



NXP Supplier Code of Conduct

A. Introduction

NXP is a company with a strong commitment to sustainability. NXP encourages its Suppliers to join NXP in this commitment, based on a shared set of values and principles.

NXP pursues mutually beneficial relationships with its Suppliers and contractors (“Supplier”) and seeks to award business to those Suppliers that are committed to act fairly and with integrity towards their stakeholders, to observing the applicable rules of law, and to supporting and respecting internationally proclaimed human rights.

NXP is committed to ensuring that working conditions in NXP’s supply chain are safe, that workers are treated with respect and dignity, and that manufacturing processes are environmentally responsible.

NXP’s Suppliers will commit, in all their activities, to operate in full compliance with the laws, rules, and regulations of the countries in which they operate. Beyond this, Suppliers will comply with the NXP Supplier Code of Conduct using the management systems described in this document.

The NXP Supplier Code of Conduct embodies the principles outlined in the Responsible Business Alliance (formerly the Electronic Industry Citizenship Coalition) (“RBA”) NXP Supplier Code of Conduct, Version 7.0. RBA member companies, including NXP, are committed to support the rights and wellbeing of workers and communities worldwide affected by the global electronics supply chain. The NXP Supplier Code of Conduct is also based upon the [NXP Code of Conduct](#). In some places, the NXP Supplier Code of Conduct is more detailed than the RBA Code of Conduct or the NXP Code of Conduct to provide clarity and to incorporate the possibility to assess our Suppliers’ compliance with the NXP Supplier Code of Conduct.

NXP Suppliers shall comply with the requirements of the NXP Supplier Code of Conduct, and require its own suppliers do the same. NXP may visit (and/or have external 3rd party monitors visit) Supplier facilities to assess compliance with the NXP Supplier Code of Conduct. Violation of the NXP Supplier Code of Conduct may result in an immediate termination of the relationship with NXP. Additionally, any such violation may result in legal action.

Recognized standards, such as the Universal Declaration of Human Rights (UDHR), the United Nations Guiding Principles on Business and Human Rights (UNGP), standards, conventions and guidelines issued by organizations such as the International Labour Organization (ILO), The Organization for Economic Cooperation and Development’s (OECD), Social Accountability International (SAI), and the Ethical Trading Initiative (ETI), have been used as references in preparing the NXP Supplier Code of Conduct and may be useful sources of additional information (see Section G). NXP extends the NXP Supplier Code of Conduct by maintaining a series of detailed Standards that clarify our expectations for compliance.

This NXP Supplier Code of Conduct is not intended to create new and/or additional third-party rights, including for employees.



B. Standards for Labour and Human Rights

NXP is committed to upholding the human rights of workers and treating them with dignity and respect as understood by the international community. This applies to all workers including temporary, migrant, student, contract, direct employees, and any other type of worker.

The labour standards are as follows:

1. Freely Chosen Employment and Prevention of Involuntary Labour and Human Trafficking

Forced, bonded (including debt bondage) or indentured labour, involuntary or exploitative prison labour, slavery or trafficking of persons is not permitted. This includes transporting, harboring, recruiting, transferring, or receiving persons by means of threat, force, coercion, abduction or fraud for labour or services. There shall be no unreasonable restrictions on workers' freedom of movement in the facility in addition to unreasonable restrictions on entering or exiting company-provided facilities, including, if applicable, workers' dormitories or living quarters. As part of the hiring process, all workers must be provided with a written employment agreement in a language understood by the worker that contains a description of terms and conditions of employment. Foreign migrant worker must receive their employment contract prior to the worker departing from his or her country of origin and there shall be no substitution or change[s] allowed in the employment agreement upon arrival in the receiving country unless these changes are made to meet local law and provide equal or better terms.

All work must be voluntary, and workers shall be free to leave work at any time or terminate their employment without any penalty if reasonable notice is given as per worker's employment contract. Supplier, agents and sub-agents may not hold or otherwise destroy, conceal, or confiscate employees' identity or immigration documents, such as government - issued identification, passports, or work permits. Supplier can only hold documentation if such holdings are required by law. Workers shall not be required to pay employers' agents, or sub-agents recruitment fees or other related fees for their employment. Such fees and expenses include, but are not limited to expenses associated with recruitment, processing, or placement of workers. If any such fees are found to have been paid by workers, Supplier shall be responsible that such fees shall be repaid to the worker.

2. Child Labour Avoidance and Young Workers

Child labour is not allowed in any stage of manufacturing. The term "child" refers to any person under the age of 15, under the age for completing compulsory education, or under the minimum age for employment in the country, whichever is greatest. Supplier shall implement an appropriate mechanism to verify the age of workers. The use of legitimate workplace apprenticeship programs, which comply with all laws and regulations, is supported. Workers under the age of 18 (Young Workers) shall not perform work that is likely to jeopardize their health or safety, including night-shift and overtime. Supplier shall ensure proper management of student workers through proper maintenance of student records, rigorous due diligence of educational partners, and protection of students' rights in accordance with applicable law and regulations. Supplier shall provide appropriate support and training to all student workers. In the absence of local law, the wage rate for student workers, interns and apprentices shall be at least the same wage rate as other entry-level workers performing equal or similar tasks. If child labour is identified, assistance/remediation is provided.



3. Working Hours

Studies of business practices clearly link worker strain to reduced productivity, increased turnover, and increased injury and illness. Working hours are not to exceed the maximum set by local law. Further, a work week shall not be more than 60 hours per week, including overtime, except in emergency or unusual situations. Workers shall have at least one scheduled day off every seven days and not work more than six consecutive days. All overtime must be voluntary.

4. Wages and Benefits

Compensation paid to workers shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours, and legally mandated benefits. In compliance with local laws, workers shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure shall not be permitted. Supplier shall offer vacation time, leave periods, and holidays consistent with applicable laws and regulations. Supplier shall pay workers in a timely manner. For each pay period, workers shall be provided with a timely and understandable wage statement that includes sufficient information to verify accurate compensation for work performed. All use of temporary, dispatch and outsourced labour will be within the limits of the local law.

5. Humane Treatment

There is to be no harsh or inhumane treatment of workers, including violence, gender-based violence, sexual harassment, sexual abuse, corporal punishment, mental or physical coercion, bullying, public shaming, or verbal abuse of workers; nor is there to be the threat of any such treatment. Disciplinary policies and procedures in support of these requirements shall be clearly defined and communicated to workers.

6. Non-Discrimination/Non-Harassment

Supplier shall be committed to a workplace free of harassment and unlawful discrimination. Supplier shall not engage in discrimination or harassment based on race, colour, age, gender, sexual orientation, gender identity and expression, ethnicity or national origin, disability, pregnancy, religion, political affiliation, union membership, covered veteran status, protected genetic information or marital status in hiring and employment practices such as wages, promotions, rewards, and access to training. Workers shall be provided with reasonable accommodation for religious practices. In addition, workers or potential workers should not be subjected to medical tests, including pregnancy or virginity tests, or physical exams that could be used in a discriminatory way. This clause was drafted in consideration of the ILO Discrimination (Employment and Occupation) Convention (No. 111).



7. Freedom of Association and Collective Bargaining

In conformance with local law, Supplier shall respect the right of all workers to form and join trade unions of their own choosing, to bargain collectively and to engage in peaceful assembly as well as respect the right of workers to refrain from such activities. Workers shall be able to openly communicate and share ideas, concerns, and grievances with management regarding working conditions and management practices without fear of reprisal, intimidation, or harassment.

Supplier shall respect – within the framework of laws, regulations, and prevailing labour relations and employment practices – the right of its employees to be represented by labour unions and other employee organizations. Supplier will engage in negotiations, either on its own behalf or through employers' associations, with a view to reaching agreement on employment conditions.

8. Diversity

NXP furthers innovation and accelerates growth by fostering inclusive teams of diverse employees and recognizes that teams' varied backgrounds, experiences, and ideas are critical to NXP's success. Supplier engaged by NXP in recruiting employees for NXP shall therefore make every effort to present a diverse list of candidates for each position, without regard to race, gender, age, or other factors unrelated to their ability to perform in the position. Supplier will document their efforts and provide evidence to NXP upon NXP's request.



C. Standards for Health and Safety

NXP recognizes that in addition to minimizing the incidence of work-related injury and illness, a safe and healthy work environment enhances the quality of products and services, the consistency of production, and worker retention and morale. NXP also recognizes that ongoing worker input and education are essential to identifying and solving health and safety issues in the workplace.

The health and safety standards are as follows:

1. Occupational Safety

Worker potential for exposure to potential health and safety hazards (chemical, electrical and other energy sources, fire, vehicles, and fall hazards) are to be identified and assessed, mitigated using the Hierarchy of Controls, which includes eliminating the hazard, substituting processes or materials, controlling through proper design, implementing engineering and administrative controls, preventative maintenance, and safe work procedures (including lockout/tag-out), and providing ongoing occupational health and safety training. Where hazards cannot be adequately controlled by these means, workers are to be provided with appropriate, well-maintained, personal protective equipment and educational materials about risks to them associated with these hazards. Reasonable steps must also be taken to remove pregnant women/nursing mothers from working conditions with high hazards, remove or reduce any workplace health and safety risks to pregnant women and nursing mothers including those associated with their work assignments, as well as include reasonable accommodations for nursing mothers. Workers shall not be disciplined for raising safety concerns and shall have the right to refuse unsafe working conditions without fear of reprisal until management adequately addresses their concerns.

2. Emergency Preparedness

Potential emergency situations and events are to be identified and assessed, and their impact minimized, by implementing emergency plans and response procedures, including emergency reporting, employee notification and evacuation procedures, worker training and drills. Emergency drills must be executed at least annually or as required by local law, whichever is more stringent. Emergency plans should include appropriate fire detection and suppression equipment, clear and unobstructed egress, adequate exit facilities, contact information for emergency responders, and recovery plans. Such plans and procedures shall focus on minimizing harm to life, the environment and property.

3. Occupational Injury and Illness

Procedures and systems are to be in place to prevent, manage, track, and report occupational injury and illness including provisions to encourage workers to report, classify and record injury and illness cases, provide necessary medical treatment, investigate cases, and implement corrective actions to eliminate their causes, and facilitate the return of workers to work.



4. Industrial Hygiene

Worker exposure to chemical, biological, and physical agents is to be identified, evaluated, and controlled according to the Hierarchy of Controls. If any potential hazards were identified, Supplier shall look for opportunities to eliminate and/or reduce the potential hazards. If elimination or reduction of the hazards is not feasible, potential hazards are to be controlled through proper design, engineering, and administrative controls. When hazards cannot be adequately controlled by such means, workers are to be provided with and use appropriate, well-maintained, personal protective equipment, free of charge. Protective programs shall be ongoing and include educational materials about the risks associated with these hazards.

5. Physically Demanding Work

Worker exposure to the hazards of physically demanding tasks, including manual material handling and heavy or repetitive lifting, prolonged standing, and highly repetitive or forceful assembly tasks is to be identified, evaluated, and controlled.

6. Machine Safeguarding

Production and other machinery shall be evaluated for safety hazards. Physical guards, interlocks, and barriers are to be provided and properly maintained where machinery presents an injury hazard to workers.

7. Sanitation, Food, and Housing

Workers are to be provided with ready access to clean toilet facilities, potable water, and sanitary food preparation, storage, and eating facilities. Worker dormitories, provided by the Supplier or a labour agent, are to be maintained to be clean and safe, and provided with appropriate emergency egress, hot water for bathing and showering, adequate lighting, heat, and ventilation, individually secured accommodations for storing personal and valuable items, and reasonable personal space as well as reasonable entry and exit privileges.

8. Health and Safety Communication

Supplier shall provide workers with appropriate workplace health and safety information and training, in the language of the worker or in a language the worker can understand, for all identified workplace hazards that workers are exposed to, including but not limited to mechanical, electrical, chemical, fire, and physical hazards. Health and safety related information, including Safety Data Sheets, and warnings shall be clearly posted in the facility or placed in a location identifiable and accessible by workers. Training is provided to all workers prior to the beginning of work and regularly thereafter. Workers shall be encouraged to raise any health and safety concerns without fear of retaliation.

9. Worker Health and Safety Committees

Supplier is encouraged to initiate and support worker health and safety committees to enhance ongoing health and safety education and to encourage worker input regarding health and safety issues in the workplace.



D. Standards for Environment

NXP recognizes that environmental responsibility is integral to producing world-class products. In manufacturing operations, adverse effects on the community, the environment, and natural resources are to be minimized while safeguarding the health and safety of the public.

The environmental standards are as follows:

1. Environmental Permits and Reporting

All required environmental permits (e.g. discharge monitoring), approvals, and registrations are to be obtained, maintained, and kept current, and their operational and reporting requirements are to be followed.

2. Pollution Prevention and Resource Reduction

Emissions and discharges of pollutants and generation of waste are to be minimized or eliminated at the source or by practices such as adding pollution control equipment; modifying production, maintenance, and facility processes; or by other means. The use of natural resources, including water, fossil fuels, minerals, and virgin forest products, is to be conserved by practices such as modifying production, maintenance and facility processes, materials substitution, re-use, conservation, recycling, or other means.

3. Hazardous Substances

Chemicals, wastes, and other materials posing a hazard to humans or the environment are to be identified, labelled, and managed to ensure their safe handling, movement, storage, use, recycling or reuse, and disposal.

4. Solid Waste

Supplier shall implement a systematic approach to identify, manage, reduce, and responsibly dispose of or recycle solid waste (non-hazardous).

5. Air Emissions

Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone-depleting substances, and combustion by-products generated from operations are to be characterized, routinely monitored, controlled, and treated as required prior to discharge. Ozone-depleting substances are to be effectively managed in accordance with the Montreal Protocol and applicable regulations. Supplier shall conduct routine monitoring of the performance of its air emission control systems.

6. Materials Restrictions

Supplier shall comply with all applicable laws and regulations prohibiting or restricting the use and handling of specific substances in manufacturing and product [materials](#), including labelling for recycling and disposal.



Supplier engaged in the manufacturing of materials that will be part of NXP's end products and Supplier engaged in the manufacturing of NXP branded products shall comply with the most recent version of NXP's List of Hazardous Substances in Products and Packaging. Upon NXP's request, Supplier shall provide NXP with full material content information using the NXP Material Declaration Form and/or Material Safety Data Sheets.

Supplier shall identify and manage product substances that pose an environmental hazard and shall conform to applicable labelling laws and regulations for recycling by complying to the most recent version of the NXP [ECO-Products Substance Control for Products and Packaging](#).

Legislative compliance includes:

- Restriction of Hazardous Substances (RoHS) in the European Union and China
- Regulation on Registration, Evaluation, Authorization and Restriction of Chemicals (REACH)
- Waste Electrical and Electronic Equipment (WEEE)
- End of Life Vehicle Directive in the European Union (ELV)
- Other regulations in the countries and regions in which NXP operates

Upon NXP's request, Supplier shall provide NXP with full a material content declaration using the industry standard IPC-1752A XML Class D format. Additional evidence is required in the form of annual test reports for RoHS substances, Halogens, and Antimony, executed according to the IEC62321 standard and performed by a third-party laboratory certified to ISO/IEC 17025.

7. Water Management

Supplier shall implement a water management program that documents, characterizes, and monitors water sources, use and discharge; seeks opportunities to conserve water; and controls channels of contamination. All wastewater is to be characterized, monitored, controlled, and treated as required by applicable laws and regulations prior to discharge or disposal. Supplier shall conduct routine monitoring of the performance of its wastewater treatment and containment systems to ensure optimal performance and regulatory compliance. Upon NXP's request, Supplier shall participate in the CDP Water Disclosure and/or the RBA Environmental Reporting.

8. Energy Consumption and Greenhouse Gas Emissions

Supplier shall establish a corporate-wide greenhouse gas reduction goal. Energy consumption and all relevant Scope 1 and 2 greenhouse gas emissions are to be tracked and documented, and publicly reported against the greenhouse gas reduction goal. Supplier shall look for methods to improve energy efficiency and to minimize their energy consumption and greenhouse gas emissions. Upon NXP's request, Supplier shall participate in the CDP Supply Chain Disclosure and/or the RBA Environmental Reporting.

9. Certification

Supplier engaged in the manufacture of or engaged in providing materials that will be part of NXP branded products shall have ISO14001 certification (or comparable), or a plan to become certified. Alternatively, Supplier must provide documented objective evidence of an operational environmental management system and demonstrate equivalency.



E. Standards for Business Ethics

Supplier shall be committed to the highest standards of ethical conduct when dealing with workers, suppliers, and customers.

1. Business Integrity

The highest standards of integrity are to be upheld in all business interactions. Supplier shall have a zero-tolerance policy to prohibit all forms of bribery, corruption, extortion, or embezzlement.

2. No Improper Advantage

Bribes or other means of obtaining undue or improper advantage are not to be promised, offered, authorized, given, or accepted. This prohibition covers promising, offering, authorizing, giving, or accepting anything of value, either directly or indirectly through a third party, in order to obtain or retain business, direct business to any person, or otherwise gain an improper advantage. Monitoring, record keeping, and enforcement procedures shall be implemented to ensure compliance with anti-corruption laws.

3. Disclosure of Information

All business dealings should be transparently performed and accurately reflected on Supplier's business books and records. Information regarding Supplier's labour, health and safety, environmental practices, business activities, structure, financial situation, or performance is to be disclosed in accordance with applicable regulations and prevailing industry practices.

Falsification of records or misrepresentation of conditions or practices in the supply chain is unacceptable.

4. Intellectual Property

Intellectual property rights are to be respected, and the transfer of technology and know-how is to be done in a manner that protects intellectual property rights; customer and supplier information is to be safeguarded.

5. Fair Business, Advertising and Competition

Standards of fair business, advertising, and competition are to be upheld.



6. Protection of Identity and Non-Retaliation

Supplier shall maintain programs to ensure the confidentiality, anonymity and protection of supplier and worker whistleblowers, unless prohibited by law. Supplier shall prohibit retaliation against workers who participate in whistleblowing in good faith or who refuse an order that is in violation of the NXP Supplier Code of Conduct. Supplier shall provide an anonymous complaint mechanism for workers to report workplace grievances in accordance with local laws and regulations. Supplier shall have a formal communication program to ensure that every employee is fully informed of and understands the policy of non-retaliation.

7. Responsible Sourcing of Minerals

Supplier shall adopt a policy and exercise due diligence on the source and chain of custody of for the tantalum, tin, tungsten, and gold in the products they manufacture to reasonably assure that they are sourced in a way consistent with the Organisation for Economic Co-operation and Development (OECD) Guidance for Responsible Supply Chains of Minerals from Conflict Affected and High-Risk Areas or an equivalent and recognized due diligence framework. Supplier shall exercise due diligence on the source and chain of custody of these minerals and shall make their due diligence measures available to NXP upon NXP's request.

8. Privacy

Supplier shall commit to protecting the reasonable privacy expectations for personal information of everyone they do business with, including suppliers, customers, consumers, and employees. Supplier shall comply with privacy and information security laws and regulatory requirements when personal information is collected, stored, processed, transmitted, and shared.



F. Standards for Management System

Supplier shall adopt or establish a management system that is related to the content of the NXP Supplier Code of Conduct. The management system shall be designed to ensure: (a) compliance with applicable laws, regulations, and customer requirements related to the Supplier's operations and products; (b) conformance to the NXP Supplier Code of Conduct; and (c) identification and mitigation of operational risks related to the NXP Supplier Code of Conduct. It shall also facilitate continual improvement.

The management system should contain the following elements:

1. Company Commitment

Supplier shall have corporate social and environmental responsibility policy statements, affirming Supplier's commitment to compliance and continual improvement, and endorsed by executive management and posted in the facility in the local language or language(s) understood by all employees.

2. Management Accountability and Responsibility

Supplier shall clearly identify senior executive and company representative[s] responsible for ensuring implementation of the management systems and associated programs. Senior management reviews the status of the management system on a regular basis.

3. Legal and NXP Requirements

Supplier shall have a process to identify, monitor, and understand applicable laws, regulations, and customer requirements, including the requirements of the NXP Supplier Code of Conduct.

4. Risk Assessment and Risk Management

Supplier shall have a process to identify the legal compliance, environmental, health and safety, and labor practice and ethics risks associated with the Supplier's operations. Supplier shall determine the relative significance for each risk and implement appropriate procedural and physical controls to control the identified risks and ensure regulatory compliance.

5. Improvement Objectives

Supplier shall have written performance objectives, targets, and implementation plans to improve the Supplier's social, environmental, and health and safety performance, including a periodic assessment of Supplier's performance in achieving those objectives.

6. Training and Competencies

Supplier shall have programs for training managers and workers to implement Supplier's policies, procedures, and improvement objectives, and to meet applicable legal and regulatory requirements.



7. Communication

Supplier shall have a process for communicating clear and accurate information about Supplier's policies, practices, expectations, and performance to workers, suppliers, and customers.

8. Worker Feedback, Participation, and Grievance

Supplier shall have ongoing processes, including an effective grievance mechanism, to assess workers' understanding of and obtain feedback on or violations against practices and conditions covered by the NXP Supplier Code of Conduct and to foster continuous improvement. Workers must be given a safe environment to provide grievance and feedback without fear of reprisal or retaliation.

9. Audits and Assessments

Supplier shall perform periodic self-evaluations to ensure conformity to legal and regulatory requirements, the content of the NXP Supplier Code of Conduct, and customer contractual requirements relating to social and environmental responsibility.

10. Corrective Action Process

Supplier shall have a process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations, and reviews.

11. Documentation and Records

Supplier shall create and maintain documents and records to ensure regulatory compliance and conformity to Supplier's requirements along with appropriate confidentiality to protect privacy.

12. Supplier Responsibility

Supplier shall have a process to communicate the NXP Supplier Code of Conduct or comparable requirements to their own, next-tier suppliers and to monitor supplier compliance to the requirements.



G. Document Information

1. References

The following standards have been used in preparing the NXP Supplier Code of Conduct and may be useful sources of additional information.

- Dodd-Frank Wall Street Reform and Consumer Protection Act
<http://www.sec.gov/about/laws/wallstreetreform-cpa.pdf>
- Eco Management & Audit System
ec.europa.eu/environment/emas/index_en.htm
- Ethical Trading Initiative
www.ethicaltrade.org/
- ILO Code of Practice in Safety and Health
www.ilo.org/public/english/protection/safework/cops/english/download/e000013.pdf
- ILO International Labour Standards
www.ilo.org/public/english/standards/norm/whatare/fundam/index.htm
- ISO 14001
www.iso.org
- National Fire Protection Agency
www.nfpa.org/
- OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas
www.oecd.org/corporate/mne/mining.htm
- OECD Guidelines for Multinational Enterprises
www.oecd.org/mne/
- OHSAS 18001
www.bsigroup.com/en-GB/ohsas-18001-occupational-health-and-safety/
- Responsible Business Alliance (Formerly the Electronic Industry Citizenship Coalition)
<http://www.responsiblebusiness.org/>
- SA 8000
<https://sa-intl.org/programs/sa8000>
- Social Accountability International (SAI)
www.sa-intl.org
- Universal Declaration of Human Rights
<https://www.un.org/en/about-us/universal-declaration-of-human-rights>
- United Nations Convention Against Corruption
www.unodc.org/unodc/en/treaties/CAC/
- United Nations Global Compact
www.unglobalcompact.org
- United States Federal Acquisition Regulation
www.acquisition.gov/far/