**NXP LABORATORIES UK LIMITED Tax Strategy**

It is important for NXP LABORATORIES UK LIMITED to act as a socially responsible company in the tax field.

NXP LABORATORIES UK LIMITED wants to fully ensure that its tax obligations are handled in full compliance with the UK tax law and practice. We make sure that our tax figures are correctly calculated and disclosed in our annual report.

NXP LABORATORIES UK LIMITED has a local Finance manager in place who is responsible for tax compliance in close coordination with NXP’s regional tax manager for Europe.

Through the involvement of NXP’s regional tax manager we ensure that the competency and knowledge of NXP’s tax community is used as a further means to make sure that all applicable taxes are paid in time and to have in time proper discussions on contentious tax matters.

NXP LABORATORIES UK LIMITED makes use of locally available tax incentive programs, like e.g. R&D tax incentives. However, NXP never seeks to benefit from tax planning activities or structures that we consider artificial or are not legitimate.

In case of any doubts on the application of legal rules that cannot be clarified internally, we consult our external advisors or approach HMRC for their view.

As part of a multinational group of companies NXP LABORATORIES UK LIMITED is exposed to numerous tax risks. Within our global tax framework, we identify and manage such risks. Any risks related to tax compliance are managed by continuous monitoring of the tax filing process. Tax payments are systematically forecasted and any material deviations between forecast and reality are analyzed every month.

NXP LABORATORIES UK LIMITED has and continuously strives for a good and open relationship with tax authorities. In case of information requests or tax audits we always try to provide requested information and documents in a timely and transparent manner to support the process in the best viable way.