



2025
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This index summarizes our climate-related disclosures in line with the Task Force on Climate-Related Financial Disclosures (TCFD), which defines a set of voluntary disclosures that help stakeholders understand climate-related risks and opportunities.

Governance

Disclose the organization's governance around climate-related risks and opportunities.

a) Describe the board's oversight of climate-related risks and opportunities.

The Board of Directors has ultimate oversight over climate-related issues and sustainability program oversight is delegated to the Nominating, Governance and Sustainability Committee of the Board of Directors. The Nominating, Governance and Sustainability Committee leads on climate oversight, while other board committees contribute to climate governance within their respective mandates.

- The [Nominating, Governance and Sustainability Committee](#) leads oversight of sustainability policies, goals, disclosures and stakeholder feedback.
- The [Audit Committee](#) ensures robust financial and sustainability disclosure controls, including assurance processes and regulatory readiness.
- The [Human Resources and Compensation Committee](#) aligns sustainability goals with incentive programs and supports strategic sustainability planning and goal setting.

The Nominating, Governance and Sustainability Committee receives quarterly updates from the Sustainability Management Board, which is comprised of Management Team members and other senior leaders and, in turn, reports on these efforts in plenary meetings of NXP's Board of Directors. A monitoring dashboard of top key performance indicators (KPIs) — which includes progress against climate-related targets — is reviewed on a quarterly basis.

When relevant, the Board and committees consider climate-related issues when reviewing and guiding strategy, major plans of action, risk management policies, annual budgets and business plans as well as setting performance objectives, monitoring implementation and performance and overseeing major capital expenditures, acquisitions and divestitures. When relevant, the Board and committees also consider climate-related risks and opportunities — including physical, transition and liability risks — on a regular basis as part of its strategic oversight and enterprise risk management responsibilities.

b) Describe management's role in assessing and managing climate-related risks and opportunities.

The CEO and the NXP Management Team, together with and under the supervision of NXP's Board of Directors and committees, are responsible for climate-related matters. The chief sustainability officer is assigned primary sustainability responsibilities, including climate-related matters and oversight of the Sustainability Management Board. The NXP's Sustainability Management Board meets regularly to oversee the implementation of sustainability strategy and policy and ensures appropriate resourcing.

The NXP Management Team is informed about climate-related issues through internal reporting mechanisms, including quarterly KPI dashboards, risk assessment outputs and regulatory updates. These insights are reviewed during Sustainability Management Board meetings and are reported to the Board Committees as needed. Ongoing monitoring is supported by cross-functional collaboration between sustainability, finance, legal, operations and risk management teams.

The NXP Management Team systematically embeds climate considerations into strategic planning, operational decisions and enterprise risk management, ensuring climate risks and opportunities are proactively addressed at every level. The Sustainability Management Board evaluates climate-related risks and opportunities, considers actions based on materiality and financial impact and ensures alignment with NXP's decarbonization roadmap and regulatory obligations.

We include climate-related issues in our [Sustainability Policy](#), [Biodiversity Policy](#), [Supplier Code of Conduct](#) and [Auditable Standards on Social Responsibility](#). We have commitments such as our SBTi validated targets, UN Global Compact status and our membership in the SEMI Climate Consortium. We have a financial incentive for all eligible employees, including all executives, that is linked in part to our climate targets.

Strategy

Disclose the actual and potential impacts of climate-related risks and opportunities on the organization's businesses, strategy and financial planning where such information is material.

a) Describe the climate-related risks and opportunities the organization has identified over the short, medium and long term.

NXP's climate risk and opportunity assessment process identifies and evaluates physical and transition climate risks across its operations and value chain that could have a material

financial impact over three time horizons. We defined short (0–1 year), medium (1–5 years) and long-term (>5 years) time horizons to align with asset lifecycles, financial reporting, Enterprise Risk Management and both internal and international goals.

Physical risks are assessed using two Shared Socioeconomic Pathways (SSP) climate scenarios – SSP1 (1.5°C-aligned, low emissions) and SSP5 (>4°C-aligned, high emissions) – to evaluate NXP's operations, assets and value chain using an external physical climate scenario database. For

hazards where SSP scenario data was not available, we used Representative Concentration Pathway (RCP) scenarios or current-state data.

Transition risks are analyzed using the Network for Greening the Financial System (NGFS) – Net Zero 2050 scenario (<1.5°C-aligned, low emissions). We analyzed only the more extreme scenario, as it represents the most ambitious and disruptive policy, market and technology shifts that could materially impact the business, both positively and negatively.

We identified the list of potentially relevant risks and opportunities, as well as activities and locations in our operations and value chain. Then, using data analysis, research and stakeholder engagement, we evaluated each risk and opportunity for potential materiality¹ based on preset criteria. The short list of top risks and opportunities were then reviewed and approved with leadership. The following table includes specific climate-related issues that could have a material financial impact on NXP.

Risk or opportunity	Type	Time horizons	Location	Potential business impact	Adopted or in-progress measures
Heatwave	Acute physical risk	Short-, medium- and long-term	Own operations and value chain	<ul style="list-style-type: none"> Increased direct costs and capital expenditures Disruption in production capacity 	<ul style="list-style-type: none"> Install energy efficient equipment Develop power grid emergency plans
Storm and precipitation	Acute physical risk	Short-, medium- and long-term	Own operations and value chain	<ul style="list-style-type: none"> Increased direct costs and capital expenditures Disruption in production capacity 	<ul style="list-style-type: none"> Upgrade sites for resilience Train employees on emergency storm protocol
Heat stress	Chronic physical risk	Short-, medium- and long-term	Own operations	<ul style="list-style-type: none"> Increased direct costs and capital expenditures 	<ul style="list-style-type: none"> Install energy efficient equipment Develop power grid emergency plans
Water stress	Chronic physical risk	Short-, medium- and long-term	Own operations and value chain	<ul style="list-style-type: none"> Increased direct costs and capital expenditures Constraint to growth 	<ul style="list-style-type: none"> Install water efficiency equipment Implement water optimization projects Develop drought emergency plans
Shifting demand away from high-emission products	Transition risk	Long-term	Own operations and value chain	<ul style="list-style-type: none"> Long-term design changes in end products Potential product obsolescence 	<ul style="list-style-type: none"> Establish customer and supplier engagement programs on sustainability Integrate climate-related considerations into new products and/or market development processes
Sustainable innovation for market growth	Transition opportunity	Long-term	Own operations and value chain	<ul style="list-style-type: none"> Expansion into new markets and customer segments Increased revenue and sales of sustainable products and services 	<ul style="list-style-type: none"> Establish customer and supplier engagement programs on sustainability Integrate climate-related considerations into new products and/or market development processes

¹ The terms "materiality" and "material" in this report and other sustainability-focused disclosures differ from the same terms used in disclosures for securities or other laws.

b) Describe the impact of climate-related risks and opportunities on the organization's businesses, strategy and financial planning.

Climate-related considerations — derived from scenario analysis — are integrated into NXP's strategic and financial planning processes, influencing decisions across operations, product development and investment priorities, where relevant.

NXP manufactures and designs products that can positively contribute to advancing sustainability, including climate-related issues, and we are currently further defining an approach to classify and evaluate these products based on their environmental sustainability contributions.

Our climate strategy aims at meeting investor sustainability expectations when they arise. NXP takes into account and monitors how climate-related factors may influence our operations, but also future acquisitions or divestments as regulatory and market expectations evolve. NXP embeds climate considerations into supplier engagement through emissions reporting and sustainable sourcing, while implementing mitigation strategies such as energy efficiency upgrades, renewable energy procurement and emissions reduction targets across our global operations.

Climate-related considerations impact NXP's cost structure through investments and operating costs, while enabling opportunities in low carbon markets. Climate-related

matters are considered in NXP's financial planning process, primarily through periodic risk assessments and scenario analysis. These assessments are reviewed annually and cover short (0–1 year), medium (1–5 years) and long-term (>5 years) time horizons. The findings help inform budgeting and investment decisions, but the integration of climate-related factors into financial planning is still developing and will be refined as data and methodologies improve.

c) Describe the resilience of the organization's strategy, taking into consideration different climate-related scenarios, including a 2°C or lower scenario.

NXP's strategy is designed to be resilient under a range of climate scenarios, including the 4°C and 1.5°C/Net Zero scenarios we assessed. The company is actively aligning its activities with global decarbonization trends to ensure long-term business continuity and competitiveness. NXP recognizes that climate-related risks and opportunities may impact its operations, energy procurement strategies and customer demand for products. Regulatory changes, supply chain disruptions and shifts in investor and customer expectations could also impact our strategy.

The available data is not currently sufficiently robust to support meaningful financial quantification of our top risks and opportunities. In addition, limitations in standardized methodologies and the complexity of modeling long-term climate scenarios further constrain our ability to

produce reliable estimates. As such, we believe that quantification at this stage would not enhance business decision-making nor stakeholder awareness. This conclusion will be revisited annually.

NXP's strategies will evolve over time in response to emerging climate-related risks and opportunities, informed by ongoing assessments, stakeholder expectations and shifts in the regulatory and market landscape. NXP also participates in industry associations and working groups, such as SEMI Climate Consortium, to collaborate with industry peers and advance resilience for the industry as a whole.

Risk management

Disclose how the organization identifies, assesses and manages climate-related risks.

a) Describe the organization's processes for identifying and assessing climate-related risks.

NXP has a collaborative approach to climate-related risk identification and assessment. The Sustainability Office collaborates with the Finance, Business Resilience and Enterprise Risk Management Teams to align the criteria, thresholds and processes of the climate-related risk assessment being performed by these Teams. This alignment creates consistency where feasible in the criteria and scoring evaluations allowing NXP to systematically compare the significance of climate-related

risks to each other and other risks. Climate-related risks are prioritized based on their potential financial impact and strategic relevance.

NXP actively monitors and evaluates existing and emerging climate-related regulations, that are factored into risk assessments and scenario analysis. Climate-related risks are assessed using qualitative and quantitative methods, including scenario analysis, external physical risk scenario data and financial criteria. NXP evaluates both transition and physical risks across short (0–1 year), medium (1–5 years) and long-term (>5 years) time horizons, considering impacts on operations, supply chain and market positioning. TCFD and Carbon Disclosure Project (CDP) were used to establish the initial classification of climate risks and opportunities.

b) Describe the organization’s processes for managing climate-related risks.

The responsibility for management and decision-making regarding climate-related physical and transition risks is the same as the oversight described in the Governance sub-section of our [2025 Corporate Sustainability Report](#). NXP manages climate-related risks through a process that involves identification, assessment and response planning. When key risks are identified using scenario analysis, internal reporting and cross-functional collaboration, they are evaluated for their potential financial and strategic impact. The NXP Management Team, in consultation with the Sustainability Management Board and relevant committees, determines the appropriate response to these risks. This may include mitigation actions (such as energy efficiency upgrades or business continuity planning), transferring risk where feasible (for example, through insurance), implementing controls to reduce exposure or accepting certain risks where appropriate.

c) Describe how processes for identifying, assessing and managing climate-related risks are integrated into the organization’s overall risk management.

The results of the climate-related risk assessment complement and inform our Enterprise Risk Management process and we strive to align the assessments where possible. For more information on how NXP identifies, assesses and manages climate-related risks within our overall risk management strategy, please refer to (a) and (b) in the Risk Management sub-section above.

Metrics and targets

Disclose the metrics and targets used to assess and manage relevant climate-related risks and opportunities where such information is material.

a) Disclose the metrics used by the organization to assess climate-related risks and opportunities in line with its strategy and risk management process.

We disclose key metrics related to emissions, energy and water with historical periods to allow for trend analysis in our annual sustainability reporting. We also have an incentive for all eligible employees that is tied to interim goals that support NXP’s mid- and long-term sustainability commitments. This nonfinancial scorecard, which includes climate- and other sustainability-related goals, represents 20% of the total Annual Incentive Plan (AIP) target.

b) Disclose Scope 1, Scope 2 and, if appropriate, Scope 3 greenhouse-gas (GHG) emissions and the related risks.

Our Scope 1, Scope 2 and Scope 3 emissions for 2025 have been calculated in accordance with the GHG Protocol. In our [2025 Corporate Sustainability Report](#), we include information on our organizational boundary and consolidation approach, external limited assurance for Scope 1 and Scope 2 disclosures, our Scope 2 location-based emissions and Scope 3 coverage and methodology. We also publish related information in our [Climate Transition Plan](#) and [2025 Independent Limited Assurance Statement](#).

Emission type	Unit	2025 Value
Scope 1	tCO ₂ e	206,637
Scope 2 (market-based)	tCO ₂ e	423,655
Scope 3	tCO ₂ e	8,446,020
Total Scope 1, 2 and 3	tCO₂e	9,076,321

c) Describe the targets used by the organization to manage climate-related risks and opportunities and performance against targets

We have a well-defined roadmap to reduce emissions across our operations and value chain, ensuring measurable progress toward achieving our climate-related aspirations, while supporting global efforts to limit warming to maximum 1.5°C. This roadmap includes our mid-term targets outlined in the table below. We also have interim goals included in our financial incentive program. Additionally, we have a long-term ambition to achieve carbon neutrality by 2035 for Scope 1 and 2.

Target	Base year	Target year	Target type	SBTi validated
35% reduction in Scope 1 and 2 emissions	2021	2027	Absolute	No
55% reduction in Scope 1 and 2 emissions	2021	2030	Absolute	Yes (1.5°C pathway)
35% reduction in Scope 3 emissions	2022	2033	Absolute	Yes
50% renewable electricity	2021	2027	Absolute	No
60% wastewater recycled	2021	2027	Absolute	No



NXP Semiconductors N.V. (NASDAQ: NXPI) is the trusted partner for innovative solutions in the automotive, industrial & IoT, mobile, and communications infrastructure markets. NXP's "Brighter Together" approach combines leading-edge technology with pioneering people to develop system solutions that make the connected world better, safer, and more secure. The company has operations in more than 30 countries and posted revenue of \$12.27 billion in 2025. Find out more at [nxp.com](https://www.nxp.com)

For more information about NXP's Sustainability activities, please read our full [2025 Corporate Sustainability Report](#).

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Forward-looking statements

This document includes forward-looking statements which include statements regarding NXP's business strategy, carbon emissions, energy consumption, water consumption, and other sustainability aspirations as well as any other statements which are not historical facts. By their nature, forward-looking statements are subject to numerous factors, risks and uncertainties that could cause actual outcomes and results to be materially different from those projected. These factors, risks and uncertainties include the following: market demand and semiconductor industry conditions; our ability to successfully introduce new technologies and products; the demand for the goods into which our products are incorporated; recent changes in global trade policy including tariffs and related trade actions announced by the U.S., China and other countries, potential increase of barriers to international trade, including the imposition of new or increased tariffs, and resulting disruptions to our established supply chains; the impact of government actions and regulations, including as a result of executive orders, including restrictions on the export of products and technology; increasing and evolving cybersecurity threats and privacy risks; our ability to accurately estimate demand and match our production capacity accordingly or obtain supplies from third-party producers; our access to production from third-party outsourcing partners, and any events that might affect their business or our relationship with them; our ability to secure adequate and timely supply of equipment and materials from suppliers; our ability to avoid operational problems and product defects and, if such issues were to arise, to correct them quickly; our ability to form strategic partnerships and joint ventures and successfully cooperate with our strategic alliance partners; our ability to win competitive bid selection processes; our ability to develop products for use in our customers' equipment and products; our ability to successfully hire and retain key management and senior product engineers; global hostilities, including the invasion of Ukraine by Russia and resulting regional

instability, sanctions and any other retaliatory measures taken against Russia, and the continued hostilities and armed conflict in the Middle East, which could adversely impact the global supply chain, disrupt our operations or negatively impact the demand for our products in our primary end markets; our ability to maintain good relationships with our suppliers; our ability to integrate acquired businesses in an efficient and effective manner; our ability to generate sufficient cash, raise sufficient capital or refinance our debt at or before maturity to meet our debt service, research and development and capital investment requirements; and a change in tax laws could have an effect on our estimated effective tax rates. In addition, this document contains information concerning the semiconductor industry, our end markets and business generally, which is forward-looking in nature and is based on a variety of assumptions regarding the ways in which the semiconductor industry, our end markets and business will develop. NXP has based these assumptions on information currently available, if any one or more of these assumptions turn out to be incorrect, actual results may differ from those predicted. While NXP does not know what impact any such differences may have on its business, if there are such differences, its future results of operations and its financial condition could be materially adversely affected. Readers are cautioned not to place undue reliance on these forward-looking statements, which speak to results only as of the initial publication date of this document. Except for any ongoing obligation to disclose material information as required by the United States federal securities laws, NXP does not have any intention or obligation to publicly update or revise any forward-looking statements after we distribute this document, whether to reflect any future events or circumstances or otherwise. For a discussion of potential risks and uncertainties, please refer to the risk factors listed in our SEC filings. Copies of our SEC filings are available on our Investor Relations website, [nxp.com/investor](https://www.nxp.com/investor) or from the SEC website, [sec.gov](https://www.sec.gov).