

NXP SEMICONDUCTOR

UNITED NATIONS GLOBAL COMPACT

COMMUNICATION ON PROGRESS

Reporting for January – December 2020

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SECURE CONNECTIONS
FOR A SMARTER WORLD

PUBLIC

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A LETTER FROM OUR CEO



The year 2020 was, by nearly any measure, one of unprecedented challenges. It required all of us at NXP to work

differently, by engaging more closely than ever with our employees, partners, and customers, and by playing an even greater role in driving societal change.

Whether in the current environment or the post-pandemic future to come, the need for cutting-edge technology is boundless. From safety and security to convenience and connectivity, NXP accelerates breakthroughs that advance the world – including innovative product solutions that help support the sustainability goals and objectives of our stakeholders.

This report demonstrates our commitment to sustainability and our dedication to measurable year-on-year progress. As we look back on a turbulent year, it's important to celebrate the progress we made by working with our employees and partners in the public and nonprofit sectors. With that in mind, I am pleased to share with you some of what we achieved in the past 12 months:

2020 Accomplishments

Products – NXP technologies enabled critical, life-saving solutions, including ventilators urgently needed to support the sickest COVID-19 patients. The ability to play an active role in fighting the ongoing pandemic by delivering precise and reliable medical-grade components was made possible by the collaboration of our employees, our suppliers, and our customers.

In April, NXP issued one of the semiconductor industry's first Green Innovation Bonds. The bond will help us develop even smarter chips, so we can further reduce energy consumption in end products such as power adapters, electric/hybrid vehicles, traffic-management systems, edge processors, mobile networks, and building heating, cooling, and lighting.

Diversity, Equality and Inclusion – We appointed a Head of Diversity, Equality and Inclusion to ensure our working environment supports equal access to opportunities.

Health and Safety – Employee health and safety remains a top priority for NXP, and we enacted world-class protocols across our sites to protect our employees in response to the COVID-19 pandemic.

We are especially pleased to report our lowest-ever injury rate of 0.08 (per 100 employees/working hours). In 2019, the semiconductor industry averaged between 0.5 and 0.8.

Human Rights – In response to the pandemic, we surveyed 41 high-risk suppliers to evaluate their protection of workers' human rights and verify that their workers were safe and protected.

We received high rankings on social responsibility from two non-profit organizations that benchmark performance in the Information and Communication Technologies (ICT) industry. We were ranked #5 among 44 companies by the Corporate Human Rights Benchmark and #8 among 49 companies by Know the Chain.

Carbon Footprint – We met our 2020 goal to reduce our carbon footprint by 30%. In addition, we have reduced our absolute emissions of PerFluorinated Compounds (PFCs), which are greenhouse gases, by 66%.

Sustainability Policy – We revised our Sustainability Policy to provide more information on our products, our employees, and our commitment to human rights.

Sustainability is a journey, not a destination. As we proceed on this journey, we will continue working with our partners to create a more sustainable world – together.

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

- [Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Responsible Business Alliance Code of Conduct](#)
- [Commitment to Labor & Human Rights](#)
- [Sustainability Policy](#)
- [Responsibly Sourced Minerals Policy](#)

Outcomes

- [Sustainability Website](#)
- [Labor and Human Rights Website](#)
- [Modern Slavery and Human Trafficking Statement](#)
- [Human-Rights Due Diligence](#)
- [Responsible Minerals Sourcing Website](#)
- [Social Responsibility Auditable Standards](#)
- [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

- [Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Responsible Business Alliance Code of Conduct](#)
- [Commitment to Labor & Human Rights](#)
- [Sustainability Policy](#)
- [Responsibly Sourced Minerals Policy](#)
- [Diversity, Equality and Inclusion](#)

Outcomes

- [Sustainability Website](#)
- [Labor and Human Rights Website](#)
- [Modern Slavery and Human Trafficking Statement](#)
- [Social Responsibility Auditable Standards](#)
- [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

- [Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Responsible Business Alliance Code of Conduct](#)
- [Sustainability Policy](#)

Outcomes

- [Environment Website](#)
[Emissions](#) [Energy](#) [Water](#) [Waste](#)
- [Environment Interactive Charts](#)
- [ECO-Products Website](#)
- [ISO 14001 Certification](#)
- [Social Responsibility Auditable Standards](#)
- [Report on the SDG's](#)



Anti-Corruption

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



Policies & Implementation

- [Code of Conduct](#)
- [Supplier Code of Conduct](#)
- [Responsible Business Alliance Code of Conduct](#)

Outcomes

- [Ethics Website](#)
- [Social Responsibility Auditable Standards](#)



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