

NXP SEMICONDUCTOR

UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS

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SECURE CONNECTIONS
FOR A SMARTER WORLD

PUBLIC

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A LETTER FROM OUR CEO



As we look well into our future and the future of society, sustainability is an essential component of the why and how behind what we do at NXP. On our journey, we aim to advance sustainable solutions in everything we do, through our people and products, and in partnership with our customers and stakeholders.

NXP is positioned to accelerate breakthroughs that anticipate, automate and advance the world. We go beyond simply creating components. We build system solutions that solve complex problems and offer transformative speed and scale to our ecosystem partners.

Our Products

NXP technologies and solutions are everywhere, improving the daily lives of people through the highest levels of safety, security and convenience from their connected devices. Our design principles enable maximum efficiencies in manufacturing, miniaturization and power consumption to minimize technology's impact on climate and the environment.

Our People

Diversity is key to our success, inherent in our beliefs as a company, and creates a competitive advantage for NXP. By leveraging the unique backgrounds, skillsets and ideas of a diverse NXP team, we can deliver more innovative and sustainable solutions, not just for customers but for the company's internal operations as well.

Our Supply Chain

Our policies and tools help ensure our suppliers and manufacturers are sourcing and producing our products in an ethical, environmentally friendly and humane manner. NXP is proud to be a signatory of the United Nations Global Compact and a full member of the Responsible Business Alliance (RBA), and we are committed to not only meeting but exceeding the utmost standards of ethical and sustainable conduct.

For us, sustainability is a constant effort with many layers, as an evolving world and advancement in technology yield new opportunities for innovation at every turn. As such, I am pleased to share with you our progress made in 2019, just as I look forward to building on our achievements in 2020 and beyond:

Products – Our primary products and solutions are tools used to increase energy efficiency and reduce power consumption, making consumer devices and systems operate more sustainably. Our focus continues to guide our decisions and plans for new applications in the coming quarters.

Industries – By helping manage energy use, NXP continues to contribute to the shift to hybrid and electric vehicles in the automotive industry and the application of greater automation efficiency in manufacturing and commercial buildings.

Carbon Footprint – In 2019, we reduced our perfluorinated compound (PFC) emissions by 22% over our level reported in 2018. Since 2010, we have successfully reduced our normalized PFC emissions by 52%.

Health and Safety – In 2019, our injury rate was 0.12 (per 100 employees/working hours)—low for semiconductor companies, which average between 0.6 and 0.9. We engaged with our employees using a safety survey to determine if our workers felt safe while working at NXP. We received great feedback and continue to implement site improvements to ensure a safety-first culture for everyone.

Social Responsibility – In 2019, the positive impact of our social responsibility program for NXP's foreign migrant workers in Malaysia was highlighted in a worker documentary. In addition, our social responsibility team audited our supply chain, which uncovered workers were paying recruitment fees for employment. We are happy to report that all but one of those suppliers have repaid the fees to their workers. The remaining supplier is in the process of repayment.

A sustainable future holds challenges and opportunities, and we aim to drive innovative solutions with our products, through our operations and within our supply chain. Working with our stakeholders, customers, suppliers and the communities in which we live and work, we will create a more sustainable world together.

I look forward to keeping you informed and involved in our journey.

Kurt Sievers
President and CEO, NXP Semiconductors





Human Rights



Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and
Principle 2: Make sure that they are not complicit in human rights abuses

Policies & Implementation	<ul style="list-style-type: none">• NXP Code of Conduct• NXP Supplier Code of Conduct• Responsible Business Alliance Code of Conduct• NXP Commitment to Labor & Human Rights• NXP Sustainability Policy
Outcomes	<ul style="list-style-type: none">• NXP Sustainability Website• Labor and Human Rights Website• Human Trafficking Statement• NXP Conflict Mineral Website• NXP Conflict Minerals Policy• NXP Social Responsibility Auditable Standards• NXP's Report on the SDG's



Labour



Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;

Principle 4: The elimination of all forms of forced and compulsory labor;

Principle 5: The effective abolition of child labor; and

Principle 6: The elimination of discrimination in respect of employment and occupation.

Policies & Implementation

- [NXP Code of Conduct](#)
- [NXP Supplier Code of Conduct](#)
- [Responsible Business Alliance Code of Conduct](#)
- [NXP Commitment to Labor & Human Rights](#)
- [NXP Sustainability Policy](#)
- [Anti-Discrimination Policy](#)

Outcomes

- [NXP Sustainability Website](#)
- [Human Trafficking Statement](#)
- [NXP Social Responsibility Auditable Standards](#)
- [NXP's Report on the SDG's](#)



Environment



Principle 7: Businesses should support a precautionary approach to environmental challenges;

Principle 8: Undertake initiatives to promote greater environmental responsibility; and

Principle 9: Encourage the development and diffusion of environmentally friendly technologies.

Policies & Implementation	<ul style="list-style-type: none">• NXP Code of Conduct• NXP Supplier Code of Conduct• Responsible Business Alliance Code of Conduct• NXP Sustainability Policy
Outcomes	<ul style="list-style-type: none">• NXP Environment Website• NXP Global Warming Website• NXP Energy, Water & Waste Website• NXP Environment Interactive Charts• NXP ECO-Products Website• NXP ISO 14001 Certification• NXP Social Responsibility Auditable Standards• NXP's Report on the SDG's



Anti-Corruption

Principle 10: Businesses should work against corruption in all its forms, including extortion and bribery.



Policies & Implementation	<ul style="list-style-type: none">• NXP Code of Conduct• NXP Supplier Code of Conduct• Responsible Business Alliance Code of Conduct
Outcomes	<ul style="list-style-type: none">• NXP Ethics Website• NXP Social Responsibility Auditable Standards



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