



2025

Modern Slavery

Report

Combating forced labor and
ensuring transparent supply chains

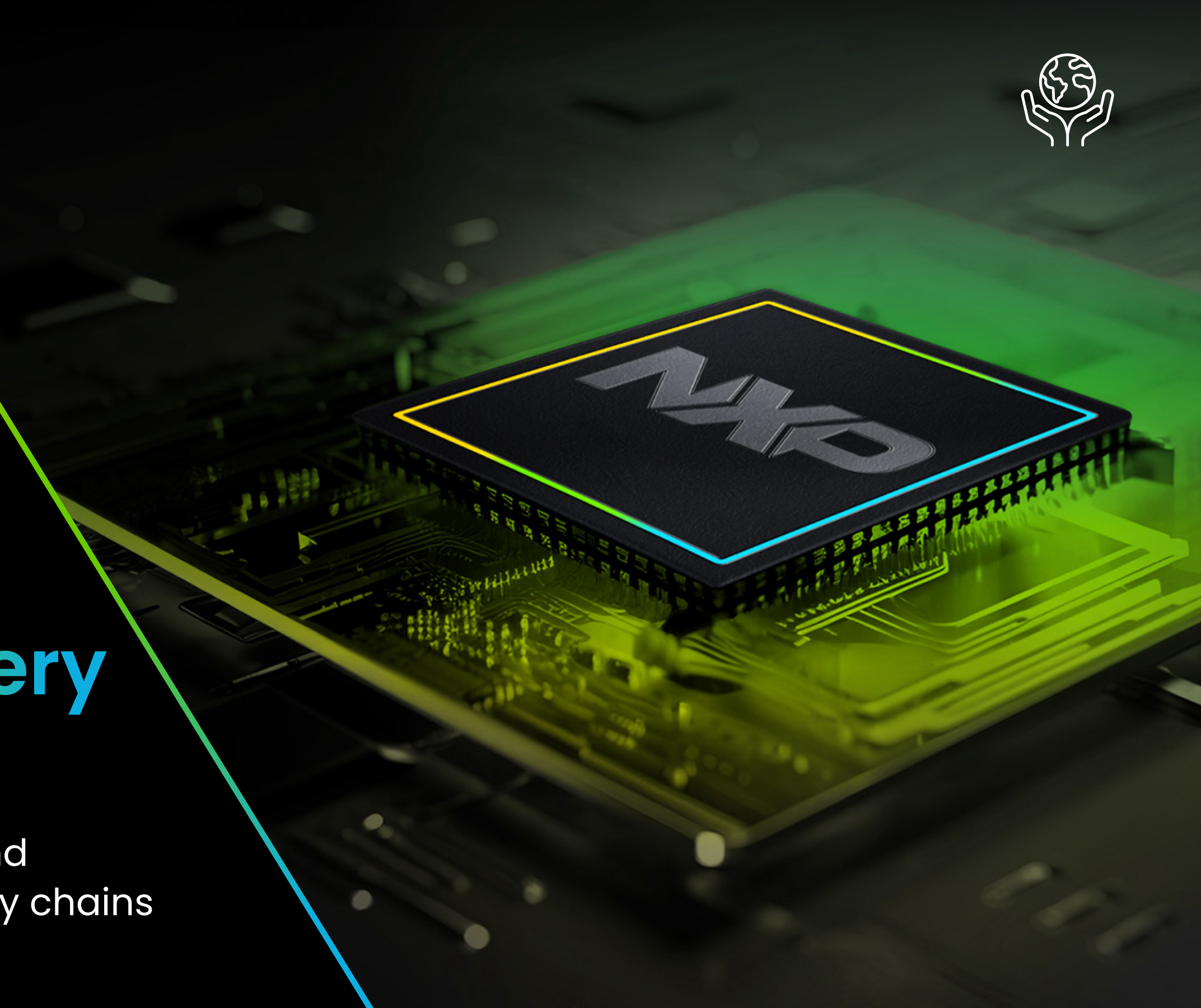


Table of contents

Introduction

A message from our CEO

Report overview

Our operations

Team members

Supply chain

Aspirations

Human-rights due diligence

Human-rights due diligence approach

Identify and assess

Engagement

Salient assessment

Integrate and act

Policies and standards

Responsible recruitment practices

Governance

Assessments

Audits

Capacity building

Track

Social-responsibility aspirations

2025 Results

Communicate

Communication channels

Conclusion



Introduction

A message from our CEO

Report overview

Our operations

Team members

Supply chain

Aspirations



“ Guided by the principles of the UN Universal Declaration of Human Rights, we remain committed to building a brighter future through dignity and respect.”

A message from our CEO

NXP’s commitment to respecting and protecting human rights begins with acknowledging the responsibility we hold as a global company. Every breakthrough solution we create and every collaboration we foster is connected to people and communities across the world.

Guided by the principles of the UN Universal Declaration of Human Rights, we remain committed to building a brighter future through dignity and respect.

In 2025, NXP strengthened this commitment by completing our first human rights review, assessing the relevance and effectiveness of our due diligence program and identifying opportunities to address blind spots across our global value chain. We also continued addressing labor and human rights issues within NXP by conducting a second round of living wage gap analysis for all our global team members.

Collaboration remains central to our efforts. In 2025, we continued sharing our perspectives at global forums — including the UN Responsible Business and Human Rights Forum — and contributed to the UN Forum on Business and Human Rights while maintaining our senior advisory role with the OECD’s Responsible Business Conduct department. These engagements help us exchange best practices, learn from peers and strengthen our commitment to responsible business worldwide.

Protecting workers’ rights and upholding human dignity requires continuous improvement and shared responsibility among team members, customers, suppliers and other stakeholders. I am proud of the progress NXP made in 2025 and look forward to continuing this important work together.

Rafael Sotomayor
President and CEO
NXP Semiconductors

2025 Social responsibility highlights

Completed our second **living wage** gap analysis for all NXP team members

73% of audited suppliers improved their performance

100% of suppliers signed off on our Supplier Code of Conduct

Active feedback channels for whistleblower reports in place

96% completion rate for our Code of Conduct training

Named one of **TIME's Most Sustainable** Companies of 2025

91% closure rate for audited suppliers

Conducted our first comprehensive review of the relevance, adequacy and effectiveness of our **human rights program**

100% certified conflict-free 3TG smelters

Strengthened supply-chain outreach through **civil-society partnerships**

96% of IDL team members completed sustainability training

Vendor collaboration portal implemented for conflict-mineral reporting

Enhanced supplier engagement to reduce our Scope 3 emissions

Report overview

This report summarizes the ways we worked to protect and respect human rights during 2025. It follows the international reporting norms stated by the United Nations (UN) in the Universal Declaration of Human Rights and Guiding Principles on Business and Human Rights. It also aligns with guidance and standards from the International Labour Organization (ILO).

Prepared by the NXP Sustainability Office under the supervision of the Sustainability Management Board and approved by the Nominating, Governance and Sustainability Committee of the Board of Directors, this report is part of NXP's Corporate Social Responsibility and Human Rights Program, which reflects the highest possible standards of ethical business conduct and is designed to ensure we protect and respect human rights.

This report also reflects NXP's [Human Rights Policy](#) and the [NXP Code of Conduct](#) (the Code), two documents that are approved by our Board of Directors and express our dedication to social responsibility and human rights. In further support of our commitment to these issues, we are a full member of the Responsible Business Alliance (RBA), making us part of the world's largest industry coalition dedicated to responsible business conduct in global supply chains and as a signatory of the UN Global Compact, we remain accountable by publicly reporting our [Communication on Progress](#).

Publication of this report is part of our commitment to continuous improvement in how we approach labor and human rights. Portions of the report's contents draw on data from our recently reviewed and updated Human Rights Due Diligence Management System, which we use to regularly engage with and seek feedback from key stakeholders, including our team members, our supply chain, our customers, our shareholders, industry and government regulators, UN agencies and members of non-governmental organizations (NGOs), civil society organizations (CSOs) and academia.

Our use of the term "modern slavery" in this report reflects the definitions of the UN and the ILO, which refer to practices such as forced labor, debt bondage and human trafficking. In disclosing the efforts and actions we took during the year to ensure modern slavery is not taking place in our operations and supply chains, we are guided by the California Transparency in Supply Chains Act of 2010, the United Kingdom Modern Slavery Act of 2015 and the Australia Commonwealth Modern Slavery Act of 2018.

Our operations

As a global company and significant player in the semiconductor industry, NXP has a responsibility to protect and respect human and labor rights around the world, both in our operations and in our business value chain, through ongoing stakeholder engagement, capacity building, due diligence and continuous improvement.

Our sustainability strategy and activities are inspired by widely recognized international frameworks, including the UN Sustainable Development Goals (SDGs). We set out to create a working environment that is safe and healthy, to use resources in a way that is both effective and efficient, and when it comes to the impacts of our activities, to be both accountable and



66 This report is part of NXP's Corporate Social Responsibility and Human Rights Program, which reflects the highest possible standards of ethical business conduct and is designed to ensure we protect and respect human rights.

transparent. At the same time, we work to exceed the expectations of our stakeholders and use our experience to help shape industry best practices.

Team members

At the heart of NXP's success is our talented global team of over 33,000, whose expertise, creativity and dedication drive the innovation that sets us apart. We are committed to empowering our team members across the globe by fostering a high-performance, growth-oriented, collaborative and inclusive workplace that enables team members to thrive and contribute to our shared performance.

We are also committed to protecting human rights, as well as the health and safety, of our team members. To that end, our well-established Corporate Social Responsibility and Human Rights Program includes a comprehensive set of requirements for sustainable business and these requirements are incorporated into our core business practices.

Supply chain

We are committed to ensuring that working conditions in our supply chain are safe, that workers are treated with respect and dignity and that our products and processes are environmentally responsible. We have business relationships with more than 10,000 suppliers globally. Our suppliers range from external manufacturing partners and direct materials suppliers to labor agents, tool and machine manufacturers, logistics providers, packaging services and onsite service providers for NXP and supplier facilities.

We take a collaborative approach to supplier and contractor relationships, observe applicable rules of law and demonstrate respect for ethical business, environmental and human-rights practices. To help drive continuous improvement, we conduct annual risk assessments and audit those suppliers identified in the risk-assessment process.

The NXP Top 100 Supplier List represents 99% of procurement expenditures in 2025 for materials, manufacturing and assembly of our products worldwide. The 2025 Top 100 Supplier List is available on our [website](#).

Managing the complexity of our interlinked global supply chains beyond our Tier 1 suppliers is a significant challenge, but in recent years we have gained a deeper understanding of the labor-agent network in our supply chain by engaging with the independent, non-profit organization Verité. Close collaboration with the RBA and its members, using their extensive and comprehensive supply-chain due-diligence work and data, has also enhanced our efforts to map our supply chain beyond Tier 1.



Aspirations

We are committed to upholding the highest standards of human rights, ethical conduct and responsible business practices across our global operations and supply chain. Our approach is grounded in respect for human dignity, fair treatment and safe working conditions, and we continually work to ensure that every aspect of our value chain reflects these principles.

NXP and our business partners must not be involved in any form of human-rights abuses. This includes the transportation, harboring, recruitment, transfer or receipt of persons by means of threat, force, coercion, abduction, fraud or payments to any person having control over another person for exploitation.

We are committed to the abolition of child labor, and we prohibit discrimination based on race, national origin, color, gender, religion, age, pregnancy, sexual orientation, physical or mental disability and/or political affiliation. We also prohibit the practice of charging fees to workers at any stage of employment and the retention of personal or government-issued documents. We respect workers' rights, including the freedom of association and the right to collective bargaining.

If any human-rights abuses or priority nonconformances are found in our due diligence, NXP is committed to carrying out full remediation efforts.

Commitments by human rights topic

Topic	NXP commitment
No fees	We enforce a strict no-fee policy for all workers, including temporary workers, migrant workers, contract workers, interns and direct employees. This policy has applied to internal operations since 2013 and to suppliers since 2016. Workers are never required to pay fees, deposits or debt repayments for recruitment or employment. If any fees are identified within NXP or its supply chain, the direct employer must reimburse the worker in full.
No retention of documents	NXP, its suppliers and labor agents are prohibited from withholding personal documents, travel or residency permits or government-issued identification unless legally required. Lockable storage units must be provided for the safekeeping of such documents.
Working hours and rest	The standard workweek must not exceed 48 hours of regular time or 60 hours including overtime or the maximum allowed by local law, whichever is stricter. Exceptions are permitted only in emergencies or unusual circumstances, subject to executive management approval. Workers must receive legally mandated breaks, holidays and leave including maternity leave. They must have at least one scheduled day off every seven days and may not work more than six consecutive days. All overtime must be voluntary.
Child labor and young workers	Child labor is strictly prohibited. A child is defined as anyone under 15 years of age, under the age for completing compulsory education or under the minimum legal employment age, whichever is stricter. Apprenticeship or internship programs for young workers aged 16 to 18 are permitted if they comply with all laws and do not involve hazardous, night or overtime work.
Employment contracts	Employment contracts must be written in a language understood by the worker and provided prior to hiring. Contracts must clearly state working conditions, hours, wages, benefits and duration. No changes are allowed unless they comply with local law and provide equal or better terms. Workers must receive a copy of the contract and any amendments. Housing provided under the contract must meet local safety standards and NXP's housing requirements. Workers may terminate employment at any time without penalty, subject to reasonable notice. No undue restrictions on freedom of movement are permitted and workers must have unrestricted access to drinking water and toilets.
Compensation and benefits	Compensation and benefits must comply with all applicable wage laws, including minimum wage, overtime and legally mandated benefits. Overtime must be paid at a higher rate than regular hours. Wages must be paid promptly and include clear statements detailing pay and deductions. Equal pay for equal work is required. No deductions may be used as a disciplinary measure and workers may not be forced into savings or loan schemes that create debt bondage.
Humane treatment	Harsh or inhumane treatment, including sexual harassment, physical abuse, corporal punishment, coercion or verbal abuse, is strictly prohibited. Workers must have access to anonymous-reporting channels and a clearly communicated non-retaliation policy.
Non-discrimination	We prohibit discrimination based on race, color, age, gender, sexual orientation, gender identity, ethnicity, national origin, disability, pregnancy, religion, political affiliation, union membership, veteran status, genetic information or marital status. Workers must receive reasonable accommodation for religious practices and medical tests may not be used in a discriminatory manner.
Freedom of association	Workers have the right to freely associate, join or not join labor unions and engage in collective bargaining in accordance with local laws. They may raise grievances without fear of reprisal, discrimination or harassment.



Human- rights due diligence

Human-rights due diligence approach

Human-rights due diligence approach

We apply a management system framework to our human-rights due diligence process. This includes conducting comprehensive risk assessments of our business value chain, implementing policies, standards and protocols to address and remediate the salient human-rights risks. We prioritize engagement with critical rights holders throughout our due diligence process to ensure their well-being remains central to our efforts to identify and mitigate potential human-rights impacts.

Our due diligence processes underpin how we manage labor and human rights, health and safety and environmental risks across our operations and supply chain. These processes encompass risk assessments, compliance monitoring and remediation, in addition to proactive consultation and

engagement. They also include performance measurement and transparent public reporting.

We also collaborate with other organizations and external stakeholders to make collective progress on human-rights issues in our business value chain. We are regularly invited to participate in high-level events such as the United Nations Responsible Business and Human Rights Forum to share our practical approach to implementing human-rights due diligence. Engagement in international platforms and multi-stakeholder forums allows NXP to promote collaborative action, exchange best practices and support the integration of human-rights and environmental due diligence into standard business operations.

By participating in dialogues with peers, civil society organizations and policymakers, NXP helps advance responsible business conduct and strengthen supply chain accountability across regions. Our 2025 mandatory company-wide sustainability training for all employees included topics on human-rights due diligence, including forced labor, modern slavery and other supply-chain management topics.

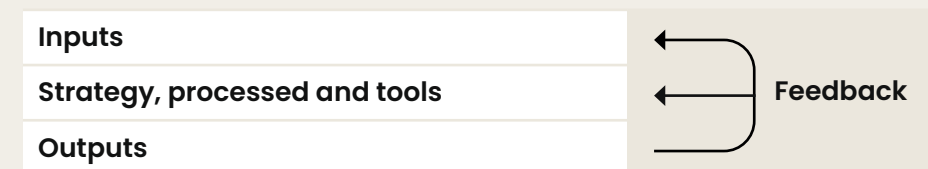
Our due diligence approach is based on the UN Guiding Principles (UNGPs) on Business and Human Rights and the OECD Responsible Business Conduct Guidelines. Our model includes the four elements defined by the UN for the due-diligence process.

Elements of our due-diligence process

UNGP	NXP's approach
UNGP 18: Identify and assess	<ul style="list-style-type: none"> • Supplier risk assessment • Self-assessment questionnaire • Audit • Collaboration and engagement with stakeholders and human-rights experts • Review and assessment of previous due-diligence results
UNGP 19: Integrate and act	<ul style="list-style-type: none"> • Policies, standards and tools • Sustainability Management Board • Capacity building • Collaboration with Purchasing Team • Monthly post-audit follow-up calls
UNGP 20: Track	<ul style="list-style-type: none"> • Post-audit follow-up calls • Verification audits • Monthly key performance indicators (KPIs) • Survey • Private worker interviews
UNGP 21: Communicate	<ul style="list-style-type: none"> • SpeakUp hotline • Worker-management dialogues and focus-group discussions • Internal and supplier grievance mechanisms • Annual reporting

For each element of the due-diligence process, we gather important information from multiple sources, including relevant stakeholders, about the topics involved. We then use the strategies, processes and tools we develop to address and analyze the input. We use our output as part of a feedback loop that creates an ongoing due-diligence approach with built-in mechanisms for continuous improvement.

Feedback integration in our due-diligence process





UNGP 18

Identify and assess

Engagement

Salient assessment

Engagements

Stakeholder feedback is an important part of our labor and human-rights strategy. It helps us evolve our own processes and culture, while also helping us guide our supply chain in practicing continuous improvement.

As part of our stakeholder engagement process, peer review and expert consultation has highlighted opportunities to

strengthen NXP's Corporate Social Responsibility and Human Rights Program. One key area identified is preparing for emerging regulations on mandatory human-rights due diligence. These insights inform our ongoing efforts to align with evolving global standards and regulatory expectations.

When making business decisions, we endeavor to consider the views of our stakeholders, by acknowledging their viewpoints

and demonstrating respect for our shared priorities. We believe this approach reflects our commitment to transparency and accountability and ultimately contributes to long-term value. Throughout the year, we engage formally and informally with our stakeholders to explore labor and human-rights issues, along with trends and developments relevant to our industry.

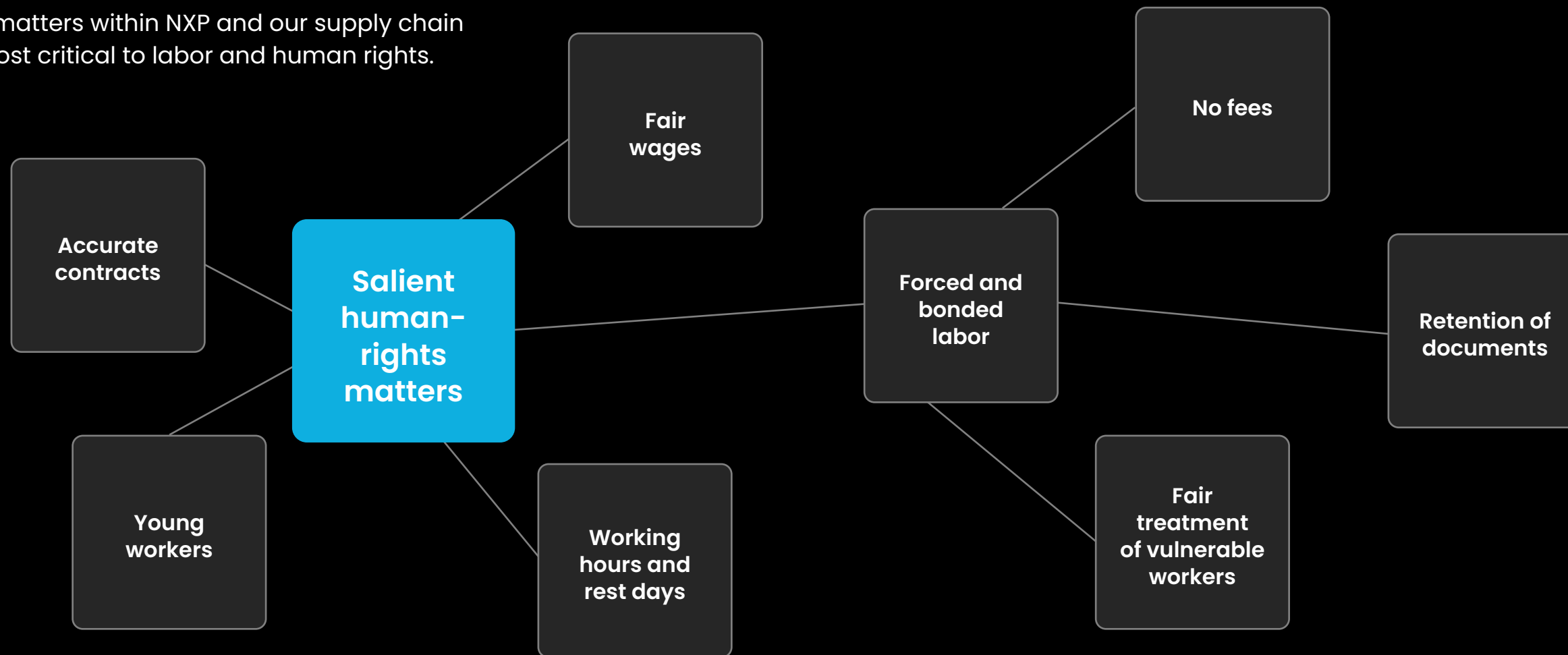
Stakeholder group	Engagements	Purpose of engagement	How outcomes are accounted for	Memberships and partner organizations
External stakeholders				
Civil Society Organizations (CSOs) and NGOs	Dialogue, multi-stakeholder projects and conferences	Align business and civil society expectations on sustainability and environmental due diligence and collaborate to support affected stakeholders	Update policies and actions to integrate best practices serving affected stakeholders	Alliance on Processors and Semiconductor Technologies (ALLPROS)
Customers	Conferences, product launches, trade shows, sustainability and business-review meetings, customer-satisfaction survey and review of customer documentation	Understand and align with customer expectations and collaborate to create more sustainable products	Ensure compliance with customer requirements and reduce audit needs through alignment	Dignity in Work for All (previously Verité Southeast Asia)
Governments / public sector	Multi-stakeholder projects, meetings and conferences and industry-association meetings	Provide industry perspective on how regulatory impacts companies and enable proactive response	Update processes, disclosures and reporting to comply with regulations	European Partnership for Responsible Minerals (EPRM)
Industry associations	Participation in or leadership of workgroups and meetings	Share best practices with peers and maintain alignment with industry expectations	Integrate relevant industry codes and standards into operations and plans	European Semiconductor Industry Association (ESIA)
Shareholders / investors	Shareholder meetings, investor calls and conferences	Align with investor priorities and add value to their initiatives and NXP activities	Share feedback with relevant teams and implement improvements	Global Business Initiative (GBI) on Human Rights
Suppliers	Supplier due-diligence audits, surveys, engagement letters and review meetings	Drive sustainability impact across supply-chain (e.g., GHG emission reduction and due diligence best practices)	Conduct supplier due-diligence audits, complete corrective action closures and coordinate improvement initiatives	International Labour Organization (ILO)
Internal stakeholders				
NXP team members	Quarterly Pulse meetings (all hands), surveys, Employee Resource Groups (ERGs), town halls and other meetings, summits and tours	Highlight innovation, gather insights on priorities and concerns and foster a culture of success and responsibility	Summarize feedback for leadership and implement improvements based on identified needs	International Organization for Migration (IOM)
NXP sustainability experts	Regular meetings, working groups, surveys and projects	Leverage internal expertise to strengthen Sustainability Program	Incorporate SME proposals and escalate to Sustainability Management Board as needed	Organisation for Economic Co-operation and Development (OECD)
				Responsible Business Alliance (RBA)
				Responsible Labor Initiative (RLI)
				Responsible Minerals Initiative (RMI)
				SEMI Semiconductor Climate Consortium (SEMI SCC)
				Semiconductor Industry Association (SIA)
				Semiconductor PFAS Consortium
				United Nations Global Compact (UNGC)

Salient human-rights risks

Annual country-risk assessments include a review of salient human-rights issues and incorporate local stakeholder feedback as well as published information from government and non-government sources. These salient topics are incorporated into the due-diligence process. The monitoring process seeks to uphold our policies, guidelines and Auditable Standards on Social Responsibility, which are built around international standards and norms for labor and human rights. All countries with manufacturing operations are included in the assessment, as well as supplier locations.

We minimize human-rights risks by making continuous improvements to our policies, strategies, collaborative capacity building, self-assessments and audits, within NXP and our supply chain. We make these improvements based on our own experiences from our due-diligence work, shared industry best practices and emerging issues, trends and developments.

The following are the matters within NXP and our supply chain we determined are most critical to labor and human rights.



Salient human-rights risks

Salient issue	NXP's expectations
No fees	<ul style="list-style-type: none"> • A clear policy prohibits charging fees to workers and ensures compliance. • If workers are found to have paid fees to gain employment, reimbursement to workers must be completed within 30 days of discovery. • A grievance mechanism is in place to confidentially report policy violations.
Retention of documents	<ul style="list-style-type: none"> • A clear policy states workers are not required to surrender personal documents. • Personal, lockable, secured storage units are available in facilities and/or dormitories/housing. • A grievance mechanism is in place to confidentially report policy violations.
Fair treatment of vulnerable workers	<ul style="list-style-type: none"> • The well-being and health and safety of workers must be ensured during a crisis or emergency situation such as a pandemic and post-pandemic conditions. • Workers must not be discriminated against, regardless of crisis or emergency circumstances. • Workers must continue to be given adequate protection from exposure to hazards, including during pandemic illnesses. • A grievance mechanism is in place to confidentially report unfair treatment of workers.
Working hours and rest days	<ul style="list-style-type: none"> • There is a clear policy to manage and limit worker hours to no more than 60 hours per week or the legal limit, whichever is stricter, and all overtime work is voluntary. • Record systems and mechanisms are in place to identify and administer the policy. • The regular work week may not exceed 48 hours and the daily scheduled work cannot exceed 12 hours a day. • Workers receive at least one day off per every six days worked. • Workers are allowed at least a 20-minute rest break every four hours worked as well as a defined meal break. • Workers are provided with legally mandated holidays and vacation days. • A grievance mechanism is in place to confidentially report policy violations.

Salient issue	NXP's expectations
Young workers	<ul style="list-style-type: none"> • The term "child" refers to any person under the age of 18 or under the minimum age for employment in the country, whichever is greater. • A comprehensive policy for child labor clearly states the minimum age for workers. • A comprehensive policy prohibits young workers under the age of 18 from performing work that may jeopardize their health or safety, including night-shift and overtime work. • An age-verification process is in place with inspection of validity of at least two identity documents, to be returned to the worker. • Personal-record systems are in place as a means of identification and verification. • If workers are discovered to be below the legal age limit, workers will be protected and provided the opportunity for completion of education. • A grievance mechanism is in place to confidentially report policy violations.
Accurate contracts	<ul style="list-style-type: none"> • Contracts may not violate relevant laws or place a worker at risk. • Prior to departure or hiring, workers are provided with an accurate written employment contract with details of working conditions including nature of work, wages, benefits and duration of contract. • Contracts are written in a language that the worker understands prior to employment. If amendments are made prior to employment, the contract must provide equal or better terms of employment. • Contracts ensure workers are free to leave their employment, upon giving reasonable notice, without penalty per applicable law and regulations. • A grievance mechanism is in place to confidentially report contract-related information.
Fair wages	<ul style="list-style-type: none"> • Workers may not receive less than the legal minimum wage for all regular hours worked. If a legal minimum wage is not set, then industry prevailing wage will be the standard. • Overtime rates are to be applied to the base wage as required by law or employment contract, whichever is higher. Where the law is silent, the premium must be at least an additional 50% per hour of the base wage for piece-rate and hourly work, or an additional 50% per hour of the average earnings. • Workers receive wage slips in a language they understand, with clear details regarding regular and overtime hours worked and rates. • Wages are paid within 14 days after the end of the working period. • Deductions as a disciplinary measure are prohibited. • There is a grievance mechanism to confidentially dispute wage- and benefit-related payments.

2025 Results by salient issue

Salient issue	2025 Results of our operations	2025 Results of our supply chain	2025 Nonconformance closure ¹
No fees	Workers did not pay recruitment-related fees.	Seven out of the eleven audited suppliers had hiring-fee nonconformances, including nonconformances specifically related to passport replacement fee reimbursements and recruitment fee-related policies and procedures.	Suppliers have closed all nonconformances. Suppliers with relevant nonconformances have repaid affected workers and implemented the necessary policies and procedures.
Retention of documents	Personal documents are retained by workers.	Two out of the eleven audited suppliers had document-retention nonconformances, including one involving an onsite contractor and another due to a lack of policies and procedures to prevent retention of workers' personal documents.	Suppliers have closed all nonconformances. Suppliers with relevant nonconformances have returned all documentation back to workers and implemented the necessary policies and procedures.
Fair treatment of vulnerable workers	Continued compliance with Employer Pays policy. All workers treated with respect and dignity during recruitment and hiring.	Three out of the eleven audited suppliers had minor gaps in their fair treatment policies and procedures. During the onsite audit, workers were provided with the NXP anonymous phone line to report any concerns or impacts to their rights, but no major issues were reported.	Suppliers have closed all nonconformances. Suppliers with relevant nonconformances have implemented the necessary policies and procedures.
Working hours and rest days	All workers were in compliance with the 60-hour-per-week schedule, with some minor deviations, while there were some challenges in consistently getting one rest day after six days of work. These issues were more prevalent during the festive period, particularly in Malaysia, but were managed with strict management oversight and approvals.	Eight out of the eleven audited suppliers had nonconformances related to working hours and rest days based on NXP's requirements.	NXP has closed all nonconformances related to compliance with the 60-hour-per-week schedule, in our own facility. NXP will continue to monitor and control deviations to workers getting one rest day after six days of work especially during the festive period. By the end of 2025, five of the eight suppliers had fully closed their nonconformances. The three suppliers with remaining nonconformances will receive ongoing engagement from NXP until full closure is achieved.
Young workers	There was no child labor. All young workers worked in accordance with relevant laws and regulations.	Zero cases of child-labor findings were identified.	We did not identify any nonconformances.
Accurate contracts	Accurate contracts were issued to all workers in their native language.	Six of the eleven audited suppliers had inaccurate contracts.	Suppliers have closed all nonconformances.
Fair wages	There were no discrepancies in wages or benefits.	Three of the eleven audited suppliers had discrepancies in wages and benefits.	Suppliers have closed all nonconformances.

¹ The information in the "2025 Nonconformance closure" column reflects a later point in time than the closure rate data reported in the [Introduction](#), [Integrate and act](#) and [Track](#) chapters of this report as well as in the [2025 Corporate Sustainability Report](#). We chose to disclose more current information here for transparency, while retaining the metrics used for the Corporate Sustainability Report — which is published earlier in the reporting cycle — to maintain data consistency.

UNGP 19

Integrate and act

Polices and standards

Responsible recruitment practices

Governance

Assessments

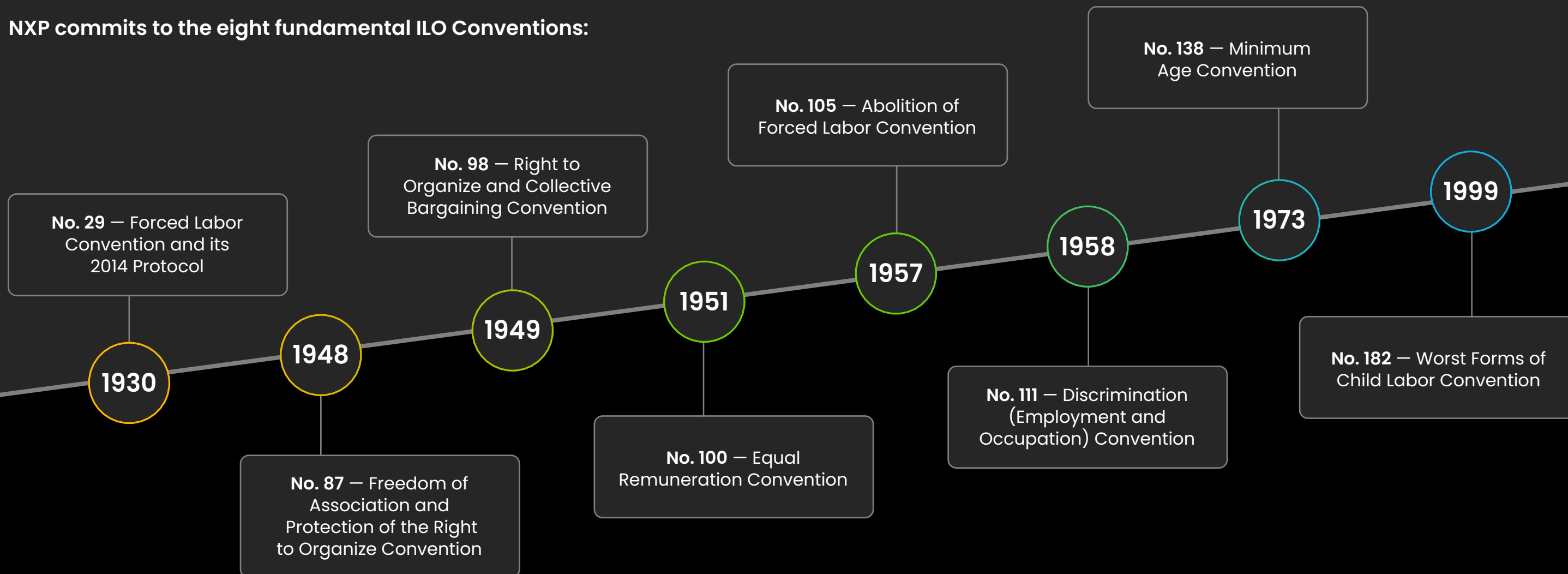
Audits

Capacity building



ILO Commitments

NXP commits to the eight fundamental ILO Conventions:



Additionally, we are committed to the guidelines and principles set out in the UN Guiding Principles on Business and Human Rights, the Universal Declaration of Human Rights (UDHR), the OECD Guidelines for Multinational Enterprises and the UN Global Compact. Our policies and standards are either fully aligned with or more stringent than regulatory, industry-group and customer requirements. We collaborate with external stakeholders, including industry associations, customers, NGOs and government agencies, to support important social-responsibility issues such as labor and human rights.

Code of Conduct

NXP's [Code of Conduct](#) (the Code) sets out the principles that guide us as we work to fulfill our ambitions as a responsible and ethical company. It serves as a framework and details the behavior expected from every team member, director, contractor or anyone else who works on behalf of NXP. The Code is available in 12 languages. The English version can be found on www.nxp.com, while versions in other languages are available via the NXP intranet.

Supplier Code of Conduct

We place strict requirements on our supply chain. This is reflected in the [NXP Supplier Code of Conduct](#), which is posted on our website and available in seven languages. The Supplier Code of Conduct is reviewed annually. In 2024, the document underwent a comprehensive internal stakeholder consultation and was revised and republished.

Suppliers must adopt or establish a management system that is aligned with the content of the NXP Supplier Code of Conduct. The system must be designed to a) ensure compliance with applicable laws, regulations and customer requirements related to the supplier's operations and products, b) conform to the NXP Supplier Code of Conduct, c) identify and mitigate operational risks related to the NXP Supplier Code of Conduct and d) communicate the requirements and expectations to their own suppliers.

Human Rights Policy

We collaborate closely with our business partners and relevant stakeholders to proactively and transparently identify and address potential human-rights allegations and prevent or address credible human-rights abuses. The scope of this commitment includes, but is not limited to, the transportation, harboring, recruitment, transfer or receipt of persons by means of threat, force, coercion, abduction, fraud or payments to any person having control over another person for exploitation. This commitment is reflected in the [NXP Human Rights Policy](#). Published in 2022, the policy was prepared by the Sustainability Office under the supervision of the Sustainability Management Board and approved by the Nominating, Governance and Sustainability Committee of NXP's Board of Directors. The policy is reviewed annually, or as and when necessary, to ensure that it continues to be relevant in the changing human-rights landscape.

Auditable Standards on Social Responsibility

Our [Auditable Standards on Social Responsibility](#) specify minimum expectations for compliance with the [NXP Code of Conduct](#) and the [Supplier Code of Conduct](#). The NXP Auditable Standards on Social Responsibility apply to NXP and all suppliers, contractors, onsite service providers, labor agents and external manufacturers.

Our Auditable Standards on Social Responsibility and accompanying tools are developed with consultation and input from external and internal stakeholders and are updated on a regular basis to reflect the latest recommendations and regulations on responsible business conduct.

In 2024, NXP adjusted its Supplier Code of Conduct and Auditable Standards on Social Responsibility to align with stakeholder requirements, including the revision of the Responsible Business Alliance (RBA) Code of Conduct from version 7.0 to 8.0 (effective January 1, 2024). We also reviewed and updated the scoring criteria for Supplier Risk Assessment to reflect a changing human-rights landscape and evolving challenges, particularly forced labor risks in certain geographies where our supply-chain partners operate.

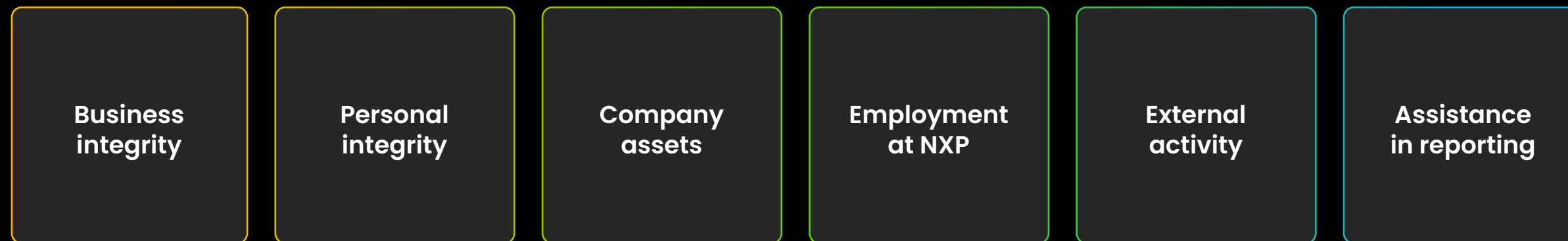
Responsibly Sourced Minerals Policy

The trade of minerals in conflict and high-risk areas is often associated with increased violence and human-rights abuses. We are dedicated to ensuring that the minerals contained in our products are obtained, produced and used in a socially responsible manner.

Our [Responsibly Sourced Minerals Policy](#) aims to ethically obtain minerals from responsible suppliers to ensure that NXP's supply chain does not contribute to human-rights abuses. Our program for responsibly sourcing minerals is designed in accordance with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas and our suppliers must exercise due diligence according to the OECD Guidance or an equally reputable standard.

Interrelationship of policies, standards and principles

NXP Code of Conduct



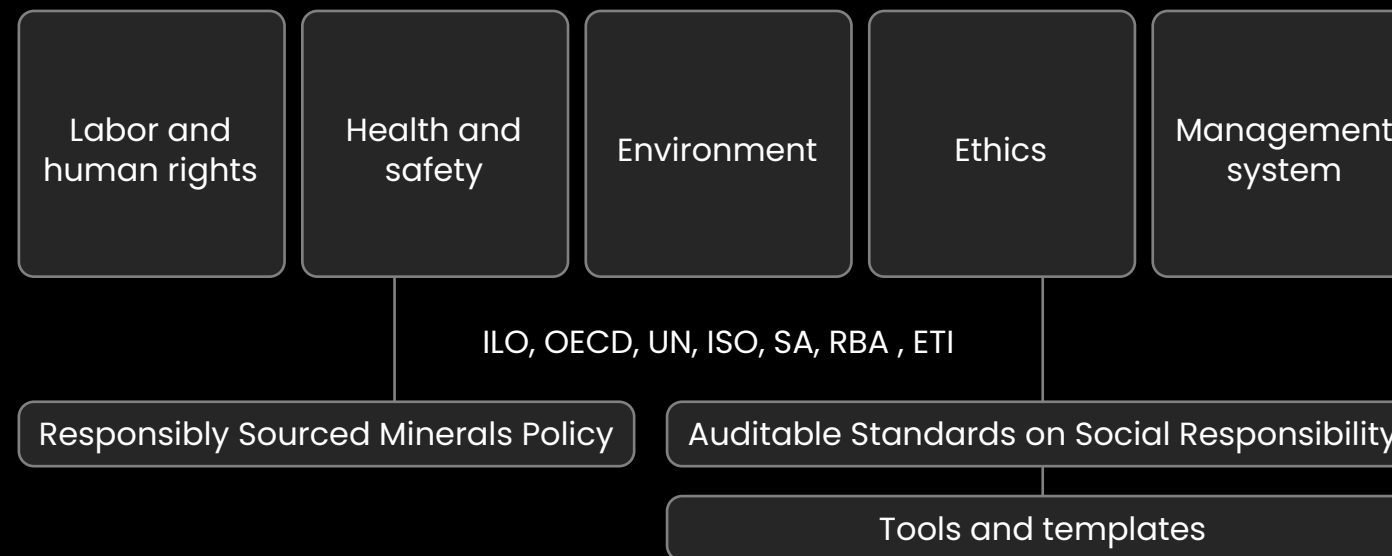
Sustainability Policy



Human Rights Policy



NXP Supplier Code of Conduct



Supply-chain policies and standards

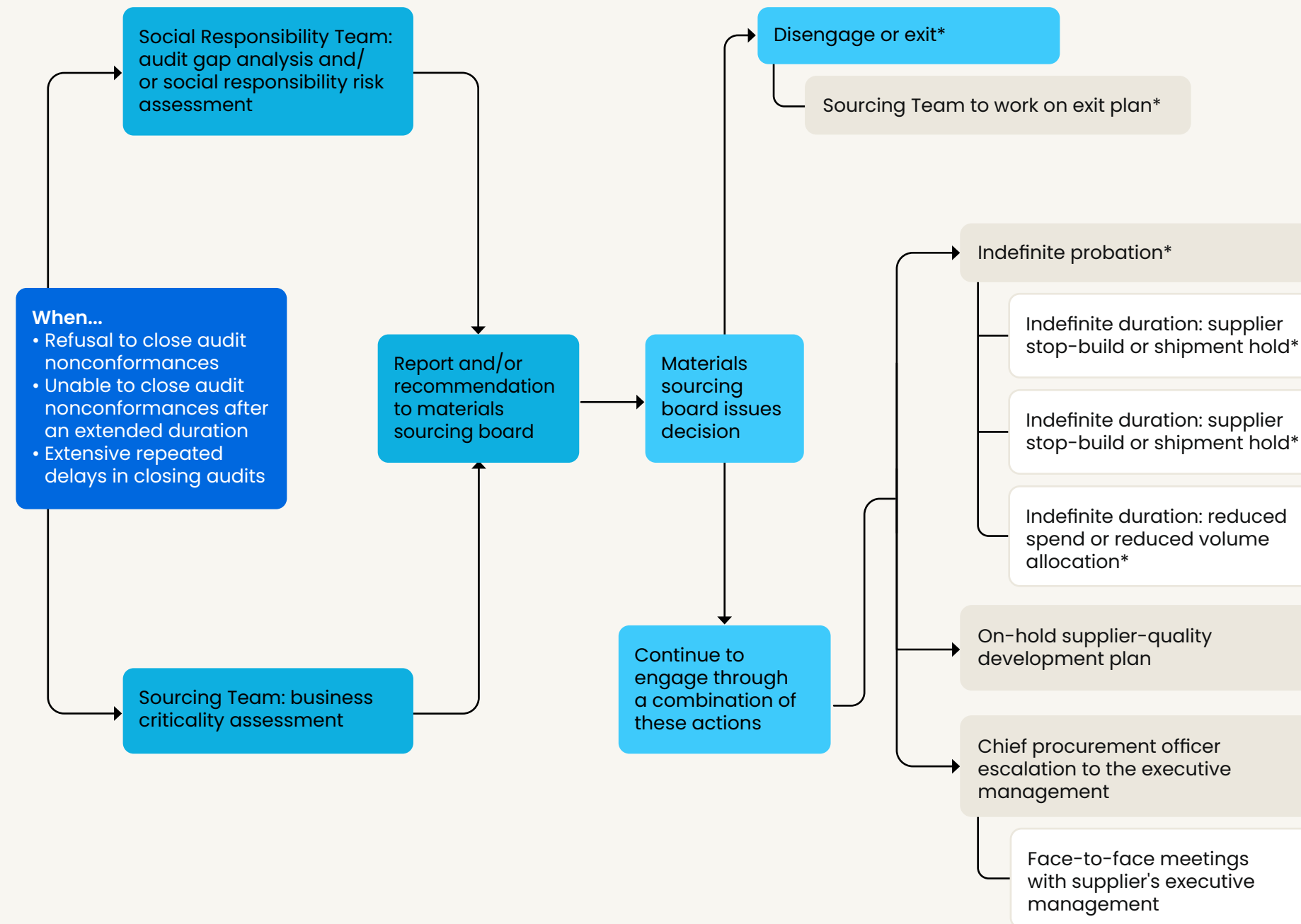
Our suppliers are required to comply with the [NXP Supplier Code of Conduct](#) and the associated [NXP Auditable Standards on Social Responsibility](#) and the laws of the country or countries where they conduct business. In 2015, we included language in our supplier contracts that requires suppliers to abide by the latest version of the NXP Supplier Code of Conduct. If there is no contract in place, or the contract was executed before 2015, NXP requires a signed conformance statement, abiding by the NXP Supplier Code of Conduct. Our Legal and Purchasing Teams are trained on the policies and practices of the Supplier Code of Conduct.

Our aim is to collaborate with our suppliers and to make a positive impact on our supply chain. In the rare instance that a supplier is unable or unwilling to meet our requirements and work on a corrective action plan, we escalate the issue, according to consequence-management processes, to determine the status of our relationship with the supplier and may terminate the business relationship.

Responsible procurement

Our master purchase agreements, as well as the terms and conditions of our purchase orders, require suppliers to certify their compliance with our policies. As an added incentive, our purchasing scorecards for major suppliers include measurements for social and environmental responsibility and tie performance on this issue to purchasing decisions.

Consequence-management process



*Where Feasible

Responsible recruitment practices

NXP suppliers must have adequate and effective written recruitment and employment policies and procedures to ensure compliance with laws in sending and receiving countries. Responsible recruitment practices include the following:

- Suppliers must ensure workers are not required to pay any form of recruitment fees, deposits or make debt repayments (as a result of taking a loan to repay for recruitment-related fees) for their recruitment or employment
- Suppliers must not require workers to participate in any form of forced savings or loan program where repayment terms are indicative of debt bondage or forced labor
- Suppliers must provide workers, prior to their departure or hiring, with accurate written details in the language understood by workers, about working conditions in the host country, including nature of work, wages, benefits and duration of contract
- Suppliers must not require workers to surrender personal documents and must ensure the same requirements are in place with their employment agencies
- Suppliers must ensure that workers are free to leave their employment upon giving reasonable notice, without penalty
- Suppliers must not place unreasonable restrictions on the movement of workers and their access to basic liberties
- Suppliers must clearly communicate to their employees the [NXP Supplier Code of Conduct](#) or comparable requirements pertaining to the recruitment of workers and, if applicable, must regularly evaluate the employment agencies on their performance and conformance against these requirements

Of the thousands of people who work at NXP, a small percentage are foreign migrant workers. We are aware that using recruitment and labor-agencies to hire foreign migrant workers increases the risk of forced labor. As a result, we have taken the decision to conduct direct hiring of foreign migrant workers whenever possible. We encourage our suppliers to take the direct-hiring route, too, if possible.

All labor agents engaged by NXP to provide services to support foreign migrant workers, such as accommodation, transportation and other administrative work, must have a clear policy that adheres to the NXP Supplier Code of Conduct and must inform employees and their recruitment agencies about NXP's policy at the point of recruitment and in their native language. To ensure compliance with NXP's Supplier Code of Conduct, labor agents acting on behalf of NXP must conduct due diligence with employment agencies, recruitment agencies and sub-agents in their relevant countries of operation.

To ensure suppliers follow ethical guidelines when recruiting workers, NXP has adopted an Employer Pays policy. This policy is a clear contractual agreement with our supply chain, requiring that the supplier is responsible for payment of all recruitment fees and expenses. Such fees and expenses include, but are not limited to, expenses associated with recruitment, processing or placement of workers.

The fight against modern slavery is also focused on positively impacting the lives of foreign migrant workers through our policies, standards and recruiting practices. The positive impact of our Corporate Social Responsibility and Human Rights Program for NXP's foreign migrant workers in Malaysia is highlighted in this [documentary](#). Additional details on NXP's efforts to investigate ethical recruitment practices are available in this [documentary](#) on ethical recruitment.



Governance

Integrating a governance structure and accountability for NXP and our supply chain keeps us accountable and focused on continuous improvement.

Each year we report publicly on our suppliers' annual top audit nonconformances and each month we report KPIs to the Sustainability Office on topics such as violations and nonconformances from our supplier audits, signed conformance letters, closure rate for corrective action plans and quarter-on-quarter risk indicators within our supply chain. We monitor improvement by measuring the number of priority violations, repeat audits, frequency of nonconformances and the nonconformance closure rate.

Reports are evaluated in review meetings with the Purchasing and Human Rights Teams, and are raised to the Sustainability Management Board in case of significant findings. Monthly and sometimes weekly meetings are held with procurement managers to discuss the results of a supplier audit, the corrective action plan and the supplier's progress toward closing out their nonconformances.

The NXP Sustainability Office and the Social Responsibility Team together with the chief human rights officer are tasked with the delivery of the Corporate Social Responsibility and Human Rights Program across the business and in the global supply chain. This work is defined by clear targets and is part of a performance-appraisal system that links pay to performance and execution of the labor and human-rights commitments specified in our Code and Social Responsibility standards.



NXP social-responsibility governance structure

Nominating, Governance and Sustainability Committee of the Board of Directors

Oversee policies and practices related to sustainability initiatives. Review sustainability initiatives and goals including progress toward achieving those goals. Review and approve the annual sustainability reporting requiring Board-level oversight. Review stakeholder feedback related to sustainability on an annual basis. The Nominating, Governance and Sustainability Committee receives quarterly updates from representatives of the Sustainability Management Board and, in turn, reports on these efforts in plenary meetings of NXP's Board of Directors.

Sustainability Management Board

NXP's Sustainability Management Board, which is composed of Management Team members and other senior leaders, oversees the implementation of sustainability strategy and policy and ensures appropriate resourcing. The Sustainability Management Board is chaired by our general counsel and chief sustainability officer and supported by our chief financial officer, chief strategy officer, chief technology officer, chief people officer and chief operations and manufacturing officer. The Sustainability Management Board meets regularly to ensure our sustainability performance is in line with our strategy and aspirations.

Sustainability Office

Set strategies, develop policies and goals while monitoring metrics and, if needed, escalate issues to the Sustainability Management Board.

Human-Rights Working Group

Provide a strategic plan for how NXP will address the evolving regulatory landscape for human rights and stakeholder expectations. Review NXP preparedness to meet these expectations and provide inputs to NXP policies and standards.

Social Responsibility Team

Oversee strategies, policies and goals and report on various metrics, including input from the Manufacturing Site Steering Committee and purchasing managers, and report monthly to the Sustainability Office.

NXP Operations

Set targets, conduct annual self-assessments and third-party audits, ensure timely closure of corrective action plans, monitor and control working hours and rest days and conduct internal capacity building.

Supply Chain

Set targets, ensure supplier commitment to the Supplier Code of Conduct, conduct annual supplier risk assessments, supplier self-assessments and audits, ensure timely closure of corrective action plans and conduct supplier training.

Other corporate functions

Manufacturing Site Steering Committee

Implement, measure and validate policies, drive continuous onsite improvement and report progress to site management and the Social Responsibility Team.

Purchasing

Oversee the annual supplier risk assessment for social responsibility, meet monthly with the Social Responsibility Team to receive supplier performance data for input into quarterly supplier business reviews and include the Material Sourcing Board when supplier escalations are needed.

Legal

Review and provide legislative guidance, assist in the review of alleged violations of the Code and review publicly reported documents such as the Supplier Code of Conduct, the NXP Auditable Standards on Social Responsibility and this report.

Assessments

We use due-diligence assessments to stay focused on continuous improvement, both internally and within our supply chain.

NXP assessments

The Social Responsibility and Human Rights Team conducts operational reviews with relevant internal stakeholders, including Human Resources, Legal, Procurement, Corporate Trade Compliance and Environment, Health and Safety, to identify potential adverse human-rights impacts arising from our policies and business practices. At manufacturing sites, any issues identified by assessments are addressed in our operational-review process. The manufacturing site identifies the corrective action and remediation plans and engages with the responsible departments to address them.

When we established our Corporate Social Responsibility and Human Rights Program in 2013, we identified areas relating to human rights that offered opportunities for improvement. These included improving the recruitment, hiring and management of foreign migrant workers at some of our manufacturing sites, improving the living conditions of worker dormitories by setting up clear dormitory standards and enhancing worker-management dialogue and engagements.

Since then, as our Program has matured, we have evolved our processes and practices and made progress in these areas. This does not mean that the effort is complete. Our work is ongoing so we can identify areas where we can further strengthen our practices and performance. We continue to assess our manufacturing sites, using team-member engagement and management feedback to track our work and identify new issues, as they arise.

Annual country risk assessments include a review of salient human-rights issues and incorporate local stakeholder feedback as well as published information from government and non-government sources. These salient topics are incorporated into the due-diligence process. The monitoring process seeks to uphold our policies, guidelines and [Auditable Standards on Social Responsibility](#), which are built around international standards and norms for labor and human rights.

Our Code(s) of Conduct, policies and standards serve to document the internal processes we use to protect labor and human rights. Consultation and engagement with external stakeholders allow NXP to understand various third-party information and expectations on where to apply more in-depth assessments, such as self-assessments and third-party audits.

Living wage analysis

Additionally, in 2025, NXP used the regularly updated living wage benchmark data from The Fair Wage Network to conduct a second round of gap analysis to determine if a living wage is being paid to all NXP employees, globally. The results of this internal assessment revealed that 99.9% of regular full-time employees globally were paid at or above the living wage of the region/city thresholds where NXP operates, as defined by The Fair Wage Network. All remaining workers' salaries are now above the Fair Wage Network living wage benchmark after the latest annual wage review cycle.

Supply-chain assessments

As part of our annual risk-assessment analysis, we endeavor to assess all of our suppliers. Yearly risk assessments enable NXP to identify and monitor trends and developments relating to human rights, forced and bonded labor, the migrant worker index, fair wages, humane treatment, child labor and/or health and safety and help us highlight topics that may require a new or different approach.

Given the scale of this annual effort, NXP partners with two advisory firms, Verisk Maplecroft and Verité Cumulus, to identify potential issues relevant to our supply chains. This includes the use of Verité's Cumulus Force Labor Screen risk-management system. NXP also subscribes to Altana, a service that provides intelligence on commercial risk, to help us map and screen for forced-labor risks in our value chain.

Advisory firms

Verisk Maplecroft

Verisk Maplecroft's database provides input that we use to screen our supply chain for inherent risk and uses predictive models to evaluate areas such as forced labor, child labor and working conditions.

Verité

Verité Cumulus provides NXP with online technology to identify forced-labor and human-trafficking risks of labor agents involved in the recruitment of migrant workers. Verité Cumulus also maps and assesses labor agents in both the receiving and sending countries and regions, along with their recruitment practices.

Risk assessment

Our supplier risk assessment, developed jointly with our procurement and sustainability teams, is reviewed and updated to reflect changing perspectives in environment, labor and human-rights requirements. Our supplier risk assessment considers three risk criteria: country, product and spend. Country risk assesses countries, regions and all other locations in which NXP has a footprint. Each criterion has a scale of one (lowest risk) to ten (highest risk). The overall supplier risk score is the product of the three individual scores, expressed as a percentage. A higher percentage implies a higher risk exposure.

$$\text{Risk Score} = \frac{[(\text{Country risk}) \times (\text{Product or service}) \times (\text{Spend})] \times 100}{1,000}$$

Country risk

The geographical location of a supplier is a key factor in determining the risk level, as suppliers in countries with weak regulations, inadequate enforcement of labor rights and/or ineffective business ethics and environmental laws tend to have higher risk exposure. Our country risk scores include specific indices from our third-party partner which correlate to the [NXP Supplier Code of Conduct](#) and provide an overall weighted country risk score. The use of migrant workers is also a critical element when it comes to labor risk. To account for this, the calculated country risk score may be increased by one level after a review by the Sustainability Team. The table below presents the criteria used to assess country risk.

Categories included in our supplier country risk assessment

Maplecroft report	Index	Definition	Relevant topic in NXP Supplier Code of Conduct	Index weighting
Human-rights risk atlas	Labor rights and protection	Measures the risk of association with and involvement in violations of labor rights within a given country; includes the following indicators: child labor, forced labor, trafficking, freedom of association, freedom of collective bargaining, discrimination in the workplace and working conditions	Labor and health and safety	60%
Legal and regulatory environment risk atlas	Corporate governance	Quantifies the quality of corporate governance, based on the quality of existing legal structures and the extent to which the law is enforced; includes the following indicators: shareholder protection, ethical behavior of firms, strength of auditing and reporting standards, efficacy of corporate boards and corruption-risk index	Business ethics	20%
Legal and regulatory environment risk atlas	Legal and regulatory environment	Identifies and monitors the strategic and operational risks presented by variations in regulatory and government policy, the costs associated with corruption and lack of respect for the rule of law	Governance	10%
Climate change and environmental risk atlas	Climate-change vulnerability	Evaluates the vulnerability of populations to extreme, climate-related events and changes in major climate parameters over the next 30 years	Environment	10%

Product and service risk

How close a supplier's materials or services are to our products influences the risk they represent in our value chain. External manufacturers pose the highest level of product risk to NXP. Material suppliers and manufacturing-service subcontractors pose the second-highest product risk.

The risk level for indirect-spend suppliers, which includes sourcing of all goods and services for NXP business and operations, such as equipment suppliers and indirect service providers, depends on the type of product or service provided. We group suppliers based on the risk score, which we compile internally, using data from years of auditing, third-party guidance, benchmarking and standards.

Categories of products and services assessed

Categories of supplier types	Risk Score
External manufacturing suppliers (foundry and subcontractor)	10
Category 1	7
Direct-material suppliers	
Warehousing	
Logistics	
HR-related services (recruitment agencies)	
Construction and renovation services	
Category 2	3
Capital goods (plant and machinery)	
Maintenance repair and operations	
Category 3	1
Professional services (consultancy, advisers)	
IT-related services	
Office services (telecommunications, office products)	
Utilities (gas, electricity, water)	
Travel-management services	

Onsite contractor assessment

Service providers and contractors who work on the premises are assigned a risk rating according to the type of service, as shown in the table below.

Type of Service	Risk Score
Cafeteria, cleaning, employee transportation, security, temporary hire (operators), warehouse services, waste management, facility management (structural)	10
Other: hardware maintenance, IT, onsite service, time hire, facility management (incidental)	1

Spend risk

To assess business-criticality risk, we group suppliers into three categories based on annual spend: high risk (above \$500,000), medium risk (\$100,000 to \$500,000) and low risk (under \$100,000).



Audits

We use audits as one of our key due-diligence strategies to monitor compliance with our Corporate Social Responsibility requirements.

Overall, management must demonstrate a good understanding and commitment to the [NXP Code of Conduct](#) (NXP manufacturing sites), the [Supplier Code of Conduct](#) (NXP manufacturing sites and our supply chain) and the [NXP Auditable Standards on Social Responsibility](#). Our requirements for our operations and our supply chain must be integrated into policies and procedures and communicated effectively to all team members and workers.

Nonconformances for internal and supplier audits are divided into three categories.

Priority violation	Major nonconformance	Minor nonconformance
This involves confirmed evidence of human-rights abuses or unacceptable practices as defined by the NXP Auditable Standards on Social Responsibility, including the presence of forced and bonded labor, child labor, serious instances of worker harassment, immediate risk to the life of workers and/or negative impact to the environment.	This represents a significant failure in the management system for social responsibility that affects the ability to produce the desired results. It may also be caused by failure to implement an established process/procedure, or by the fact that the process/procedure is ineffective or not suited for the nature of the operation.	This reflects a failure that, by itself, does not indicate a systemic failure with the management system for social responsibility. It is typically an isolated or random incident.



NXP manufacturing-site audits

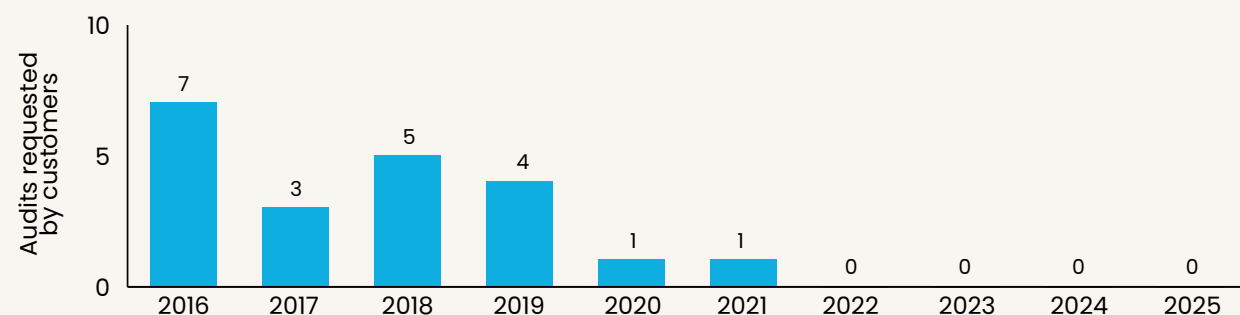
Every two to three years, each manufacturing site undergoes a third-party audit. The audit is either conducted by Dignity in Work for All using the [NXP Auditable Standards on Social Responsibility](#) or by a designated audit firm that uses the RBA VAP, which is based on the RBA Code of Conduct. Each audit firm is specially trained and, in the case of the RBA VAP audit, accredited by the RBA in labor and human rights, and performs onsite inspections (including any dormitories), reviews documents and conducts private interviews with management and randomly selected team members. A formal report is issued and any corrective actions are tracked until successfully closed.

Results

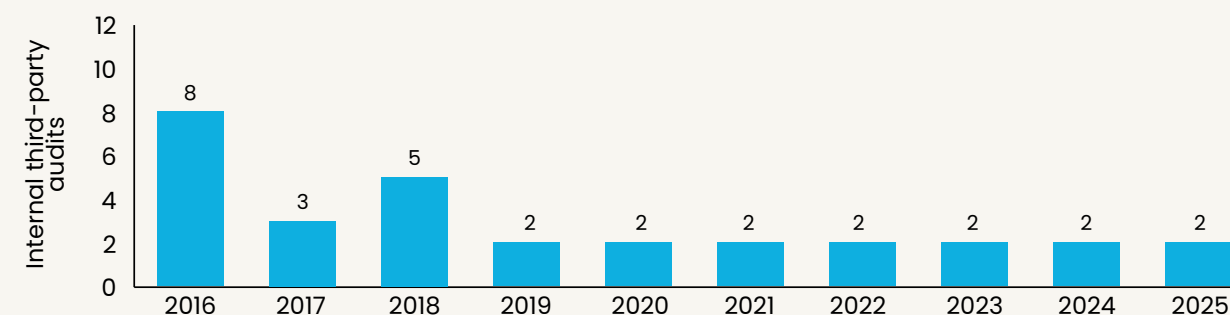
When we developed our Corporate Social Responsibility and Human Rights Program, we engaged in many customer audits. Now that our Program has matured and we have our own internal evidence and historical data from customer audits, we can demonstrate that we are a low-risk supplier and, as a result, customers request fewer annual audits of our sites.

Similarly, we initiated more third-party audits in the early years of our Corporate Social Responsibility and Human Rights Program, but the number has remained relatively steady since 2017, with the exception of 2018, when we merged with Freescale Semiconductor and applied our standards to their manufacturing sites.

NXP audits requested by customers



NXP internal third-party audits



Supply-chain audits

NXP's Corporate Social Responsibility and Human Rights Audit Program is a collaborative and consultative process aimed at guiding suppliers and ensuring they meet the NXP Supplier Code of Conduct as well as the requirements of the NXP Auditable Standards on Social Responsibility. The scope of the audit covers labor and human rights, environment, health and safety, business ethics, management systems and compliance with the NXP Supplier Code of Conduct.

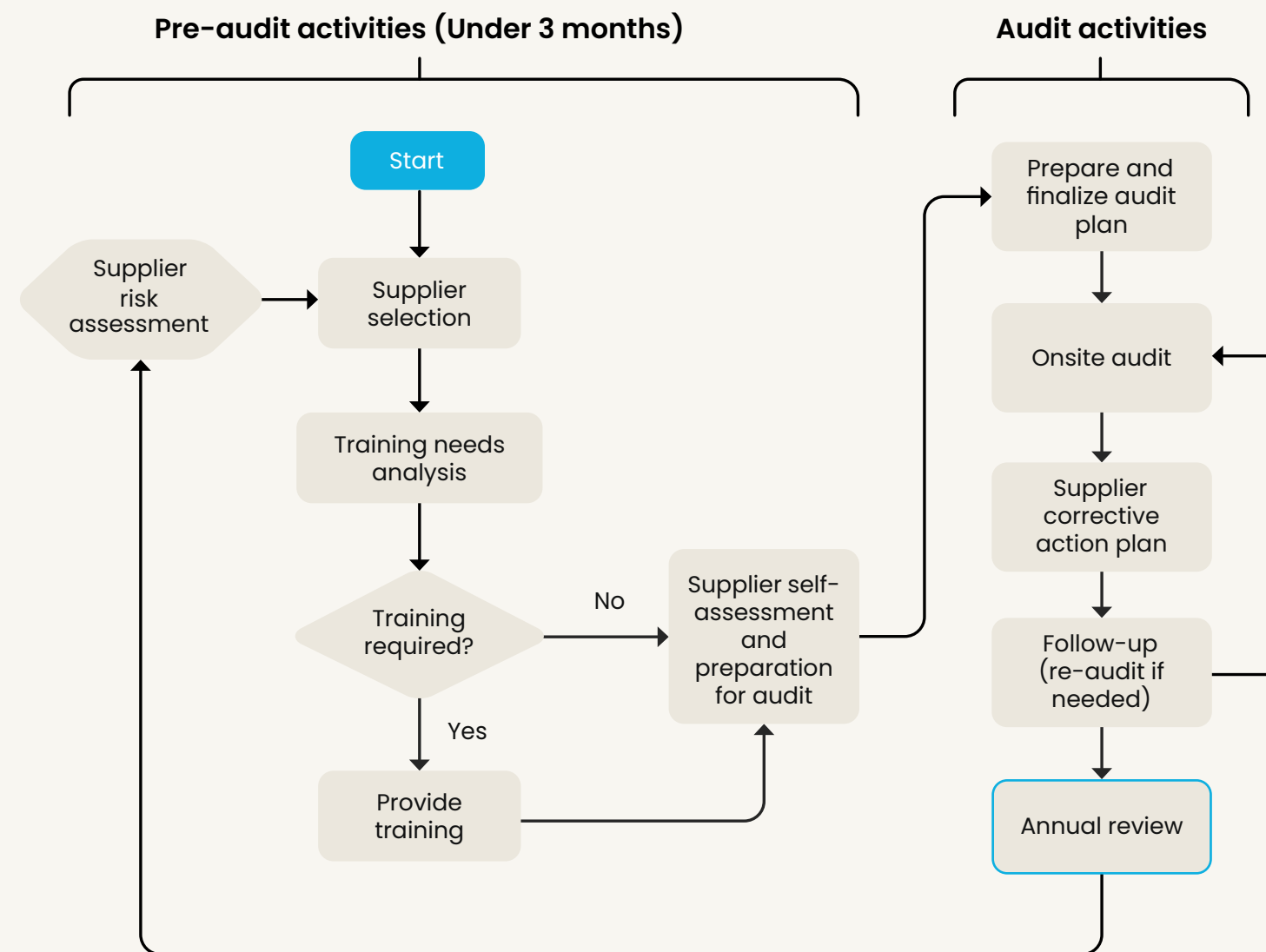
These audits are conducted to determine and understand suppliers' maturity in managing social responsibility and how they can improve their processes and procedures in these areas. The audits are not intended to pass or fail a supplier, but rather to guide the supplier in a collaborative approach. The NXP Supplier Code of Conduct and the Auditable Standards apply to all NXP suppliers, contractors, onsite service providers, labor agents and external manufacturers.

NXP supplier audits analyze three main aspects of social responsibility:

1) documentation reviews, 2) management and private worker interviews and 3) physical inspection of all facilities, including any dormitories (onsite audit only). Audits also include interviews with labor agents and onsite service providers, such as janitorial, cafeteria, security and other services.

We provide training for our suppliers and their onsite service providers during audits. The mode of training can be a one-to-one consultation training, a two-hour classroom training or a webinar session conducted by the NXP Social Responsibility Team with support from internal subject-matter experts. The training is the full requirement of the [NXP Supplier Code of Conduct](#). Supplier training is done before an audit and during the closure timeline. We also provide training by supplier request. Coaching the supplier on best practices and providing access to the RBA's e-learning academy are also part of our supplier training.

Audit process flow



Onsite audits

Onsite audits of our suppliers can be announced or unannounced, conducted by an approved third-party audit firm and accompanied, at a minimum, by an NXP-certified RBA Lead Auditor. It is NXP's principle to understand the issues that arise during an audit, verify that the audit is conducted per the [NXP Auditable Standards](#) and provide consultation if the supplier has challenges.

RBA Validated Assessment Program

As an RBA member, NXP has access to their tools and programs, including the Validated Assessment Program (VAP). The VAP is similar to NXP's onsite audit protocol but uses the RBA Code of Conduct as the audit criteria. VAP audits evaluate the social, ethical, health-and-safety and environmental performance of RBA members and their supply chain as measured against their audit criteria.

Every two to three years, each of our own manufacturing sites undergoes a third-party audit. The audit is either conducted by Dignity in Work for All, using the NXP Auditable Standards on Social Responsibility or by a designated audit firm that uses the RBA VAP protocol. We also use this tool for our supply chain. We track and follow up with suppliers who had initiated and completed the RBA VAP audits and ensured that progress was made in closing the VAP audit findings via RBA-Online¹.

Results

In 2025, we completed 11 supplier audits in Mainland China, Malaysia, Singapore and Taiwan. From our supplier audits we identified a total of 401 nonconformances. Of those nonconformances, all 401 reached the 90-day maturity mark at the time of data entry for our year-end reporting.

We closed 364 of those nonconformances, yielding a closure rate of 91%². While we aim to resolve all nonconformances within 90 days, some violations require additional time to ensure effective and sustainable remediation rather than expedited resolution. We continue to track and engage with suppliers beyond the 90-day window to close all remaining nonconformances. We did not terminate business with any of these suppliers, in light of their willingness to take the steps needed to close their corrective-action plans. To read more about our 2025 audit findings, see the [Track](#) chapter of this report.

Due-diligence audits continue to be an effective method for driving improvement and compliance in our supply chain, but because auditors spend limited amounts of time onsite, their observations only provide part of the picture. To gain a fuller understanding of conditions in the supply chain, we are evolving our approach and have started engaging with critical stakeholders and individual rights holders, including workers in our own operations and in the supply chain. We have found that effective and confidential engagement with these groups gives us a more balanced view of worker well-being and their workplace challenges and will improve the effectiveness of any remediation plans we need to implement.

¹ RBA-Online is an online sustainability data-management system designed to help RBA members and their suppliers manage and share information from audits and self-assessment questionnaires at the corporate, facility and supplier levels.

² As of the publication of this report, the overall closure rate has increased from 91% to 99%.



Capacity building

Everyday decisions can have a negative impact on human rights and that means every team member at NXP or worker in our supply chain has a role to play in ensuring we maintain a positive impact. We understand the importance of team-member awareness and use capacity building and training to help identify issues early and find better ways to drive changes in practice and culture. We also use capacity building to strengthen our internal organization and increase internal knowledge to ensure smooth implementation and maintenance of our Corporate Social Responsibility and Human Rights Program. We use training in our supply chain to increase awareness of the program and help suppliers understand and comply with our expectations.

NXP training

The purpose of our detailed capacity-building program is to make sure our manufacturing sites can recognize the signs of modern-day slavery for early intervention and a quick response. We educate our team members so they are aware of labor and human-rights issues. We particularly focus on team members whose job functions include purchasing, to ensure compliance with applicable laws and standards.

Since 2013, NXP has trained close to 1,200 key team members on labor and human-rights topics, and 142 team members have been certified as RBA-VAP lead auditors or undergone a similar lead-auditor training program. Each lead auditor plays an important role in the deployment and implementation of the Corporate Social Responsibility and Human Rights Program at their respective manufacturing site. Our Corporate Social Responsibility and Human Rights Program capacity building addresses the four groups shown to the right.

Human-rights capacity building

Group	Training received
Executive Management Team	Requirements of NXP policies, codes and standards with the expectation that they will support the Program by approving/providing the resources necessary for its success
Manufacturing Management Team	Requirements for facilitating and implementing the standards at a manufacturing site and how they can provide the necessary resources to sustain continuous improvement
Manufacturing Site Social Responsibility Team	In-depth specifics for implementing the Program and standards at their manufacturing site and how, as individuals, they can support the effort in their respective functional area
Manufacturing Subject Matter Experts (SMEs)	RBA lead-auditor training, or similar, and certification, emphasizing labor and ethics, so they can guide the site's Social Responsibility Team

The capacity-building program is updated whenever there is a revision to the [Auditable Standards on Social Responsibility](#). The Auditable Standards on Social Responsibility are reviewed on an annual basis to identify any need for revisions based on changes in the regulatory landscape, industry best practices or customer requirements and expectations. In 2021, the Auditable Standards on Social Responsibility went through a thorough revision to align with the requirements of the revised RBA Code of Conduct version 7.0. The standards are revised and published in 2024 to align with the revision to the RBA Code of Conduct from version 7.0 to 8.0, and to prepare for other developments in the regulatory landscape and other stakeholder expectations.

All NXP team members and interns are required to complete NXP's Code of Conduct training, which provides guidance and processes that team members and third parties can use to report potential violations of our Code, including anonymous reporting via a third-party hotline.

Training foreign migrant workers

We randomly interview and engage with foreign migrant workers before they leave their home country to ensure they were recruited ethically and in compliance with NXP policies. The recruitment process must meet NXP's stringent requirements, meaning workers must be informed of grievance mechanisms, and the grievance process must reflect NXP's zero-tolerance policy against retaliation.

Upon arrival at NXP, all workers (foreign migrant workers and team members) go through an onboarding process that includes training on NXP's policies and programs for labor and human rights, with topics such as workers' rights and responsibilities, contract terms, the no-fee policy, control of personal identification documents, appropriate working conditions, how to read and understand details of a pay slip, working hours, housing conditions (if applicable), how to report illegal practices and abuse as well as protections for workers who report potential violations.

Supply-chain training

We train our suppliers so they know what to expect during an NXP audit. Training is conducted by the NXP Social Responsibility and Human Rights Team, with support from Dignity in Work for All. We provide tools and resources to support our suppliers in building and/or improving their social-responsibility programs to explicitly commit to the ILO Core Labor Standards. Training addresses our suppliers and labor agents in sending and receiving countries, as well as onsite service providers.

Training covers the entire [NXP Supplier Code of Conduct](#), with special attention paid to labor and human rights. We provide guidance, consultation and best practices to suppliers implementing the standards. Training is conducted either in a classroom or using a webinar session, and we provide access to the RBA's e-learning academy. Supplier training can be done before a supplier's upcoming NXP social responsibility audit, during the closure timeline of a supplier's corrective action plan or whenever a supplier requests it. We also invite our suppliers to attend RBA training and webinar sessions on topics such as Forced Labor and Responsible Recruitment, the RBA Code of Conduct and How to Prepare for an RBA VAP Audit.

To address nonconformances from our supplier audits, NXP conducts consultation sessions with our auditees and holds 30-, 60- and 90-day follow-up meetings to discuss corrective action plans and provide additional training on our standards. If nonconformances are not closed by 90 days, then we will continue engaging with the supplier until full closure is achieved. We are committed to remedying any adverse impacts on workers and to working with our supply chain to successfully address nonconformances.



UNGP 20

Track

Social-responsibility aspirations

2025 Results



Social-responsibility aspirations

The Social Responsibility Team tracks internal and supplier audits to verify that outcomes and results align with NXP's Code(s) of Conduct and standards. We use internal and supplier audits to track nonconformances and verify that our requirements are integrated into codes and procedures and communicated effectively to all levels of workers.

Using data from successive years of auditing, we can track performance for internal operations and within our supply chain and thereby measure the progress of our efforts in human-rights due diligence. In addition, we review due-diligence outcomes and follow-ups using verification audits to confirm closure of corrective actions, consolidate and monitor results through monthly KPI reporting and supply-chain progress meetings and hold quarterly Human Rights Working Group sessions to prepare for new regulatory and stakeholder requirements. We also collaborate across functions — including Human Resources, Investor Relations, Purchasing and NGOs/CSOs — to address and remedy team-member and worker feedback, ensuring confidentiality and protection for sensitive grievances.

NXP aspirations

NXP social-responsibility performance

Goals	2025 Results
No priority or major nonconformances from internal/customer audits	We completed Responsible Business Alliance Validated Assessment Program (RBA VAP) audits at our Bangkok, Kuala Lumpur and joint-venture Singapore sites. Singapore had a perfect audit VAP audit score with no findings, while all corrective and preventative actions from the initial RBA VAP audits for Bangkok and Kuala Lumpur are completed.
Work week of no more than 60 hours, including overtime work, and one rest day per six days worked	All workers worked in compliance with the 60-hour-per-week work schedule. There were some challenges meeting one rest day after six days of work in Malaysia.

¹ We define key suppliers based on the results of our supplier risk assessment, which evaluates country risk, product risk and spend risk.

² As of the publication of this report, the overall closure rate has increased from 91% to 99%.

³ This data point is reported annually and primarily reflects the 2025 calendar-year data. However, unlike most of the data in this report, it does not align with the 2025 calendar year (January 1 to December 31), but aligns instead with our Conflict Minerals Specialized Disclosure Form (Form SD) filing.



Supply chain aspirations

Supplier social-responsibility performance

Goals	2025 Results
100% of key suppliers sign Supplier Code of Conduct conformity statement ¹	100% of key suppliers signed the NXP Supplier Code of Conduct conformity statement
85% closure rate for corrective-action plans	91% closure rate on corrective-action plans for supplier audits past the 90-day maturity ²
100% certified mineral smelters	100% certified conflict-free 3TG smelters ³
Supply-chain due diligence, engagement and collaboration	Completed review of the NXP Supplier Code of Conduct and the NXP Auditable Standards on Social Responsibility

2025 Results

Since 2013, NXP has conducted social responsibility audits in our supply chain, and each year's data is integrated into our assessments to fine tune our due-diligence process by highlighting salient human-rights risks per country and region. Each country or region has a top 10 category associated with it, helping us determine where to focus our human-rights efforts in the coming year. This data also supplements each country or region's human-rights risk criteria in our supply-chain risk assessment.

To measure progress, we have tracked our nonconformance closure rate as a key performance indicator since 2018. The closure rate for 2025 was 91%, reflecting our commitment to continuous improvement. We aim to achieve 100% closure of corrective actions, as demonstrated by full closure of all audit findings from 2018 to 2022. While we have not yet reached 100% for 2023 and 2024, we continue to work toward this goal through enhanced supplier engagement and verification audits.

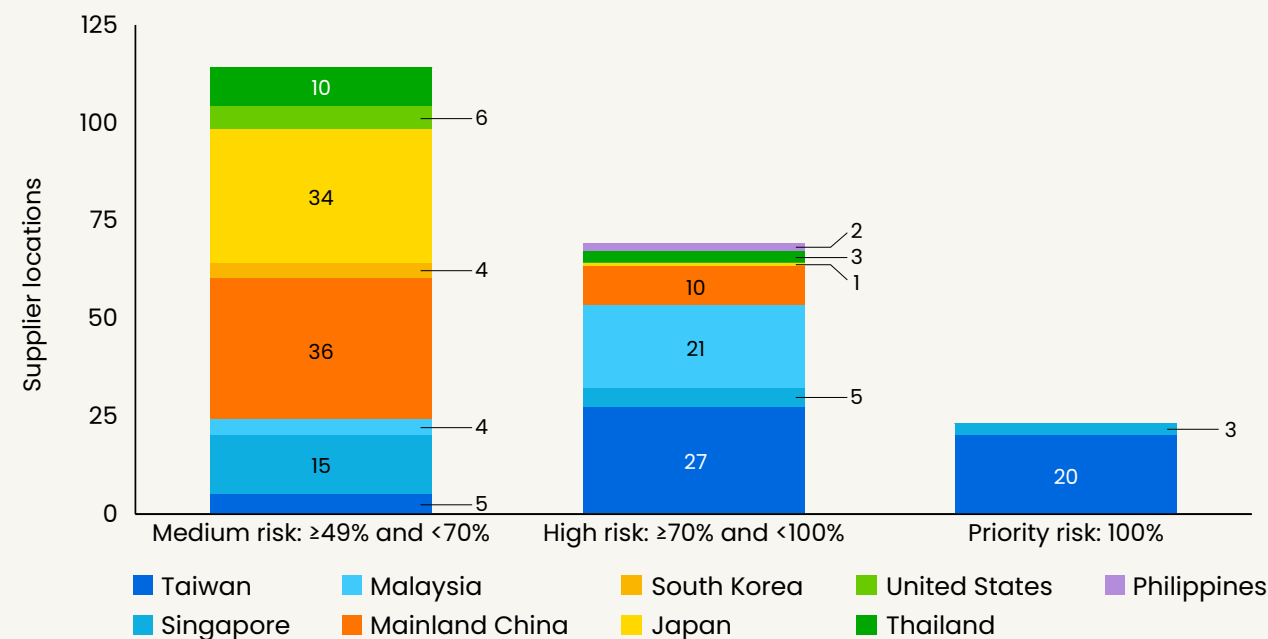
Step one: Identify high-risk suppliers

We annually conduct a supplier risk assessment to determine our audit schedule for high-risk supplier locations. Risk is calculated according to three scoring categories (country, product and spend risks) and a risk factor is assigned as either medium risk ($\geq 49\%$ and $< 70\%$), high risk ($\geq 70\%$ and $< 100\%$) or priority risk (100%). In 2025, we assessed 6,441 supplier locations and identified 114 medium-risk, 69 high-risk and 23 priority-risk supplier locations. Other suppliers not included in these categories are considered low risk.

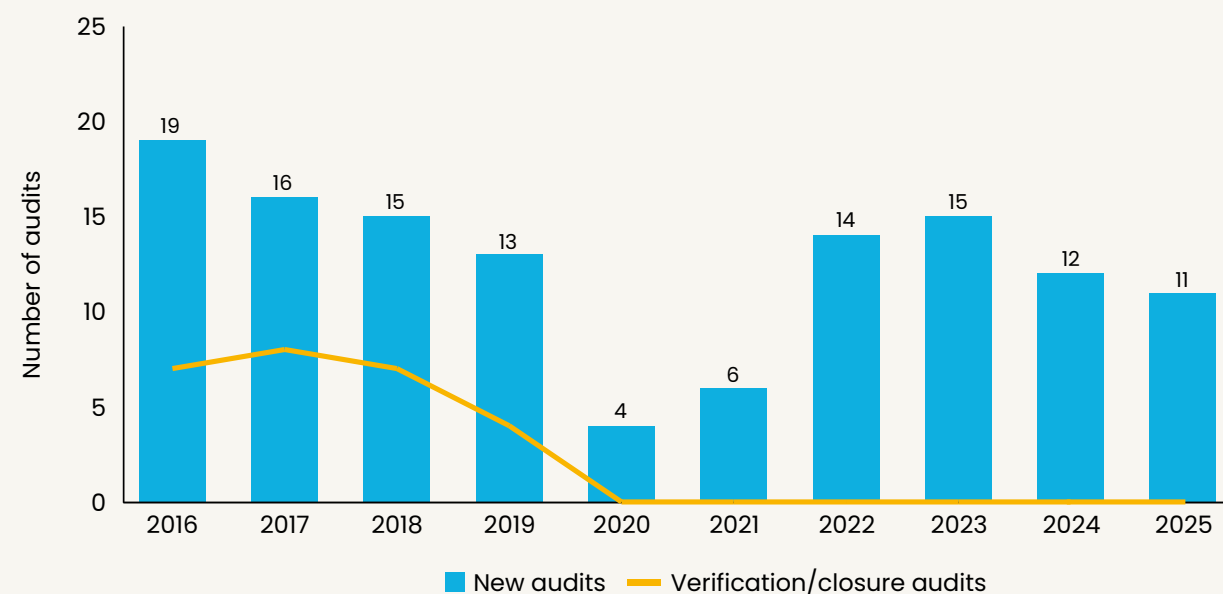
Step two: Conduct a supplier audit

Since 2013, when we began our Corporate Social Responsibility and Human Rights Audit Program, we have conducted 234 supplier audits. That includes labor-agent audits as well as verification audits, which began in 2014.

2025 Medium-, high- and priority-risk scores for supplier locations by country and region from annual risk assessment



New supplier audits and verification/closure audits



2025 Results

In 2025, we completed 11 supplier audits. Our supplier audits were conducted in Mainland China, Malaysia, Singapore and Taiwan.

As part of our membership in the RBA, in addition to the 11 total audits we conducted ourselves, we also reviewed and monitored 13 RBA VAP audits initiated by other RBA members with the same supply base. It is RBA policy that the initiating member work to close any corrective actions resulting from an audit, but if the initiating member fails to do so, the RBA may ask another member with the same supply base to intervene.

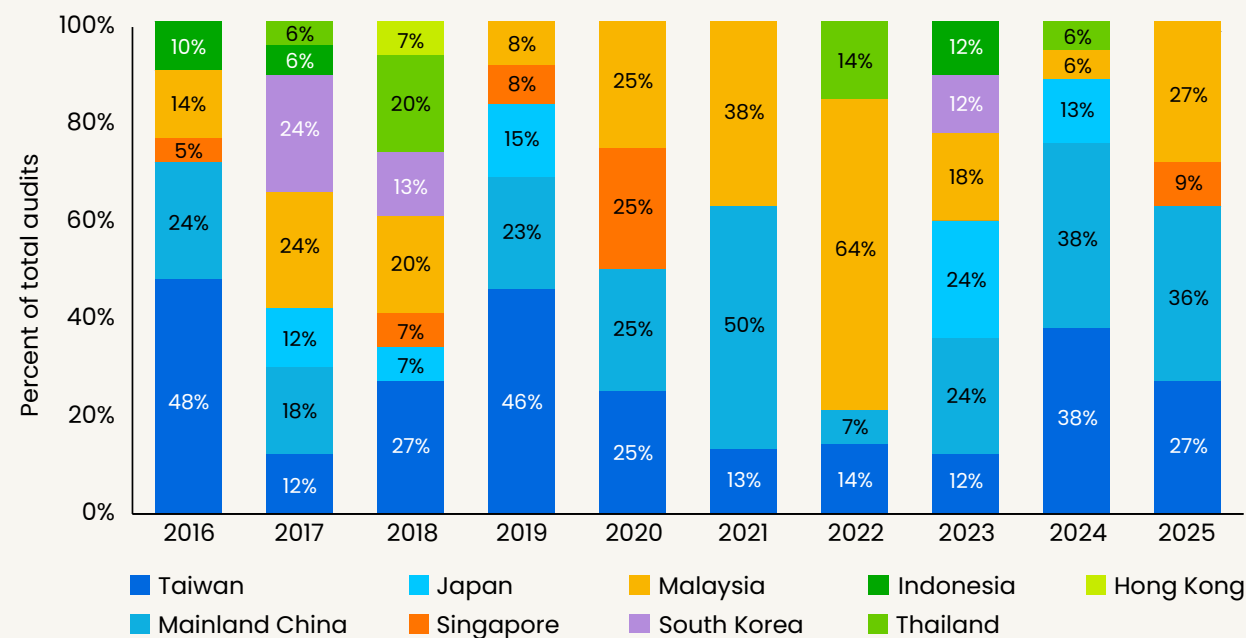
An NXP auditor is present at all onsite audits. This demonstrates our commitment to social responsibility and human rights and also lets us observe, in person, how management treats workers.

During an audit, worker interviews are conducted in private and at random. To determine the number of worker interviews to be conducted, we take the square root of the worker population. In 2025, 320 random workers were interviewed. Out of the workers interviewed, 54% were men and 46% were women. The workers also had varying lengths of service and ages.

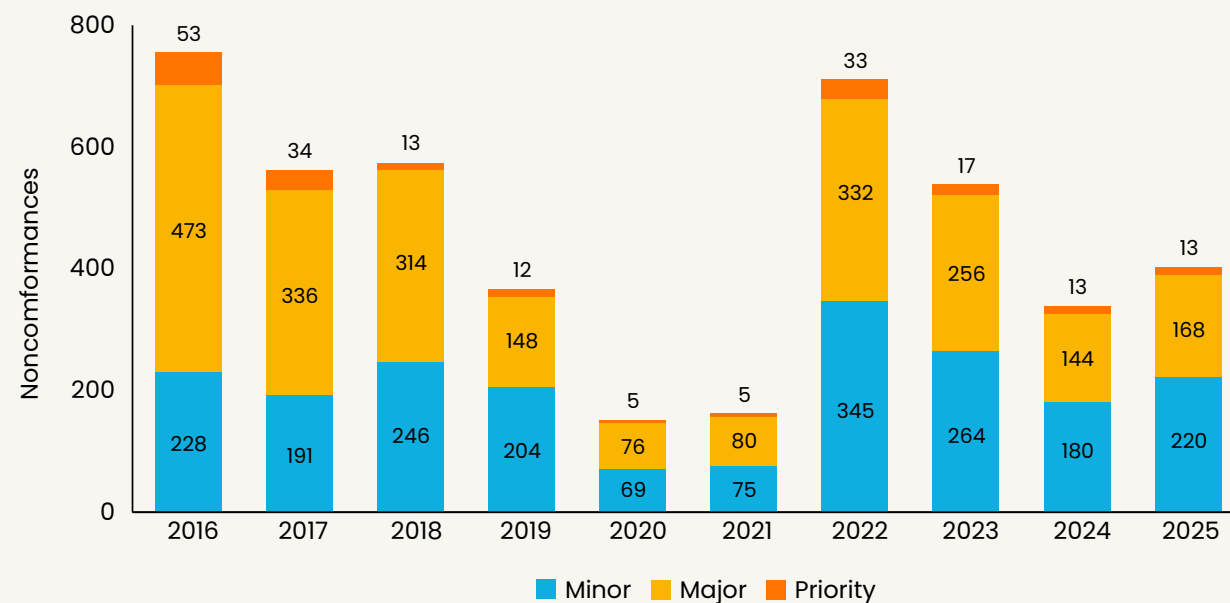
Step three: Analyze results of supplier audit

Audits conducted in 2025 addressed a selection of high-priority suppliers who had previously been audited to a social responsibility standard. We chose to re-audit these suppliers to see if the NXP Supply Chain Program had enhanced social responsibility performance and improved working conditions for their workers. Out of the eleven suppliers we had previously audited, eight suppliers had matured in their social-responsibility practices and improved on their previous performance. However, three of the suppliers performed worse than in our previous audit. We will continue to work with our suppliers as they implement our standards into their business practices and management systems.

Supplier and labor-agent audits by country and region



Number of nonconformances by rating

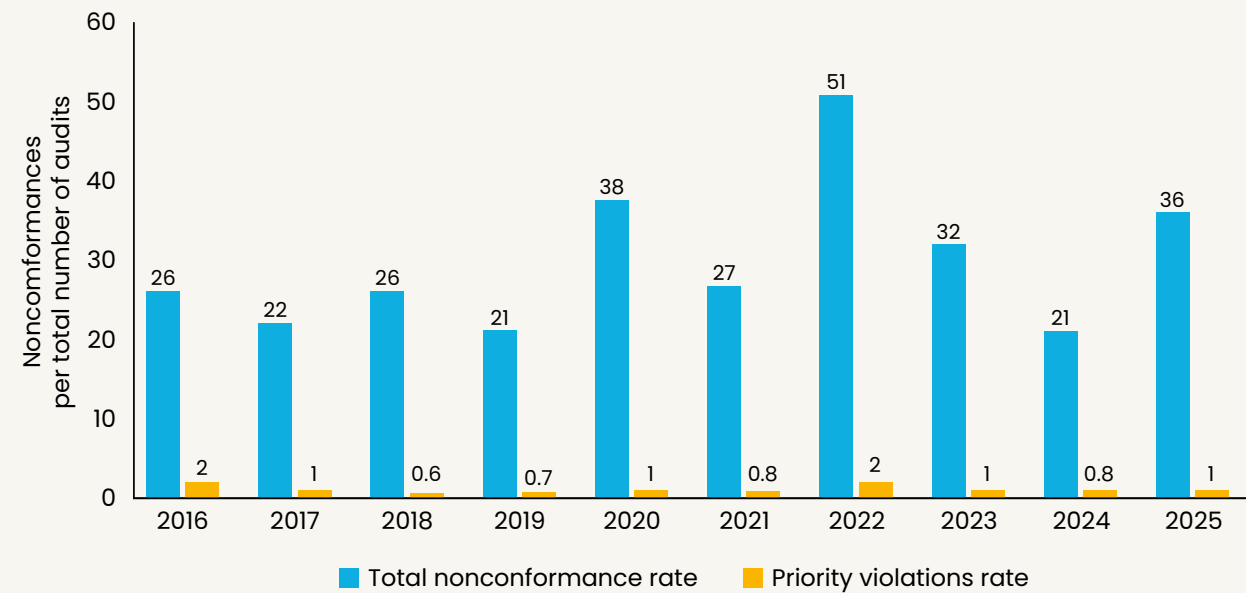


2025 Results

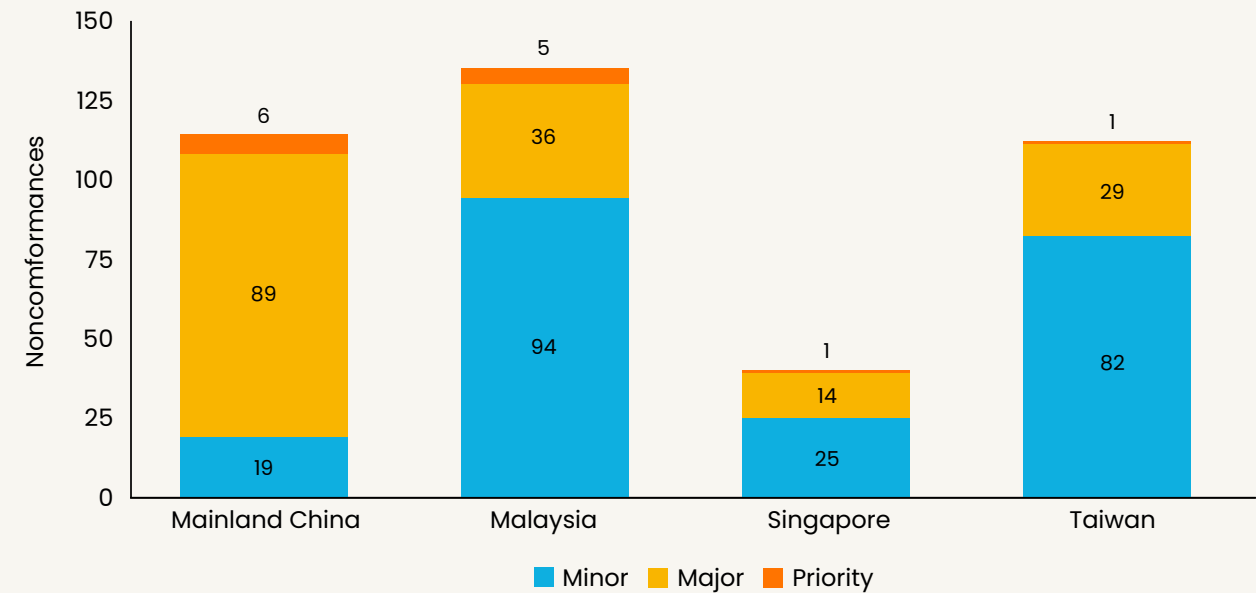
As part of our annual supply-chain due-diligence audits, we compare the number of audit nonconformances to the total number of audits conducted and use the resulting average to measure performance.

Identifying the total number of nonconformances per country/region helps the Audit Team determine country risks, complete the annual assessment of supplier risk and strategize the priorities of future audit planning.

Average number of nonconformances per audit



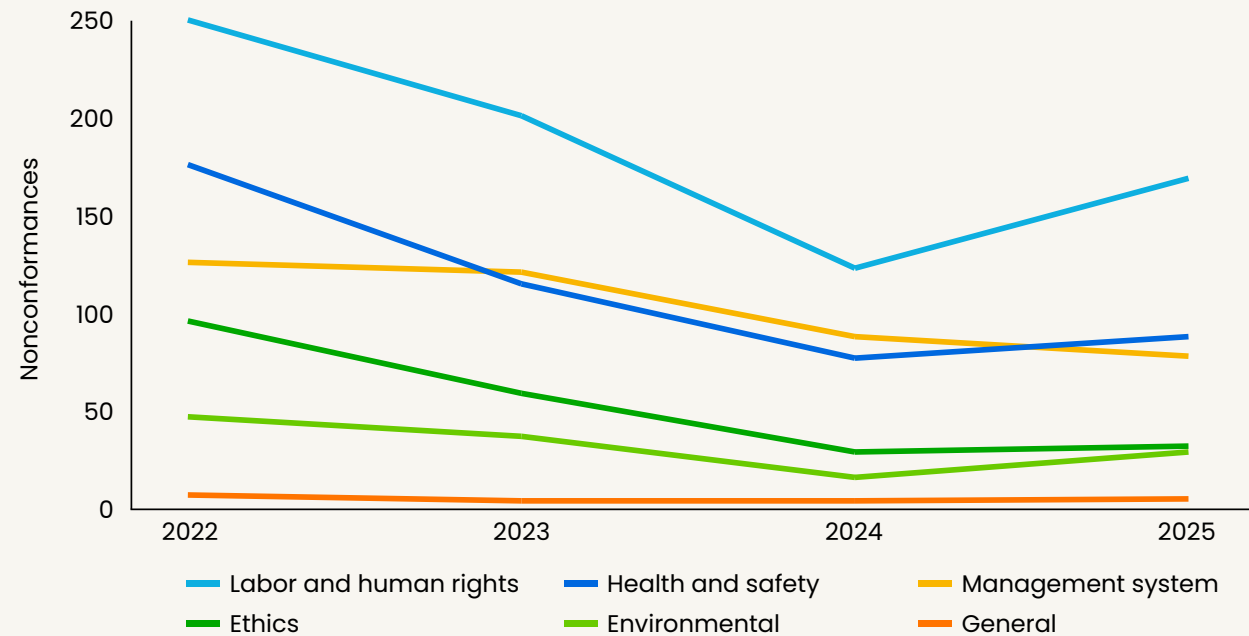
2025 Nonconformances by country/region



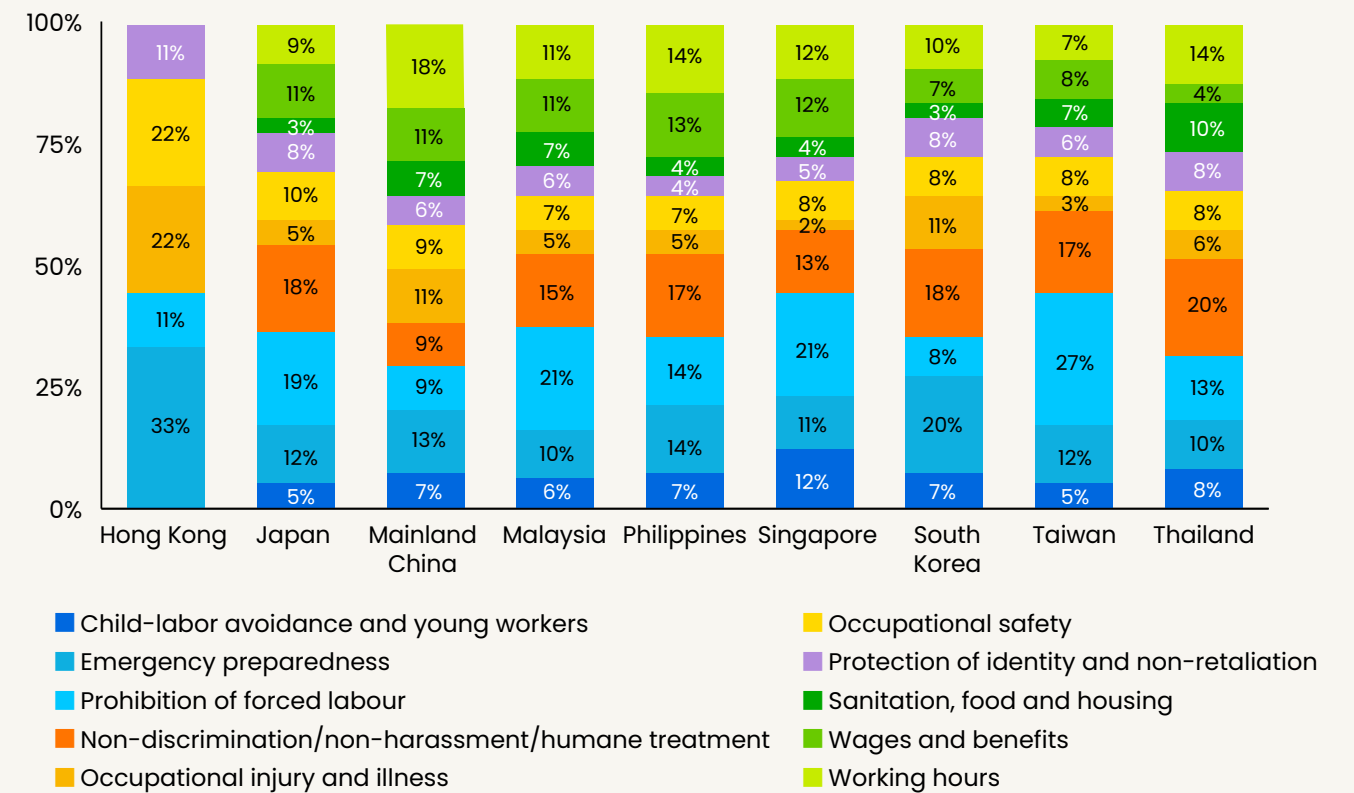
2025 Results

We calculate nonconformances using our five categories of standards: labor and human rights, health and safety, environmental, ethics, management system and general. We track metric on corrective actions by type to help us identify trends, provide a strategic focus and adjust our engagement plan to continue mitigate supplier nonconformance. Three categories – labor and human Rights, health and safety and management systems – continue to recur in our findings.

Nonconformance by type of violation



Top 10 findings by country and region 2013–2025



2025 Results

After twelve years of auditing our supply chain and identifying more than 6,000 nonconformances, we target the top five subcategories as illustrated to the right. Freely chosen employment is still the most frequently recurring nonconformance.

Priority violations by type

In 2025, we identified 13 priority violations — 1 related to health and safety and 12 related to labor and human rights — from 6 of the 11 suppliers audited.

Health and safety priority violations — The one finding was for blocked emergency exits at a supplier in Malaysia. The blocked exits were cleared and visual signage and training were implemented. The priority finding has been remediated and closed.

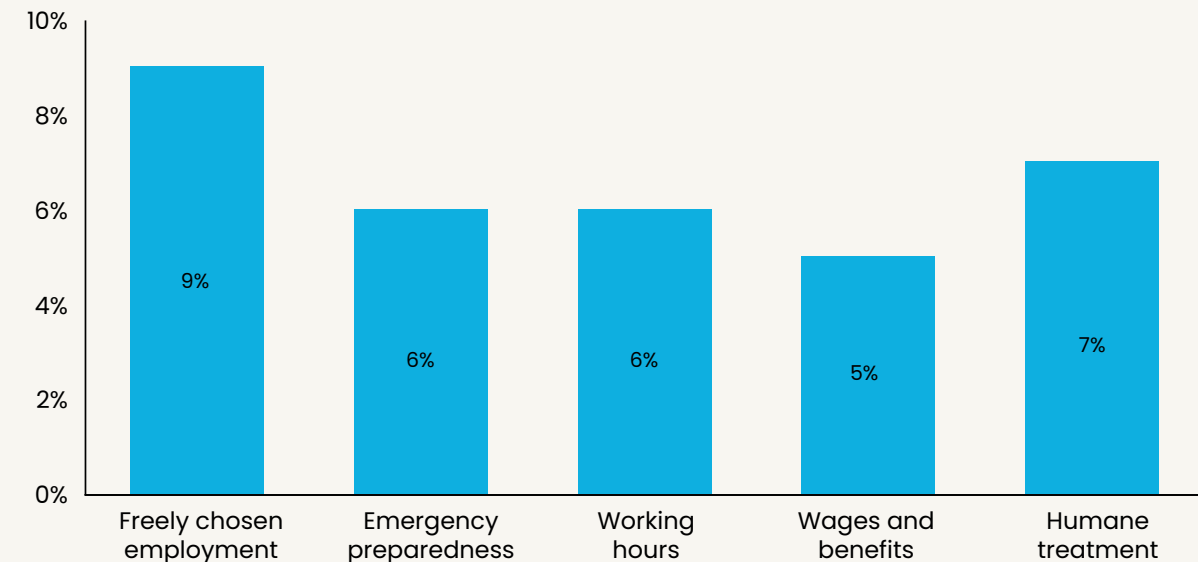
Labor and human rights priority violations — Three of the findings were due to recruitment fees and legal-document retention at suppliers in Malaysia and Taiwan. Nine were working hours findings that include excessive work hours and no rest days at suppliers in Malaysia, Mainland China and Singapore. Three of the working-hours and rest-day findings are still open, but the rest of the priority violations were closed.

Audit closure rate

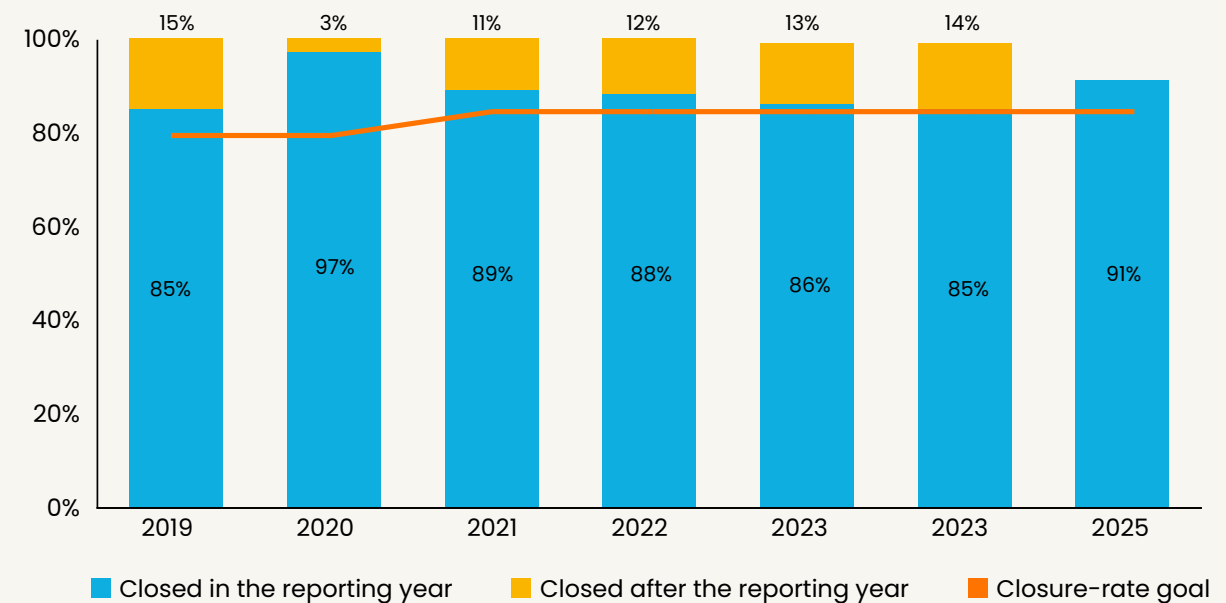
Our goal is to achieve an 85% closure rate. We continue to provide a 15% threshold since we understand that some corrective actions often require more than 90 days to close. While it is our stated goal to achieve the targeted closure rate, indicated by the line in the chart, ultimately we aim for 100% closure on all audit nonconformances found within a calendar year. We continue to work with audited suppliers to fully close the remaining nonconformances in the subsequent year.

In 2013, when we began auditing suppliers, our closure rate was around 40%. Through continuous collaboration with our suppliers, our closure rate has continued to increase or remain high year over year. The closure rate for 2025 was 91%. We are committed to working with suppliers to reach 100% closure in their corrective actions, and this is clearly demonstrated by 100% closure of all audit findings from 2018 to 2022.

Top five nonconformances by subcategory 2013–2025



Audit closure rate



UNGP 21

Communicate

Communication channels



Communication channels

With respect to labor and human rights, we communicate our policies, standards, strategies, targets, procedures and progress. Our commitments for labor and human rights are shared in multiple ways, across different audiences. Any NXP team member, as well as any supplier, supplier worker, NGO or other external stakeholder, can report an incident to NXP. Workers in the supply chain that NXP engaged with during our due diligence audits are provided with NXP's grievance email and a local phone number.

We regularly communicate with all relevant stakeholders, including management, team members, supply-chain workers, supply partners, customers, investors, NGOs, CSOs and local communities, and actively encourage their engagement with NXP's Corporate Social Responsibility and Human Rights Program.

All concerns raised are taken seriously and investigated. We apply the highest standards of confidentiality in the handling of all reports received. Our strict non-retaliation policy ensures that whistleblowers and anyone assisting in the investigation of concerns and grievances reported in good faith are fully protected from harassment, discrimination or any adverse impact on their employment or career.

We offer a variety of ways to submit a report or share concerns, including through the NXP Ethics Committee, a local Ethics Liaison or, if anonymity is desired, the [SpeakUp](#) system administered by a third party. Our reporting channels are communicated to all team members through the [Code](#), dedicated intranet web pages, trainings, our website and various other means. Our reporting channels can be used by any employee, contractor, business partner, stakeholder or other third parties.

All reports are assessed and discussed by the Ethics Committee. After the initial assessment of a report, an investigation team, equipped with the right expertise and skill set to conduct an in-depth investigation, is appointed. If the report can be substantiated, we take appropriate follow-up actions such as education, organizational changes, counseling, reprimand, suspension and/or termination, depending on the nature and severity of the finding and the party's willingness and ability to rectify the issue.

The Ethics Committee reports quarterly to the general counsel, the chief financial officer, the chief people officer and the Audit Committee of the Board regarding the number, type, materiality and follow-up of the allegations that have been received. In 2025, NXP received 196 reports, of which 73% were substantiated and 88% were closed. There were no reports of human-rights violations received in 2025. The most-reported types of violations over 2025 included violations of internal policies, theft and harassment.



Internal communication

We communicate with our team members in a variety of ways (in their local language, if required), including town hall meetings, coffee chats with management teams, focus-group workshops, training sessions, one-on-one meetings, internal articles, newsletters, emails and blogs. All team members have access to global and local policies and standards, as well as our NXP and Supplier Codes of Conduct, through our external website, the internal intranet site, team-member handbooks and/or briefings.

We make use of communication programs to ensure that every team member is informed and can report grievances by talking to their manager, through our open-door policy or by speaking to the local ethics liaison, the Ethics Committee and/or the third-party-administered SpeakUp line. Information about the reporting channels is easily accessible and visible via the external [website](#), our intranet, posters, internal social media and email.

Open-door management policies

Team-member engagement with management is openly practiced at all sites, with such events as quarterly calls, dialogue sessions and programs that let workers raise concerns directly to the site general manager. We are committed to having open dialogue with potentially affected and affected team members and foreign migrant workers. This allows us to monitor and develop our approach to human rights.

During an audit, when private interviews are conducted with team members, they receive a business card that has the local grievance phone number and the email address to be used if they have additional information, concerns or need to report retaliation.

Supply chain communication

Communications with our supply chain take the form of trainings, consultations, collaboration and discussions held before, during and after our audits.

We also communicate our [Supplier Code of Conduct](#) and our [Auditable Standards on Social Responsibility](#) to our supply-chain partners. Our suppliers are bound, either contractually or through their conformance signature, to our Supplier Code of Conduct, which states that they will uphold standards for labor and human rights. We require our suppliers to communicate our policy, standards and expectations to their own suppliers, including external service providers, and require them to audit and monitor their upstream suppliers.

Suppliers are required to have workplace grievance mechanisms in place that ensure the confidentiality, anonymity and protection of whistleblowers who may report any complaints, issues or concerns.

- Suppliers must make the grievance mechanism available in the workers' languages.
- Suppliers must train their workers on the grievance mechanism and communicate the process to them, so workers can raise concerns without fear of retaliation.
- Suppliers must state in a policy that they will not tolerate any retaliation by management or any other person or group, directly or indirectly, against anyone who, in good faith, makes an allegation of misconduct or wrongdoing or who helps management or any other person or group to investigate an allegation.
- The supplier's grievance mechanism must also be made available to their own suppliers.

We expect suppliers to investigate, respond to and close out all complaints, issues and concerns reported through the grievance mechanism. During a supplier audit, the auditor tests the grievance mechanism thoroughly. During a private worker interview, questions regarding the ways to report a grievance are discussed. After the interview, the auditor provides the worker with the NXP third-party grievance card, which they can use at any time and for any reason to make an anonymous report in the local language.

We acknowledge that we are putting the worker in a vulnerable situation with a private interview, where potential negative impacts, such as retaliation or discrimination could occur. We address this by providing the NXP grievance mechanism and an agreement with the supplier that retaliation or discrimination will not occur. Any cases of retaliation reported will initiate an investigation and, if substantiated, will prompt NXP to take appropriate measures, including possible termination of business with that supplier. No allegations were received in 2025.

Conclusion



Conclusion

Upholding human rights is central to our Sustainability Program and reflects our core belief that protecting people is a responsibility, not a choice. Progress depends on collective action, and we are committed to working side by side with stakeholders across our value chain. Through this shared commitment, we aim to act in the best interest of all those we impact.

This report reflects how we uphold that responsibility across our business supply chain. It also demonstrates the values and expectations that guide our teams around the world.

We recognize that promoting human rights is a perpetual journey. In 2025, we continued to conduct internal assessments, participate in industry forums and maintain ongoing dialogue with external stakeholders. We will remain committed to the high bar we set for ourselves and to contributing to meaningful progress across our industry.

As we look forward, we will continue working closely with suppliers, especially suppliers with previous nonconformances or those in areas of high risk. As a part of this process, we will work to ensure that suppliers have the resources to fully understand our expectations and are well-equipped to prevent future issues.

Engagement with workers, both in our operations and in the supply chain, will also be a priority. Engagement is important for us to understand the challenges workers face. It also provides an opportunity for them to advocate for improvements in their workplaces.

For more information about our approach to human rights, worker well-being and responsible supply-chain practices, please contact NXP's Sustainability Team at csr@nxp.com.

Eric-Paul Schat

Senior Director of Sustainability and Human Rights and Chief Human Rights Officer
NXP Semiconductors
May 2026



“ Upholding human rights is central to our Sustainability Program and reflects our core belief that protecting people is a responsibility, not a choice.



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)

NXP and the NXP logo are trademarks of NXP B.V. All other product or service names are the property of their respective owners. © 2026

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, www.nxp.com/investor or from the SEC website, www.sec.gov.