Public response available: Infineon's spokesperson, Diana Kaaserer, said Infineon was surprised by Danwatch's findings which she said violated the company's policies on workers' rights. "The cases described are not consistent with our self-commitment and requirements towards our supply chain. Consequently, we have addressed the concerns raised by the migrant workers to Possehl and requested comprehensive clarification", she wrote in an email to Danwatch. [Danwatch report on allegation: <a href="http://danwatch.dk">danwatch.dk</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• <b>Not met:</b> Response goes into detail</li> </ul>
E(1).2	The Company has appropriate policies in place	1	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• <b>Met:</b> Company policies address the general issues raised: The Company is a member of the UN Global Compact, which includes policy against forced labour. Additionally, the Company has a policy on working hours, stating that they must abide by local statutory requirements. [Business Conduct Guideline, 07/2019: <a href="http://infineon.com">infineon.com</a>]</li> <li>• <b>Met:</b> Policies apply to the type of business relationships involved: Suppliers are expected to reject forced labour. As for working hours, the Principles of Purchasing state 'we compensate our employees fairly for their work with wages that meet at least minimum legal standards and adhere to the applicable laws, regulations and agreements on working hours and general working conditions.' [Principles of Purchasing, 10/2014: <a href="http://infineon.com">infineon.com</a>]</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• <b>Not met:</b> Policies address the specific rights in question</li> </ul>
E(1).3	The Company has taken appropriate action	0	<p>The individual elements of the assessment are met or not as follows:</p> <p>Score 1</p> <ul style="list-style-type: none"> <li>• <b>Not met:</b> Engages with affected stakeholders</li> <li>• <b>Not met:</b> Provides remedies to affected stakeholders</li> <li>• <b>Not met:</b> Has reviewed management systems to prevent recurrence</li> </ul> <p>Score 2</p> <ul style="list-style-type: none"> <li>• <b>Not met:</b> Remedies are satisfactory to the victims</li> <li>• <b>Not met:</b> Has improved systems and engaged affected stakeholders</li> </ul>

### Disclaimer

A score of zero for a particular indicator does not mean that bad practices are present. Rather it means that we have been unable to identify the required information in public documentation.

See the 2020 Key Findings report and the 2019 technical annex for more details of the research process.

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