



Nexperia's 2024  
Sustainability Report

# Driving Positive Change

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# Nexperia at a Glance

# Letter from the CEO

Dear reader,

I am pleased to introduce our latest Sustainability Report, which is a testament to the remarkable dedication and hard work of TeamNexperia throughout 2024. Your relentless pursuit of excellence was crucial to achieving some incredible progress during the year, even in the face of economic headwinds.

This edition marks the third Sustainability Report we have published since 2022, underscoring our steadfast commitment to transparency and accountability. These reports have been pivotal in driving awareness and action – both within our organization and across our supply chain – while setting an overall higher standard of responsibility. The upcoming requirements of the Corporate Sustainability Reporting Directive (CSRD) will further enhance our efforts in this area, and thanks to the coordinated efforts of our departments, teams, and sites, we are well prepared. This 2024 report, which summarises the information most relevant to our stakeholders, also marks the beginning of our transition toward a new and more insightful reporting format. Our future editions will feature disclosures with expanded scope, depth, and granularity – all in a compliant and creative design.

During the reporting year, we celebrated several significant milestones that reinforced our dedication to technological innovation and product development. We marked the 100<sup>th</sup> anniversary of our Hamburg site in Germany. To celebrate this history of innovation, we made substantial investments in our SiC and GaN manufacturing.

At the same time, 2024 was a year of transition and transformation. We sold our Newport Facility in March, and despite market challenges, we've continued building the foundations for growth. We also welcomed new executive team members and realigned our business groups to focus on innovation and growth. I was proud to see our team handle all these changes and challenges with remarkable flexibility and determination, finding intelligent solutions to mitigate the impacts on our sustainability goals.

Looking ahead, we remain resolute in our mission to overcome obstacles and make meaningful contributions to a greener, more sustainable world. As Nexperia's CEO, I am proud of the strides we have taken to reduce our carbon footprint. These included initiating our product carbon footprint project and achieving our second EcoVadis Gold rating in April 2025, fostering diversity and inclusion by launching our EmpowHERment female leadership program, and reaffirming and strengthening our ethical business practices internally and across our supply chain. As we look ahead, we recognize both challenges as well as opportunities that come with this ever-evolving business landscape.

The insights from our previous reports have been invaluable in helping us fine-tune our sustainability strategy, and we are confident in its direction. At Nexperia, we understand the crucial role we play in shaping the future of technology and the impact our business has on society and the environment. Our commitment to high ESG standards remains strong, and



we are dedicated to continuous improvement in our sustainability efforts.

Our commitment to sustainability and ethical practices remains central to everything we do. I am pleased to share our latest Sustainability Report, which is the result of terrific collaboration between all of Nexperia's departments. And as we navigate new challenges, collaboration has never been more important – very few questions can be solved alone. This report reflects our ongoing efforts and the collective action driving us toward a more sustainable future, across environmental, social, and economic dimensions.

Once again, I would like to thank you for your ongoing partnership and support. Together, we can continue building a more resilient, equitable, and prosperous future for all.

Sincerely,  
**Xuezheng (Wing) Zhang**  
 May 5, 2025

# 2024 Highlights

See "Our Approach to ESG"

Commitment to carbon neutrality for Scope 1 and 2 emissions by

**2035**

**Sustainability Performance Rating with EcoVadis:**



**GOLD medal**

98<sup>th</sup> percentile (two-time recipient, awarded in April 2025)

**32%** Electricity purchased from renewable sources



**ENVIRONMENT**

Launch of **PRODUCT CARBON FOOTPRINT** project

Launch of female leadership program **EmpowHERment**



**NEW responsible sourcing target**

By 2025:

**85%** of spend covered by Supplier Code of Conduct signatures

**84.7%** Overall favorability of working at Nexperia

**SOCIAL**

**DIVERSITY & INCLUSION strategy**

Until 2030:

**30%** Women in management positions

**20%** Women in R&D/engineering positions

**Enhanced ESG Governance:**

Sustainability Board

Human Rights Office



**Annual CODE OF CONDUCT TRAINING**

**GOVERNANCE**

**NEW sustainability strategy**



Since 2023, signatory to the **UN GLOBAL COMPACT**

**NEW sustainability due diligence process according to UN Guiding Principles**

# About our Sustainability Report

## Relevant GRI Standards:

2-2, 2-3

This report represents Nexperia's annual corporate Sustainability Report for 2024. It reaffirms our commitment to transparency regarding sustainable business practices and policies. The report details information about the material topics relevant to Nexperia's existing and future environmental, social, and governance (ESG) endeavors.

We prepared this Sustainability Report with reference to Global Reporting Initiative (GRI) Standards. It covers the period of January 1 to December 31, 2024, and describes the status at the end of the respective financial year. Where appropriate, we also detail selected developments that occurred at the beginning of 2025. The next Nexperia Sustainability Report will be published in 2026.

During the reporting year, companies across the EU and beyond began preparing for new EU-wide reporting requirements such as the Corporate Sustainability Reporting Directive (CSRD) and the EU Taxonomy regulation. Nexperia also focused on ensuring the availability and quality of relevant data and processes. As a result, we are successfully building a solid foundation for these future reports. In this 2024 report, however, we continue voluntarily communicating our sustainability progress in the conventional format.



The content presented in this report is based on the results of our 2022 materiality analysis, which we conducted in line with GRI Standards. In 2024, we completed a new materiality analysis to prepare for our first CSRD-compliant Sustainability Report. While the new materiality analysis will form the basis of our 2025 Sustainability Report, it was also crucial to progressing the development of our sustainability strategy in 2024. This process allowed us to refine our sustainability goals, policies, actions, and indicators, and the present report showcases our progress, including

our new materiality analysis and enhanced sustainability governance structure. Throughout 2024, we continued engaging with internal and external stakeholders and incorporated their input regarding ESG issues.

As a signatory to the United Nations (UN) Global Compact, we have aligned this report to its ten principles. Nexperia also supports the United Nations Sustainable Development Goals (SDGs). As in 2023, our Sustainability Report covers Nexperia's contributions to the SDGs that are most relevant to our business, specifically SDGs 3, 4, 5, 7, 9, 12, and 13. Our efforts related to the Global Compact and SDGs are detailed throughout this report.

Our report covers, unless stated otherwise, all of Nexperia's operations and locations worldwide and represents all entities we manage. In accordance with international certifications, we have an integrated management system comprising various standards, policies, and protocols. We use our management information systems to track environmental, social, and governance data. Unless stated otherwise, all information in this report refers to Nexperia Holding B.V. (including all subsidiaries, referred to collectively herein as "Nexperia," "the Group," or "the Company").

Due to the commercial rounding principles used to state the data and indicators in this report, some totals and percentages presented may not be exact. This report is published only in English. External websites referred to in this report may change without our influence, and Nexperia assumes no responsibility for their content. The Company's functional currency is USD. All dollar (\$) amounts listed are in USD unless otherwise stated.

Every year, we also prepare and publish an audited Annual Report, which is available at the Dutch Chamber of Commerce. All entities included in Nexperia's consolidated financial statements are covered in this report (see "List of entities" for a detailed breakdown of Nexperia Holding B.V.). Where relevant, we refer to information in our Annual Report.

Any references to financial information were prepared in accordance with the International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and Title 9, Book 2 of the Dutch Civil Code. Additional financial information outside this Sustainability Report is available upon request from the Dutch Chamber of Commerce under number 67423264.

## UPDATE

### EU Omnibus Simplification Package with uncertain outcome for Nexperia's sustainability reporting obligations

In February 2025, the European Commission announced a so-called Omnibus Simplification Package on corporate sustainability reporting regulations such as the CSRD, EU Taxonomy, and others. These amendments, which partially took effect in mid-April 2025, delay the implementation of the CSRD by two years. As a result, Nexperia will only be required to report under the CSRD and EU Taxonomy regulations for the 2027 financial year. Additionally, the European Sustainability Reporting Standards (ESRS) are scheduled for revision in 2025. We are closely monitoring regulatory changes at relevant levels and will adapt as needed.

# Our Company and Business

## Relevant GRI Standards:

2-1, 2-6

## Our company

Headquartered in the Netherlands, Nexperia is a semiconductor company with a global presence and a rich European heritage. Nexperia was the former Standard Products division of NXP Semiconductors, which itself was divested from Philips Semiconductors in 2006. Nexperia was founded in February 2017 and currently has around 12,500 employees across Europe, Asia, and the United States.

At Nexperia, we see it as our responsibility to contribute to a more sustainable future – through both the way we run our business and the technologies we deliver. Our semiconductor solutions play a key role in enabling the global shift toward greener, more sustainable energy systems. From electric mobility to renewable power infrastructure, our products help drive the technologies at the heart of the green energy transition. By collaborating closely with our partners and customers, we are helping to build a smarter, more sustainable world.

The Company's legal name is Nexperia Holding B.V. (the "Company"), and its commercial name is "Nexperia." The Company is incorporated in the Netherlands as a Dutch limited liability company ("besloten vennootschap met beperkte aansprakelijkheid") registered with the Dutch Chamber of Commerce under number 67423264. The Company's corporate seat is in Nijmegen, the Netherlands, and its principal executive office is at Jonkerbosplein 52, 6534 AB Nijmegen, the Netherlands.

The Company's direct sole shareholder, Yuching Holding Limited ("Yuching"), is a limited liability company registered in Hong Kong. The ultimate shareholder is Wingtech Technology Co. Ltd. ("Wingtech"), a listed company on the Shanghai Stock Exchange (stock code: 600745) in China. Wingtech's main business includes semiconductor IDM, imaging modules, and communication product integration.

## Key facts 2024



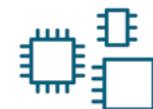
**\$2bn**  
Annual revenue



**9.7%**  
Global market share



**100bn**  
Units made annually



**70+**  
Years' experience



**HQ**  
Nijmegen,  
The Netherlands



**6**  
Own factories

**itec**

Nexperia's  
equipment and  
automation partner



**500+**  
Patent families  
registered  
in the Netherlands



**800+**  
New products  
annually



**12,500**  
Members of  
TeamNexperia

## Our business

Nexperia is a global leader in what we call “essential semiconductors.” These products provide the basic functionality to virtually every commercial electronic design, from cars to power tools and mobile phones to medical equipment. They support the functionality of more technologically advanced memory devices, microprocessors, and sensors that other semiconductor companies then develop, produce, and sell. Nexperia contributes to global sustainability efforts by creating products that enable our customers to design more energy-efficient solutions.

We prioritize research and development (R&D) investments to continuously expand our broad portfolio – consisting of diodes, bipolar transistors, ESD protection devices, MOSFETs, GaN FETs, SiC, IGBTs, Power Modules, and analog and logic ICs – with innovative, energy-efficient, and high-quality products. Efficiency is at the heart of everything we do, which has made us the supplier of choice for many world-leading technology companies. To further this commitment, Nexperia announced a \$200 million investment in its Hamburg facility for 2024 and 2025, aiming to advance the production of wide bandgap (WBG) semiconductors such as silicon carbide (SiC) and gallium nitride (GaN).

Nexperia serves a global customer base across automotive, industrial and power, computing, consumer, and mobile and wearables industries. To meet our customers’ growing demands, we have established a highly efficient supply chain management process that enabled us to ship up to 100 billion units in 2024, up from 84 billion units in 2023.

### Key Applications



#### AUTOMOTIVE

- › Body Control
- › Chassis & Safety
- › Powertrain
- › ADAS
- › Lighting
- › Braking
- › Steering



#### INDUSTRIAL & POWER

- › Power Supplies
- › Motor Control
- › Ind. Lighting
- › Telecommunication Infrastructure
- › Data Servers



#### MOBILE & WEARABLES

- › Smartphones
- › Wearables like Smartwatches, Fitness & GPS Trackers, etc
- › Tablets



#### CONSUMER

- › Handheld Consumer, e.g., Battery-Driven Power Tools
- › Smart Home Applications
- › Audio & Video
- › Gaming
- › Appliances & White Goods



#### COMPUTING

- › Notebooks
- › Desktops
- › Storage
- › Peripherals

Nexperia operates in a highly cyclical industry, which is very susceptible to fluctuations in demand driven by changes in technological advancements, economic conditions, and consumer preferences. Despite the challenges of an economically turbulent 2024, characterized by the continued weakness of the automotive market and delayed growth in the electric vehicle market, we maintained our steadfast focus on efficiency.

Every Nexperia employee is tasked with upholding quality and adhering to Nexperia’s Code of Conduct. This responsibility extends throughout our entire value chain, from product ideation and design to manufacturing, supply chain management, and sales. As market demands evolve, we consistently drive innovation to ensure that the electronics we depend on – today and in the future – enhance our lives and address the most critical societal challenges.

## Nexperia – Main locations



### Headquarters

Nijmegen/The Netherlands, including research & development activities



### Assembly site

Four own assembly sites in Dongguan/China, Wuxi/China, Seremban/Malaysia, and Cabuyao/Philippines



### Wafer fab

Two own wafer fabs including research & development activities in Hamburg/Germany and Manchester/UK



### Research & development

Research & development activities in Asia, Europe, and the Americas



### Sales office

Sales activities in Asia, Europe, and the Americas in close proximity to customers

## Manufacturing

Our manufacturing is overseen by our central Technology & Operations organization to ensure efficient and sustainable production. Technology & Operations achieves scale benefits through optimized asset utilization, purchasing volumes, and overhead leveraging across various business units.

The manufacturing process for semiconductors is divided into “front-end” and “back-end.” The front-end involves the actual production and fabrication of semiconductors in our manufacturing facilities (“fabs”), while the back-end encompasses assembly, configuration, testing, and packaging.

At our front-end facilities, Nexperia produces semiconductors with various sizes and characteristics to meet our customers’ dynamic requirements. The back-end manufacturing facilities test and package many different types of products using a wide variety of assembly processes.

### Front-end/wafer fabs

- › Wafer fab for Discretives in Hamburg, Germany
- › Wafer fab for Power MOSFETs in Manchester, United Kingdom

### Back-end/assembly sites

- › Assembly site in Dongguan, China
- › Assembly site in Seremban, Malaysia
- › Assembly site in Cabuyao, the Philippines
- › Assembly site in Wuxi, China (currently in the equipment installation phase)

In our 2023 Sustainability Report, we also disclosed the wafer fab for Power MOSFETs, ESD Protection, and IGBTs Automotive in Newport, United Kingdom, as part of our front-end/wafer fabs. In November 2023, Vishay Intertechnology, Inc. and Nexperia B.V. announced they had agreed for Vishay to acquire Nexperia’s wafer fab in Newport, United Kingdom. The transaction was completed on March 5, 2024 (see our Annual Report for further information).

The manufacturing of semiconductors is a highly specialized production process with multiple sub-processes requiring various raw materials. The most critical raw materials are high-quality raw silicon wafers, which we procure from a select few suppliers with whom we maintain strong relationships. We continuously evaluate these partnerships to ensure mutual satisfaction.

Where feasible, the Company aims for efficient, just-in-time delivery to better manage procurement costs and cash flows while mitigating the risk of low inventory levels. Whenever possible, our purchase contracts are based on fixed prices and medium-term obligations to buffer against the price volatility of raw materials.

## Research and development, patents, and licenses

As an advanced manufacturer in an ever-evolving industry, research and development (R&D) is the foundation of our long-term success. Our robust and effective R&D approach focuses on existing as well as untapped and unknown markets. Following this strategy, we are significantly expanding our R&D capabilities and will continue investing in the future.

Our global R&D team continues to grow and comprises 1,150 highly skilled employees (FTE, compared to 2023: 1,122). Our R&D expenses totaled \$156 million in 2024 (2023: \$147 million), or 7.6% of our total revenue (2023: 6.8%).

## Intellectual property

Creating and using our intellectual property (IP) enables us to sustain and extend our market presence while exploring new growth opportunities. The value of our IP portfolio enhances Nexperia's freedom to operate and minimizes the potential financial burden of, for example, licensing royalties. Our IP portfolio encompasses various patents, trademarks, and other assets, none of which are individually critical to our operations. We are committed to protecting our IP by obtaining patents, trademarks, and domain names, retaining trade secrets, and defending, enforcing, and utilizing intellectual property rights and confidentiality agreements, where applicable. In particular, our trademarks are essential for product differentiation, which fosters trust and loyalty among our customers, suppliers, partners, and end-users.

Global research and development team (FTE) in 2024



# New Product Design

## Relevant GRI Standards:

416

As Nexperia's products are ubiquitous, each innovation enhances the energy efficiency of the final product. For instance, advancements in our semiconductors can extend the range of electric vehicles or reduce the size of phone chargers, lowering shipping and material costs. We continuously refine our portfolio to improve energy efficiency. Additionally, Nexperia's portfolio includes products with increased power capabilities, such as wide bandgap (WBG) devices like silicon carbide (SiC) rectifiers or gallium nitride (GaN) FETs, as well as power management integrated circuits (ICs).

While silicon-based power electronics are most prevalent, there is a growing demand for high current and voltage switching. This requires using wide band gap semiconductors and new materials such as SiC or GaN, which are essential to the global energy transition as they increase the energy efficiency of products and applications.

As an industry leader, Nexperia is dedicated to developing products that lower energy and material use across various applications. In line with this commitment, Nexperia announced a \$200 million investment in its Hamburg (Germany) facility in 2024 and 2025

to advance the development and production of WBG semiconductors, including SiC and GaN. We are equally committed to achieving CO<sub>2</sub> neutrality in our operations. Moreover, the introduction of industry-leading wide-bandgap semiconductors, energy harvesting devices, and the continuous investments in its power semiconductors, ensure improved efficiency of technologies that shape a greener future. Given the essential role of semiconductors in the global megatrends of electrification, digitalization, automation, and green energy transition, Nexperia is committed to shaping a sustainable future.

Our product development complies with current environmental legislation and guidelines, such as the Restriction of Hazardous Substances (RoHS).

We organize our research and development (R&D) activities to comply with the following standards and requirements:

- › ISO 9001: Quality management systems.
- › IATF 16949: Quality management system requirements for automotive production and relevant service parts organizations.
- › ISO 14001: Environmental management systems.

Since its inception, Nexperia has been successfully audited by specialized external auditors against these ISO and IATF standards. Our ongoing compliance is supported by incorporating ISO 14001 product design requirements into our standard working procedure, the Eco Design Policy.

Our product creation process follows the Business Creation and Management Process, ensuring these standards are met. Cross-functional project teams meticulously plan, manage, and execute all R&D projects in compliance with these standards and are guided by our established processes and checklists. The R&D managers within each business group are responsible for implementing this process, while the business group management team holds overall accountability.

# Executive Management Team

Relevant GRI Standards:

2-9, 2-11, 2-17



**Xuezheng (Wing) Zhang**  
Chief Executive Officer  
(CEO and CHRO)

Wing leads the EMT, guiding the Company's market growth and maintaining its leadership. Before Nexperia, Wing founded Wingtech Technology in 2006 – Nexperia's current controlling shareholder – where he also serves as the Chairman and Chief Executive. Before founding Wingtech, Wing had a successful career in companies such as STMicroelectronics. He holds an IE Bachelor's degree from Guangdong University of Technology, an EMBA degree from Tsinghua University, and a Finance Ph.D. from Tsinghua University/University of Geneva. He serves Nexperia from offices in the Netherlands and China.



**Stefan Tilger**  
Chief Financial Officer  
(CFO)

Stefan is Nexperia's CFO, leading the team responsible for the financial and administrative strength of the Company. Stefan started his career at NXP, where he developed his knowledge and experience in various financial roles, transitioning to Nexperia in 2017 as VP Global Business Controlling and as part of the leadership team. He holds a degree in Industrial Engineering and Management from Schleswig-Holstein Cooperative University of Applied Sciences in Kiel, Germany.



**Paul Zhang**  
Chief Strategy Officer

Paul Zhang is Nexperia's Chief Strategy Officer, working closely with the CEO on daily business operations. He brings over 25 years of industry experience to his role, including more than 20 years in semiconductors. Before joining Nexperia, he was the CEO of Datang NXP Semiconductors, where he was instrumental in designing the framework of the joint venture. Paul holds a BA and an MSc degree in Electronics Engineering from Tsinghua University in Beijing and the University of Calgary, as well as an EMBA degree.



**Irene Deng**  
BG Leader IC Solutions

Irene is Nexperia's Business Group (BG) Leader for IC Solutions. She has over 20 years of experience building, leading, and scaling R&D and global businesses in the semiconductor analog integrated circuit (IC) industry. As a former GM and one of the founding members of the China R&D center at Texas Instruments, Irene has extensive expertise in RF, power, and signal chain analog ICs. She majored in Electronics Engineering at Iowa State University (MSc) and Nanjing University (BS).



**Achim Kempe**  
Chief Operating Officer  
(COO)

Achim is responsible for all global operations and oversees business and manufacturing at our five factory sites. He has a strong manufacturing and operational background, implementing high-impact manufacturing strategies and operational excellence initiatives. Achim brings a passion for efficiency and more than 20 years of experience to the role. He holds a degree in Electrical Engineering from the University of Applied Sc. of Cologne and the University of Siegen.



**Fredrik Öberg**  
BG Leader MOS Discretetes

Fredrik is Nexperia's BG Leader for MOS Discretetes. With more than 20 years of experience in semiconductors and related industries, he brings a wealth of knowledge from leading global organizations. Before joining Nexperia, he held various leadership roles in marketing and general management in Infineon's automotive division. Fredrik holds an MScEE from the Chalmers University of Technology in Gothenburg and an MBA from University College Dublin.



**Philipp Obier**  
BG Leader Bipolar Discretetes

Philipp is Nexperia's BG Leader for Bipolar Discretetes. Philipp joined NXP in 2014 as Product Marketing Manager for Standard Products. Over the last ten years, he has led various teams and projects in marketing, commercial, and supply chain management. Until 2024, Philipp led the Product Group Small Signal Discretetes, which reached new heights in revenues and market share in his final years. Philipp holds a BA in Business and Marketing from the Leuphana University of Lüneburg in Germany.



**Edoardo Merli**  
BG Leader Wide Band Gap,  
IGBT & Modules

Edoardo Merli is Nexperia's BG Leader for Wide Band Gap, Insulated-Gate Bipolar Transistors (IGBT) & Modules. He is a highly accomplished executive with 30+ years in the high-tech and automotive industries. He brings extensive experience in semiconductors, both in automotive and industrial/consumer domains. Before joining Nexperia, he was Executive VP and GM of Power Transistor SubGroup in STMicroelectronics. His previous assignments included automotive processors and infotainment, communications, and RF and power technologies. Edoardo holds a BA in Engineering (B. Eng.), Electrical, Electronics and Communications Engineering from the University of Bologna in Italy.



**Andrea Tranchida**  
Chief Commercial Officer

Andrea Tranchida is Nexperia’s Chief Commercial Officer, responsible for driving Nexperia’s top line and demand creation. Prior to this role, he served as Vice President of the Americas Sales and Marketing organization. Andrea has over 25 years of experience in sales, marketing, and business development. Before joining Nexperia, Andrea worked at STMicroelectronics in various leadership roles, mostly related to power and wide-bandgap (WBG) devices. He holds a B.Sc. in Communication Technologies from University of Ferrara and an MBA from Baylor University, TX.



**Ruben Lichtenberg**  
Chief Legal Officer

Ruben is Nexperia’s Chief Legal Officer, leading the global legal and IP team. Ruben started his career as an attorney and brings more than 20 years of experience in international corporate law, having held senior legal functions at international companies such as Royal Haskoning, Mercuria Energy, and Vesta Terminals. Ruben is also Board Secretary and holds a Master’s in Law from the Radboud University of Nijmegen.



**Jean-Pierre Kempeneers**  
Chief Corporate Affairs

Jean-Pierre is Nexperia’s Chief of Corporate Affairs, which includes Public Affairs, Communications, and Digital Marketing. He previously worked at the Dutch Ministry of Foreign Affairs from 1995, with a two-and-a-half-year interlude as Head of the Royal Philips EU office in Brussels from 2014 to 2016. Jean-Pierre was an ambassador for international positions for six years. He was posted to the Dutch embassies in Vienna, Tel Aviv, Warsaw, Port of Spain, and the Dutch Permanent Representation to the United Nations in NYC. He was also Chief of Cabinet of the Dutch Minister for European Affairs and the Human Rights Chief of the Ministry. Jean-Pierre holds a Master of Law from Leiden University.

**Changes in 2024 and 2025**

At the beginning of 2024, Jean-Pierre Kempeneers joined Nexperia as Chief Corporate Affairs, succeeding Charles Smit upon his retirement. Edoardo Merli joined the EMT in November 2024, followed by Andrea Tranchida in January 2025.

Dan Jensen retired from his role as Chief Strategy Officer in March 2025; Paul Zhang succeeded him in the position.

# Our Entities

Relevant GRI Standards:

2-1, 2-2

**Nexperia Holding B.V.’s material directly and indirectly wholly owned (unless indicated differently) subsidiaries as of December 31, 2024. The country of incorporation is also their principal place of business.**

Nexperia Entity Name	Place of business/ country of incorporation	Share
Nexperia B.V.	Netherlands	100%
ITEC B.V.	Netherlands	100%
Nexperia Germany GmbH	Germany	100%
Nexperia Hungary Kft.	Hungary	100%
Nexperia UK Ltd.	United Kingdom	100%
Nexperia USA Inc.	United States of America	100%
Nexperia Ventures LLC	United States of America	100%
Nexperia Malaysia Sdn. Bhd.	Malaysia	100%
Nexperia R&D Malaysia Sdn. Bhd.	Malaysia	100%
Nexperia Philippines, Inc.	Philippines	100%
Nexperia Hong Kong Ltd.	Hong Kong	100%
ITEC Technologies Hong Kong Ltd.	Hong Kong	100%
Nexperia (China) Ltd.	China	100%
Nexperia (Shanghai) Ltd.	China	100%
Nexperia Technology (Shanghai) Ltd.	China	100%
Nexperia (Wuxi) Ltd.	China	100%
ITEC Technology (Wuxi) Ltd.	China	100%
Nexperia Taiwan Co. Ltd.	Taiwan	100%
Nexperia Singapore Pte. Ltd.	Singapore	100%

*Neptune 6 Ltd. and Nexperia Newport Ltd. were divested in March 2024.*

Nexperia’s consolidated financial statements also include the financial statements of Nexperia’s 40% owned subsidiary, Laguna Ventures, Inc., in the Philippines. For Laguna Ventures, Inc., the Group used the full consolidation method, as Nexperia has control over the entity. The Group controls the entity as Nexperia is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity.

On October 14, 2024, a new legal entity, Nexperia Ventures LLC, was incorporated with a nominal share capital of \$100, which was fully paid as of December 31, 2024. The purpose of this entity is to manage venture capital investments in the United States of America.

# Financial Performance

## Relevant GRI Standards:

2-2, 3-3, 201

For the year ended December 31, 2024, Nexperia generated product revenue of \$2,021 million (2023: \$2,096 million). In addition, the Company generated \$37 million in revenue from manufacturing, foundry, and other sales (2023: \$59 million). This includes Newport wafer sales to external parties, front-end and assembly production of competitor products in Nexperia-owned fabrication plants ("fabs"), and the production of equipment for external customers.

In 2024, 56.1% (2023: 55.4%) of the total product revenue was generated through distributors, 39.7% through original equipment manufacturer (OEM) customers (2023: 40.4%), and 4.3% through electronics manufacturing service (EMS) customers (2023: 4.2%). The distribution sales comprise fulfillment business sales, where Nexperia manages design and distributors handle logistics, as well as sales to mass-market customers. The

Group's largest global distributors across all applications are Arrow, Avnet, Future, and WPI (in alphabetic order). In addition to OEM customers, Nexperia's leading EMS customers worldwide include Foxconn, Flextronics, Jabil, Pegatron, Sanmina, and Quanta.

In 2024, \$1,133 million (56.1%) of the product revenue was generated via distribution (2023: \$1,162 million). Of this, the distribution fulfillment sales accounted for \$532 million (47.0%) and mass market for \$601 million (53.0%). Sales completed by Nexperia's distribution partners to end customers are referred to as "Point of Sale (POS)." In 2024, POS sales totaled \$1,325 million (2023: \$1,397 million).

The total product revenue for 2024 was \$2,021 million, segmented as follows: Automotive 62.3%, Mobile & Wearables 8.0%, Industrial & Power 20.6%, Computing 5.3%, and Consumer 3.8% (see table).

\$'000	2024	2023	2022	2021	2020
Product Sales	2,020,517	2,096,038	2,283,894	2,057,950	1,397,910
Manufacturing, Foundry, and other sales	37,058	58,631	80,739	78,833	33,003
<b>Total Sales</b>	<b>2,057,575</b>	<b>2,154,669</b>	<b>2,364,633</b>	<b>2,136,783</b>	<b>1,430,913</b>

Netherlands	32,678	54,672	91,226	95,689	18,581
Greater China	958,518	902,419	1,058,896	1,014,414	736,967
The Americas	192,045	238,427	252,416	175,009	119,044
EMEA (excluding	457,350	527,194	527,897	460,154	289,041
Others	416,984	431,957	434,198	391,517	267,280
<b>Total Sales</b>	<b>2,057,575</b>	<b>2,154,669</b>	<b>2,364,633</b>	<b>2,136,783</b>	<b>1,430,913</b>

Automotive	1,259,186	1,317,259	1,109,987	950,386	631,569
Industrial & Power	416,740	454,452	529,090	451,836	308,060
Mobile & Wearables	161,359	145,135	326,565	333,139	323,714
Computing	107,646	100,999	188,188	200,614	62,692
Consumer	75,586	78,193	130,064	121,975	71,875
<b>Total Product Sales</b>	<b>2,020,517</b>	<b>2,096,038</b>	<b>2,283,894</b>	<b>2,057,950</b>	<b>1,397,910</b>

The gross profit for the year ended December 31, 2024, was \$751 million (2023: \$808 million), or 36.5% (2023: 37.5%) of the revenue. This decrease in margin was mainly driven by lower sales, partially offset by strong factory performance.

# Risk Management

**Relevant GRI Standards:**

3-3, 201

Effective risk management and internal controls are crucial to responsible business management. Nexperia's Risk Management Policy and principles help our senior management team and EMT, under the Board's oversight, to proactively monitor the Group's day-to-day operations, achieve strategic goals, ensure compliance with all legal requirements, safeguard the Company's assets, and maintain integrity in its financial reporting and related disclosures.

While the Board holds overall accountability, the EMT and senior management, each within their defined roles, hold significant responsibility for managing risk to the organization and implementing appropriate risk response measures focusing on material risks. By considering all reasonable possibilities, senior management contributes to identifying opportunities for the Company and unique challenges associated with current and future opportunities.

Nexperia's risks, opportunities (as part of the planning process), and internal controls are regularly assessed, evaluated, actively managed, and reported to senior management.

Risks and opportunities are classified as follows:

- › Strategic
- › Operational
- › Financial
- › Compliance
- › ESG

Nexperia designed its internal Control and Risk Management System based on the criteria and principles established in international best practice standards, such as the COSO Model and C-SOX Standards. Risks and opportunities are listed in a register maintained by the Risk and Internal Control Office.

To understand the impacts associated with an identified risk or opportunity and its characteristics, we review the following factors:

- › Potential impact
- › Probability of occurrence
- › Time-related factors

The risk assessment is also affected by any divergence or deviation of risk, biases, professional judgments, and quality of the used information. Therefore, it should be noted that any risk management and internal control system, regardless of how well it is designed and operated, can provide only reasonable, not absolute, assurance that its objectives will be met.

Potential financial losses or gains associated with an identified risk and opportunity are assessed as follows:

- › Material [\$24 million]
- › High [\$12 - 24 million]
- › Medium [\$6 - 12 million]
- › Low [\$3 - 6 million]
- › Negligible [\$3 million]

The assessment of materiality is re-performed annually.

The Company has insurance measures in place, the efforts of which are considered in the net risk analysis. The insurance program is reviewed on a regular basis.

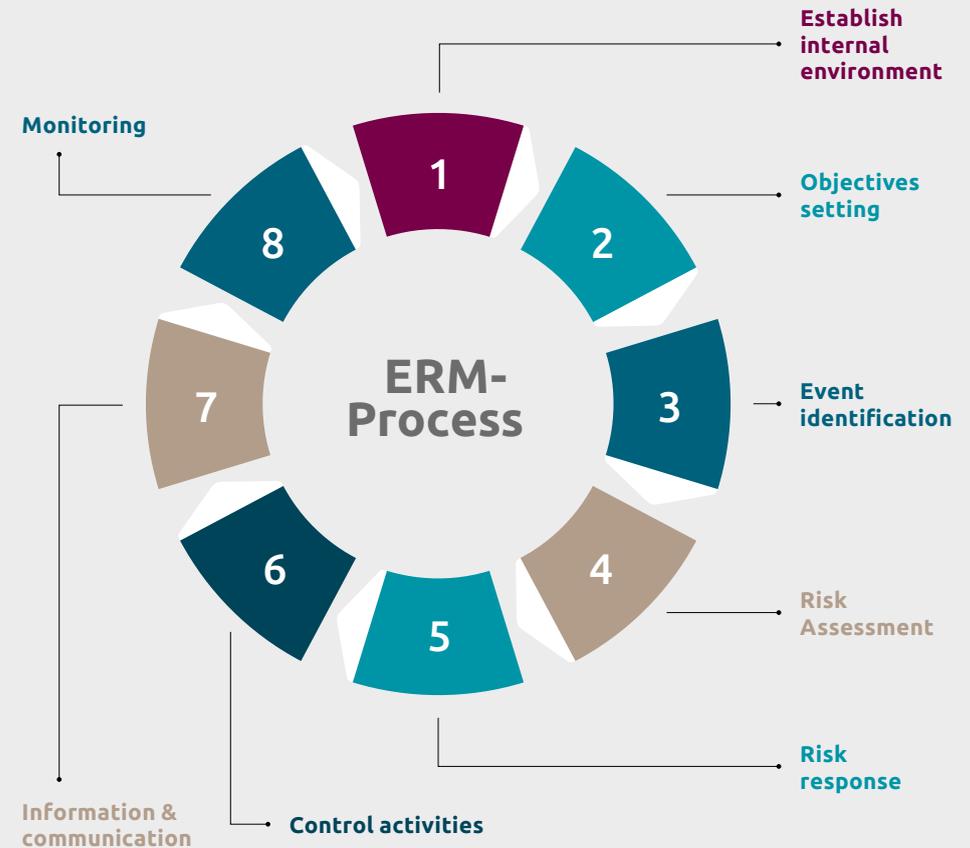
All risk management activities are carried out using Enterprise Risk Management (ERM) software as of Q1 2024. The system supports the efficient and effective identification, analysis, and monitoring of risks across all areas of the business, facilitating a comprehensive and integrated approach to risk management. While opportunities are recognized as equally important, they are currently managed outside of the ERM system, with some departments maintaining manual tracking processes. The integration of opportunity management into the ERM software is being considered for future development. The identification of risks and opportunities is an ongoing activity that is formally integrated with the planning and internal controls processes. A semi-annual assessment of each identified active risk is conducted within the ERM system. This assessment utilizes a bottom-up approach, engaging stakeholders at all levels to identify and assess risks, and a top-down approach for validation

by senior management. Net risk exposure is calculated considering risk management effectiveness, which refers to assessing the success of mitigation measures in reducing or eliminating risk. This assessment involves a thorough evaluation of the effectiveness of the risk management plan and its execution. When preparing the response plan, the costs of actions taken to manage both risks and opportunities are to be considered, wherever feasible. For risks, this entails determining the costs associated with mitigation and comparing them to the potential financial impact. For opportunities, this involves assessing the costs of pursuing them and comparing these with the potential financial benefits.

Risk information and assessment outcomes, the effectiveness of risk responses, and the current risk landscape are communicated to the EMT, Audit Committee, and Enterprise Risk Management Committee through a comprehensive report.

In addition to the risks summarized on the following pages, more details can be found in the respective topic chapters of this report. A complete overview of our risk profile is available in Nexperia's Annual Report.

### Our Enterprise Risk Management process



## Strategic Risks

Risk title	Risk description	Strategy to address the risk
<b>Market risk - cyclical industry</b>	The semiconductor industry is regarded as highly cyclical. The demand is mostly driven by end products that are highly sensitive to an economic downturn. As a result of this, the semiconductor market is highly sensitive to economic conditions. In strong economic conditions, semiconductor companies cannot keep up with the demand for the products and then expand their manufacturing capacity. In periods of lower economic activity, these higher fixed costs and overstocking could result in lower gross profit.	<p>Nexperia focuses on market analysis and product development to ensure it is always well positioned to remain profitable, even in economic downturns.</p> <p>Nexperia is active in various markets and not dependent on the economic conditions of any single market.</p> <p>Nexperia's products are versatile and can be used in various segments and by different customers.</p>
<b>Reputational risk</b>	Risks associated with negative publicity, product recalls, and other events that could damage the Company's reputation. Nexperia's reputation is a major driver of corporate goodwill. Damage of corporate reputation could have material impact on Nexperia's brand value and financial position.	Nexperia set up a Corporate Affairs department to closely monitor and measure its reputation and take risk response accordingly, e.g., an information and communication strategy is defined toward suppliers, customers, and other relevant stakeholders.
<b>Technological changing industry</b>	As the industry Nexperia operates in is changing at a rapid rate, the risk exists that Nexperia will fall behind in terms of the technological capabilities of its facilities and the results of its research and development. Avoiding this risk requires significant capital investment. If Nexperia is unable to generate sufficient cash flows or raise sufficient capital on favorable terms, this could have a material adverse effect on the business, its financial condition, and the results of its operations.	To remain relevant, extensive and continuous research and development and capital investments are a focus point for Nexperia.

## Operational Risks

Risk title	Risk description	Strategy to address risk
<b>IT/OT risks, including cyber risk</b>	<p>Nexperia relies heavily on the efficient and uninterrupted operation of complex information technology applications, systems, and networks to run the business. As a result, the reliability and security of the information technology infrastructure and its ability to expand and remain up to date is critical to the business. A significant breach or interruption of the information technology application can have a serious effect on Nexperia's operations.</p> <p>In March 2024, an unauthorized third party accessed certain Nexperia IT servers, resulting in unauthorized third-party access and data exfiltration, primarily relating to Nexperia's own internal operations. However, Nexperia operations were not impacted.</p>	<p>Through a developed security strategy, regular self-review, penetration tests, and external input, Nexperia ensures that the maintenance and security of information technology systems are of the required quality to mitigate the risk mentioned.</p> <p>To respond to the unauthorized third-party access, Nexperia immediately contained the incident by disconnecting affected systems and terminating unauthorized access. A thorough investigation was conducted with third-party experts, and extensive mitigation measures were implemented.</p> <p>Following the March 2024 data breach, Nexperia and its external cybersecurity expert are implementing structural improvements based on an end-to-end assessment of the security infrastructure.</p>

## Operational Risks

Risk title	Risk description	Strategy to address risk
<b>Procurement risks, including supply chain risk</b>	Nexperia is highly dependent on a few suppliers and the quality and timely delivery of raw materials. To effectively manage cash flows, the Company makes use of just-in-time delivery of some of its raw materials. As some of the raw materials are highly specialized, Nexperia sources these from a small number of trusted suppliers. Because the raw materials that Nexperia purchases are complex, it is frequently difficult or impossible for the Company to substitute the materials with a similar product. The business, reputation, financial condition, and results of operations could be harmed if Nexperia is unable to obtain adequate supplies of quality raw materials in a timely manner.	<p>Through previous business ventures, Nexperia’s management has long-standing relationships with all major suppliers. Nexperia understands that it is dependent on some of its suppliers and will continue to build on these relationships and further improve the procurement and supplier selection (dual sourcing) process.</p> <p>Nexperia assesses the risk for each supplier and ensures the dual sourcing of raw materials necessary for production.</p> <p>Additionally, Nexperia monitors all relevant supplier risk management legislation according to relevant legislation and international best practices.</p>
<b>International business risks and geopolitical risks, including trade compliance risks</b>	<p>The international business environment that Nexperia participates in is subject to many economic and political uncertainties, including the following international business risks:</p> <ul style="list-style-type: none"> <li>› Negative economic developments in economies around the world and the instability of governments and international trade agreements.</li> <li>› Social and political instability in a number of countries around the world having a negative effect on the Group’s business, financial condition, and operations.</li> <li>› Potential terrorist attacks.</li> <li>› Epidemics and pandemics, which may adversely affect the Group’s workforce and financial position.</li> <li>› Adverse changes in governmental policies, especially those affecting trade and investment.</li> <li>› Nexperia’s customers or other groups of stakeholders might impose requirements that are more stringent than the laws in the countries in which the Group is active.</li> <li>› Threats that the Group’s operations or property could be subject to nationalization and expropriation.</li> </ul>	<p>These international business risks are monitored and assessed by management on a continuous basis to ensure that these risks are managed and appropriately and proactively reacted to where needed. Furthermore, Nexperia has set up a Trade Compliance Organization and specific controls to cover trade compliance risks, e.g., export control and restricted party screening on business partners, customers, vendors, and hiring.</p>

## Financial Risks

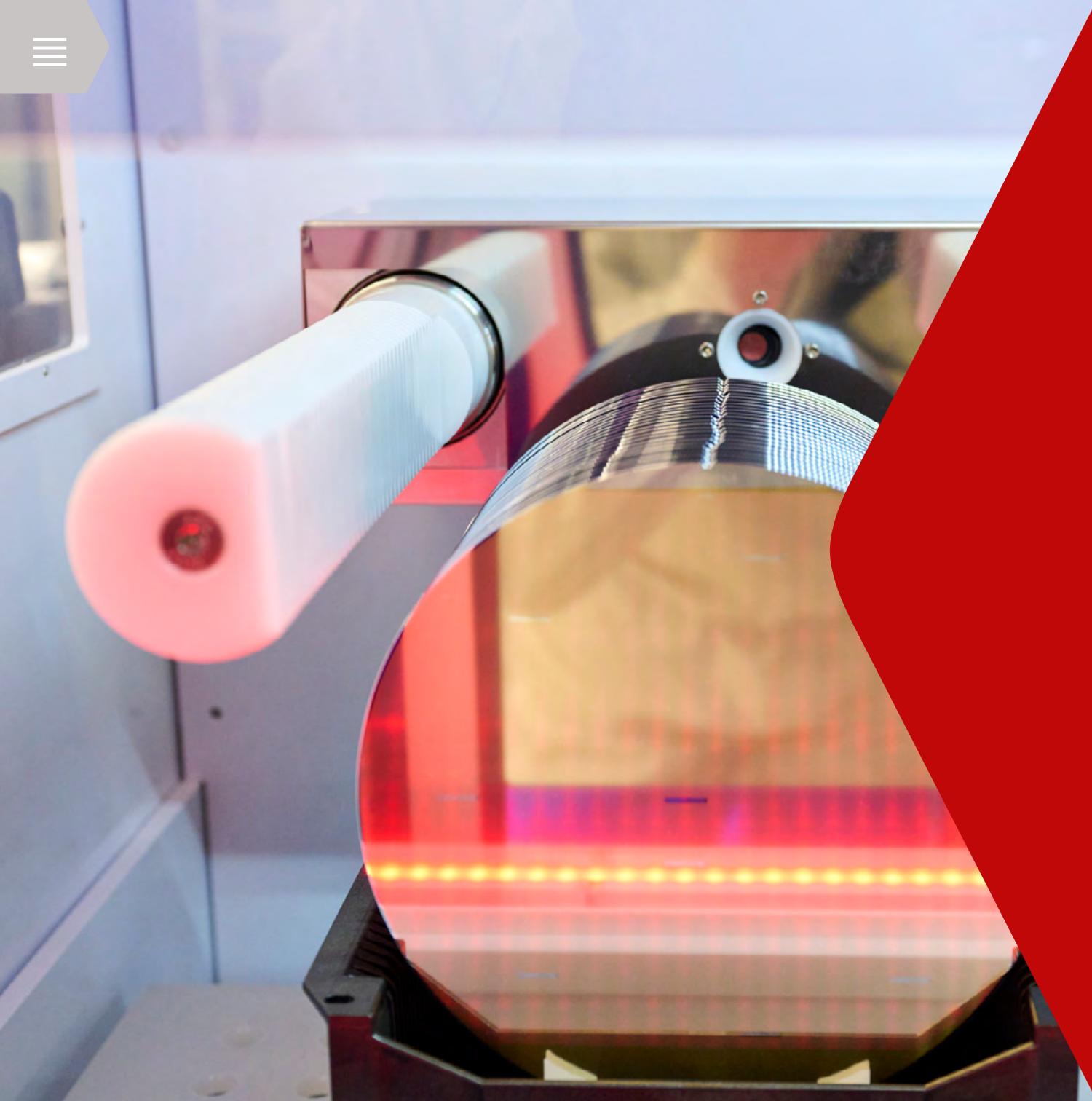
Risk title	Risk description	Strategy to address the risk
<b>Ineffective internal controls</b>	Deficiencies in the internal control systems that govern the accuracy and reliability of periodic reporting may lead to financial losses and reputational damage.	Nexperia has adopted effective policies and procedures to ensure that the internal control systems regarding the periodic reporting are in place and are regularly reviewed. Technically Nexperia’s internal control process is managed by means of SAP GRC Process and Access Control.

## Compliance Risk

Risk title	Risk description	Strategy to address the risk
<p><b>Business integrity, ethics, and compliance</b></p>	<p>Due to the nature of Nexperia’s products and business model, certain environmental laws and other regulations expose the Company to risks regarding compliance with these laws and regulations. These laws and regulations are sometimes unique in every jurisdiction in which Nexperia operates. These regulations govern, among other things, emissions of pollutants into the air, wastewater discharges, the use and handling of hazardous substances, waste disposal, the investigation and remediation of soil and groundwater contamination, and the health and safety of employees. Failure to adhere to these regulations can lead to financial penalties, sanctions, etc.</p>	<p>The management of Nexperia fully understands the risks regarding compliance. To successfully mitigate this, Nexperia has appointed experienced employees across all jurisdictions who are responsible for ensuring compliance with related laws and regulations in line with the Three Lines of Defense Model (TLD). Nexperia also ensures that this experience is updated regularly through external trainings.</p>
<p><b>Tax compliance risks across jurisdictions, including tax rate risk</b></p>	<p>Since Nexperia operates internationally, the Group is subjected to various tax jurisdictions. Failure to adhere to and the uncertainty of these different tax rules can lead to penalties, interests, and other financial losses. With regards to the Group’s transfer pricing agreements in place, Nexperia also runs the risk that the uncertainty regarding these leads to disputes and financial losses.</p> <p>Nexperia cannot give any assurance as to what its effective tax rate will be in the future, because of, among other things, uncertainty regarding the tax policies of the jurisdictions where it conducts its business. The Company’s actual effective tax rate may vary from its expectation, and that variance may be material. Additionally, the tax laws of the Netherlands and other jurisdictions could change in the future, and such changes could cause a material change in our effective tax rate.</p>	<p>To mitigate this risk, Nexperia employs tax professionals and ensures that these individuals are appropriately updated at all times. Specific direct and indirect tax risks are managed through specific tax controls, which are assessed on a regular basis.</p>
<p><b>Fraud risk</b></p>	<p>The Company is exposed to various fraud risks that include bribery, corruption, and breaches against the Company’s Code of Conduct, along with the theft or misuse of assets (misappropriation). These risks may originate from both internal and external parties or be organized to obtain money, property, or services, evade payment, or gain an unfair advantage for personal or business benefit. Such fraudulent activities can have serious consequences for the Company, jeopardizing its integrity, financial stability, and reputation.</p>	<p>With regard to Nexperia’s Code of Conduct, management has implemented a mandatory training program for all Nexperia employees.</p> <p>Potential fraud cases are investigated and reviewed by the Ethics Committee, which also decides on possible risk response measures such as follow-ups by the Internal Audit department or additional investigations by external specialists, if needed. The Chairman of the Board is informed accordingly.</p> <p>Additionally, all employees and stakeholders can report possible misconduct via the external, independent, and anonymous SpeakUp Line that is available 24/7 in all relevant languages.</p>

## ESG Risks

Risk title	Risk description	Strategy to address risk
<p><b>Environmental risks</b></p>	<p>Environmental and other disasters like pandemics may negatively impact the Nexperia business or directly impact its manufacturing facilities. Even if the manufacturing facilities are not directly damaged, a large natural disaster may result in disruptions in distribution channels or supply chains and significant increases in the prices of raw materials used for its manufacturing process. Furthermore, any disaster affecting the customers (or their respective customers) may negatively impact the demand for Nexperia's products and revenues significantly. The impact of any such natural disasters depends on the specific geographic circumstances but could be significant, as some of the factories are in areas with known earthquake fault zones and flood or storm risks.</p>	<p>The Company cannot predict the economic impact, if any, of possible disasters including pandemics or climate change. Nexperia has, however, implemented thorough business continuity plans to minimize the risk, if possible, in the event of a disaster as explained.</p>
<p><b>Enhanced reporting and rating obligations risks</b></p>	<p>Growing regulatory pressure and stakeholder expectations are driving a need for enhanced sustainability reporting, including comprehensive disclosures on environmental impact. This necessitates increased efforts for due diligence, data collection, digital systems, audits, and the preparation of comprehensive and/or compliant reports, potentially leading to higher costs for human resources and technology solutions, as well as audit failures and sanctions.</p>	<p>Nexperia continuously screens the legislative requirements for new/upcoming ESG regulations, e.g., CSRD, LkSG Report, UN GC COP, and enhances the risk management process accordingly.</p> <p>Nexperia has initiated an ESG reporting project and set up a cross-functional team to further develop its ESG reporting and ensure it is audited in accordance with the European Corporate Sustainability Reporting Directive and EU Taxonomy regulation.</p>
<p><b>Product carbon footprints risk</b></p>	<p>The increasing demand for transparent and standardized product-level environmental information, including product carbon footprints (PCFs), presents a potential risk. Companies are increasingly expected to disclose the environmental impact of their products throughout the value chain. Failure to adapt to these evolving expectations and provide comparable data, in combination with competitors already proactively disclosing PCFs, could lead to a competitive disadvantage and impact key customer relationships.</p>	<p>Nexperia is actively addressing the evolving sustainability reporting landscape through a dedicated, cross-functional initiative. This includes investments in technology and partnerships with specialized providers to enhance data collection and reporting processes. Nexperia is implementing a phased approach, beginning with a focus on readily available data to meet immediate reporting requirements, followed by a deeper dive into primary data to drive future improvements and align with evolving standards.</p>



# Our Strategy

# Our Approach to ESG

## Relevant GRI Standards:

2-9, 2-10, 2-13, 2-17, 2-18, 2-22, 2-23, 2-24, 2-28, 2-29, 3-3, 201

## Generating long-term stakeholder value and managing risks and opportunities

As described in our company mission statement, Nexperia is driven by a strong commitment to innovation, efficiency, and sustainability. We take a holistic view of our organization’s impact on society and the environment, continually identifying and addressing new risks and opportunities. As a member of various communities worldwide (see our list of key stakeholders below), we strive to enrich the lives of our employees, their families, and the people across our value chain while minimizing or avoiding negative impacts on people and the environment. We also aim to manage the social and environmental risks and opportunities that may affect Nexperia (see the “Risk Management” chapter of this report).

We use a combination of robust internal policies and controls to address the impact of our entire value chain and the life cycle of our products. To evaluate and manage our impacts, risks, and

opportunities, we consider various environmental, social, and governance (ESG) topics, which form the basis of this Sustainability Report.

As an international manufacturer, we also acknowledge our stakeholders’ increasing interest in and demand for more dedicated ESG efforts. In response, we are integrating ESG more thoroughly into our business, leveraging our innovative, energy-efficient technologies to contribute to a more sustainable world.

## Our strategy

Our sustainability strategy builds on the materiality assessment we conducted in 2022 and the CSRD-compliant double materiality analysis we completed in 2024, the latter of which we used to reprioritize our material topics. Throughout the reporting year, we engaged key internal stakeholders in workshops to develop our specific ESG goals, focusing on the following targets:

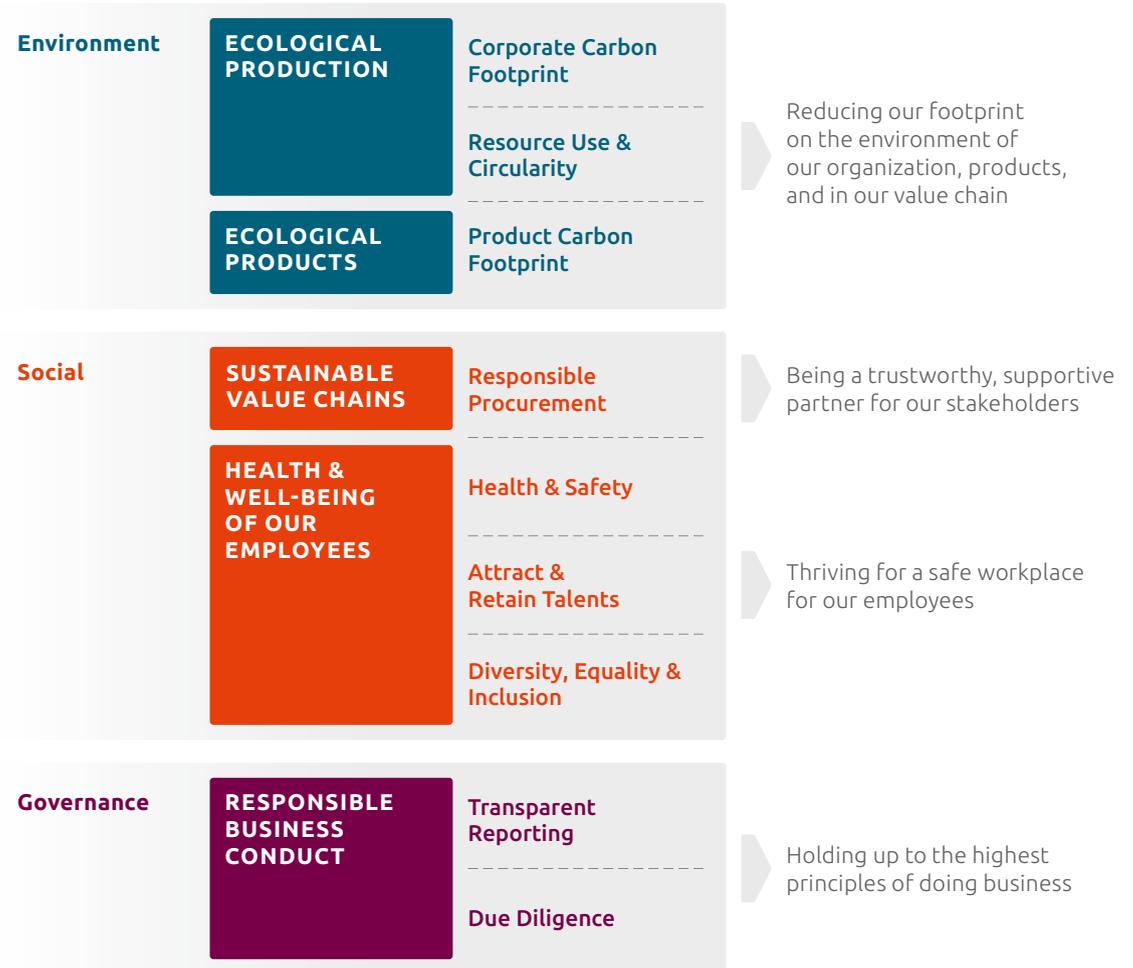
- › Environment: We are committed to achieving carbon neutrality for our Scope 1 and 2 emissions by 2035, based on yearly reduction targets. Nexperia will start calculating Scope 3 emissions in Q2 2025.
- › Renewable electricity: In 2025, Nexperia will increase the proportion of renewable electricity (RE) it uses by purchasing 100% RE for our site in Cabuyao (the Philippines).
- › Social: We are working to increase the share of women in our management positions to 30% and in our research and development (R&D) and engineering roles to 20% by 2030. These targets reflect a material issue across the entire semiconductor industry. In support, we launched our diversity and inclusion (D&I) program and continued the female empowerment initiatives we started in 2023, along with introducing new ones.



- › Supplier responsibility: 85% of our total spend shall be covered by Supplier Code of Conduct signatures by the end of 2025.
- › Health & Safety Incidents: We aim to reduce our annual total case incident rate (TCIR) by 10% compared to the median of the previous five years.
- › Governance: We will implement Responsible Business Alliance (RBA) audits at all Nexperia manufacturing sites, including adequate follow-up activities.

We acknowledge that our sustainability journey is an ongoing process, and achieving long-term ESG goals requires continually improving our knowledge, systems, and actions. In 2025, we will continue developing our company-wide sustainability strategy based on our annual materiality assessment (further details are described in the “Materiality Assessment” chapter of this report).

### Sustainability Strategy 2025



## NEW OUR SUSTAINABILITY STRATEGY 2025

*As part of our strategy development process, Nexperia has committed to five main action fields. Each contains specific focus topics, for which we are currently defining targets to monitor our progress.*

## Our ESG highlights in 2024

[See 2024 highlights](#)

### Environment

**Committed to achieving carbon neutrality for Scope 1 and 2 emissions by 2035**

**Sustainability Performance Rating with EcoVadis**

Recipient of the GOLD medal for the second time, 98<sup>th</sup> percentile (04/2025)

**32% of electricity purchased from renewable sources**

**Launched our Product Carbon Footprint project**

### Social

#### Diversity & Inclusion Program

- › 30% women in management positions in 2030
- › 20% women in R&D and engineering positions in 2030

**Launched our first female leadership program EmpowHERment**

### Governance

**Signatory to the United Nations (UN) Global Compact**

**New sustainability strategy with bespoke targets**

**Further strengthened our ESG-related governance with our Sustainability Board and Human Rights Office**

**Policy statement on human rights and environment-related due diligence obligations**

**Annual Code of Conduct training for all employees**

**84.7% overall favorability of working at Nexperia**

**Enhanced our approach to monitoring responsible sourcing**

By end 2025, 85% of total spend covered by Supplier Code of Conduct signatures

Nexperia's mission is to provide solutions for the global megatrends shaping the world's economy and, in particular, the semiconductor industry. These trends include Connectivity & Digitalization, Electrification, Sustainability & Energy Efficiency, and Industry 4.0 & Automation. They inspire our commitment to responsible business practices toward our employees, partners, and society. In line with Nexperia's mission, we adhere to a broad range of guidelines and standards relating to business ethics, human and labor rights, and environment and climate protection to drive more sustainable technologies, innovations, and growth.

We are committed to the UN Global Compact, the International Labor Organization's (ILO) Labor Standards, the Responsible Business Alliance (RBA), the UN Guiding Principles on Business and Human Rights, the UN Sustainable Development Goals (SDGs), the OECD Guidelines for Multinational Enterprises, and the Paris Agreement. We also follow various management standards issued by the International Standards Organization (ISO), which are described in the relevant topic chapters of this report.

As a signatory to the UN Global Compact, we follow its ten core principles in everything we do. They lay the foundations for responsible business activities in the areas of human rights, labor, the environment, and anti-corruption. By adhering to these principles, we continuously reflect on and improve these aspects of our work.

We also embrace opportunities to inspire people and create work environments that support their professional and personal growth. Throughout 2024, we continued rolling out our Nexperia Diversity & Inclusion (D&I) program to ensure we respect and celebrate our employees' unique talents, cultures, and backgrounds. Another noteworthy step was our launch of EmpowHERment, our first dedicated leadership program for women. We also continued our annual global Code of Conduct training, which is mandatory for all employees.

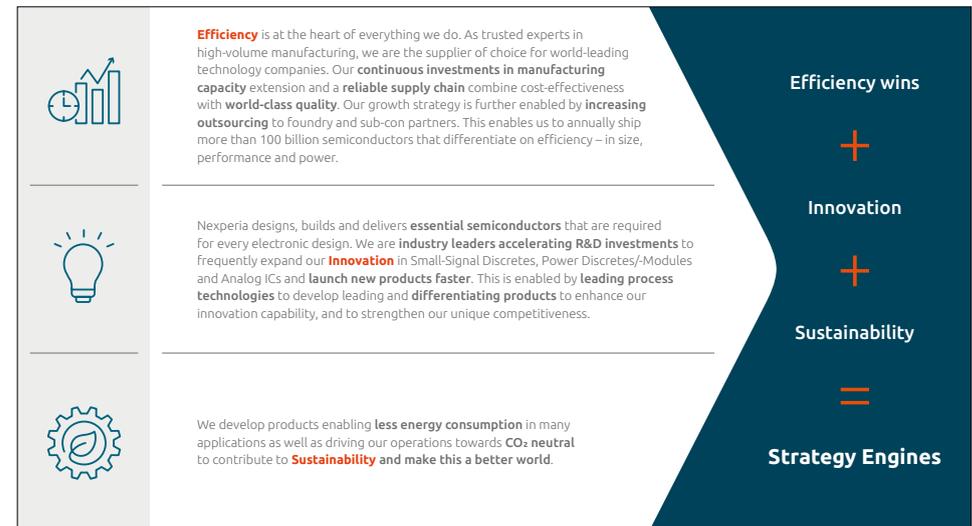
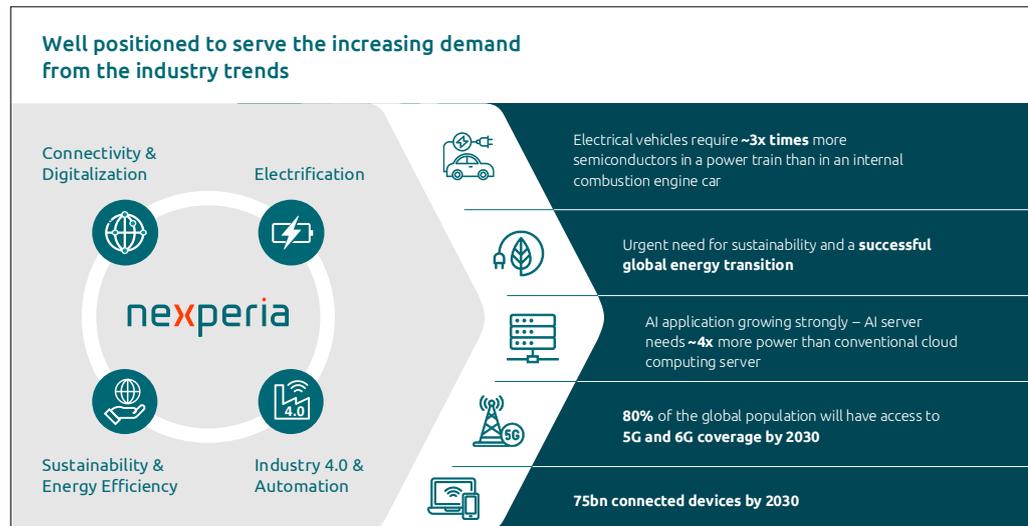
Another critical area of our ESG focus is our carbon footprint. In 2023, we committed to our Greenhouse Gas (GHG) Emissions Reduction Roadmap and achieving carbon neutrality

for our Scope 1 and 2 emissions by 2035. To reach these targets, we are constantly working to reduce our energy consumption and GHG emissions while increasing our use of renewable energy. We will start calculating our Scope 3 emissions in 2025.

Our existing ESG management approaches and upcoming ESG strategy are integral to our overall business strategy.

Nexperia's business mission is centered on efficiency, innovation, and sustainability. It closely aligns our activities with the demands of global industry trends and their potential for a more sustainable future. There is a growing need for power and connectivity,

an accelerating switch to electric vehicles (including a three-fold increase in the number of semiconductors required), an urgent need for a global energy transition, and a rising demand for automation solutions in Industry 4.0. We believe Nexperia can play a vital role in all of these areas, which we strategically consider as our five megatrend applications. We also increase our customers' energy efficiency by providing innovative semiconductor devices, such as silicon carbide and gallium nitride, which enable our customers to achieve higher efficiency in power applications such as power supplies, motor drives, onboard charging, and inverters.



## Sustainable corporate governance structure

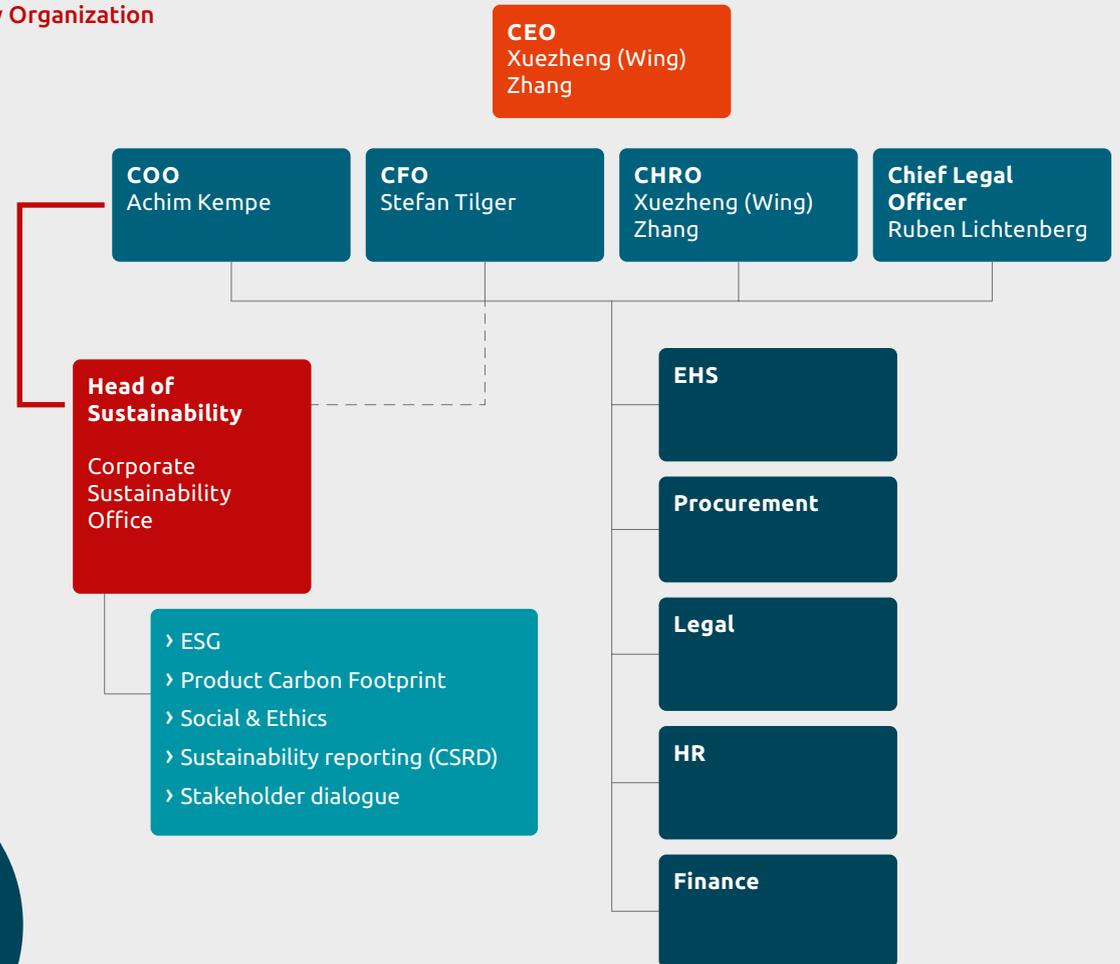
In 2024, we finished adapting Nexperia's sustainability organization to more effectively support our ESG goals across the various roles and teams involved. Our sustainability corporate governance structure now comprises the Corporate Sustainability Office, specialized ESG workstreams, and a dedicated Sustainability Board.

### Nexperia's Corporate Sustainability Office

Since its inception in 2023, Nexperia's Corporate Sustainability Office has continuously strengthened its role in the Company's sustainability journey by expanding its team, responsibilities, and number of new projects. Our Corporate Sustainability Office is led by the Head of Sustainability, who has reported directly to the Chief Operating Officer (COO) since May 2024. As Nexperia's central sustainability office, the Corporate Sustainability Office is responsible for developing our sustainability strategy, defining our roadmap, leading ESG workstreams, and driving ESG projects. Additionally, it oversees sustainability reporting and ESG rating processes and externally represents Nexperia's sustainability ambitions. From 2024 onward, the office has also taken on responsibilities for social sustainability issues, including human rights, stakeholder engagement, calculating our product carbon footprints, and addressing sustainability-related customer requirements.



### Sustainability Organization



*From May 2024 onward, the Head of Sustainability reports directly to the COO.*

Corporate Sustainability Office	Supporting Corporate Functions
<ul style="list-style-type: none"> <li>› Create sustainability strategy &amp; roadmap</li> <li>› Define and drive workstreams</li> <li>› Ensure ESG rating results</li> </ul>	<ul style="list-style-type: none"> <li>› Delegates for each corporate function</li> <li>› Owner of activities</li> <li>› Coordinate and execute actions</li> </ul>

### Ownership of ESG topics

Environment	ECOLOGICAL PRODUCTION	Corporate Carbon Footprint	EHS
		Resource Use & Circularity	EHS
	ECOLOGICAL PRODUCTS	Product Carbon Footprint	Sustainability
Social	SUSTAINABLE VALUE CHAINS	Responsible Procurement	Procurement
	HEALTH & WELL-BEING OF OUR EMPLOYEES	Health & Safety	EHS
		Attract & Retain Talents	HR
		Diversity, Equality & Inclusion	HR
Governance	RESPONSIBLE BUSINESS CONDUCT	Transparent Reporting	Sustainability
		Due Diligence	Sustainability

### Sustainability workstreams

Our sustainability projects are overseen by specialists from various departments and supported by dedicated management structures for specific ESG topics. Each topic's management approach is detailed in the corresponding chapter of this report. These delegated topic experts collaborate within sustainability workstreams, and each workstream owner and their teams are responsible for executing and coordinating specific actions.

### Sustainability Board

Nexperia's Sustainability Board monitors and steers all our ESG initiatives. Since the beginning of 2024, the board has convened monthly under the leadership of the Head of Sustainability. It evaluates and manages Nexperia's sustainability performance, addresses any shortfalls, and drives continuous improvement. Nexperia's Sustainability Board comprises our Chief Financial Officer (CFO), Chief Operating Officer (COO), Chief Legal Officer, and all key ESG topic owners from relevant departments.

To ensure consistent and direct reporting, the Head of Sustainability communicates insights and key findings from Sustainability Board meetings to the Executive Management Team (EMT) and the Chief Executive Officer (CEO) for their information or approval.

## ESG policies

Nexperia's commitment to managing material ESG topics relies on four key policies and guidelines: the Nexperia Code of Conduct, our Sustainability Policy, our Supplier Code of Conduct, and our new policy statement on human rights. Additional policies covering ESG issues are detailed in the corresponding topic chapters of this report.

The **Nexperia Code of Conduct** defines how we work together to achieve our collective goals, including our ESG objectives. It contains decision trees, ethical guidance, and details about the SpeakUp Line for reporting suspected violations, along with a guarantee of no reprisals. This framework is integral to our overall ESG approach, as it aligns our business practices with our commitments to ethical behavior, transparency, and accountability. More information can be found in the "Business Integrity and Ethics" chapter of this report.

Our **Sustainability Policy** complements the Code of Conduct by addressing environmental, health and safety topics. It offers a comprehensive overview of our approach to key ESG topics, outlining our dedication to ethics, labor and human rights, employee well-being, products, operations, compliance, local initiatives, transparency, and stakeholder dialogue. The policy categorizes these topics and commitments, making it easy for everyone at Nexperia to understand our values and objectives.

We enhance the Nexperia Code of Conduct with a **Supplier Code of Conduct** to help our partners and suppliers uphold our standards of sustainability and social responsibility. Based on our Code of Conduct and the principles of the Responsible Business Alliance (RBA), the Supplier Code of Conduct aims to ensure that working conditions across our supply chains are safe and comply with all local regulations. By signing this document, our suppliers pledge to treat workers with respect and dignity and adhere to minimum standards for environmentally responsible manufacturing.

These commitments are based on globally recognized benchmarks, such as the Universal Declaration of Human Rights, the ILO Labor Standards, the Ethical Trading Initiative (ETI), and core labor norms. More information on this topic can be found in the "Responsible Sourcing and Supplier Engagement" chapter of this report.

To deepen our commitment to human rights, we published a new **policy statement** on human rights and environment-related due diligence obligations in Q1 2024. This policy underscores Nexperia's dedication to upholding human rights as a global company with approximately 12,500 employees representing a diversity of nations and cultures. It details our risk analysis, preventive and remedial measures, and grievance mechanism.

## Stakeholder engagement

As Nexperia is part of a diverse ecosystem, our success depends on the responsible relationships we build with our stakeholders. We engage and collaborate with stakeholders to ensure transparency, understand their expectations and concerns, and develop and implement more sustainable solutions.

Effective stakeholder engagement is essential to creating shared value, building trust, managing risks, and driving long-term business success. Our stakeholders' voices are critical to shaping our sustainability strategy and ensuring we remain accountable to the communities and environments where we operate.

In 2024, we undertook a comprehensive stakeholder identification and assessment process, which we will refine and publish in our 2025 Sustainability Report.

Nexperia's participation in various initiatives and associations is another key aspect of our stakeholder engagement approach. As an international company, Nexperia is involved in several national and global industry associations and is considered a relevant think tank in the semiconductor industry.

### Our key stakeholders and industry associations

#### International

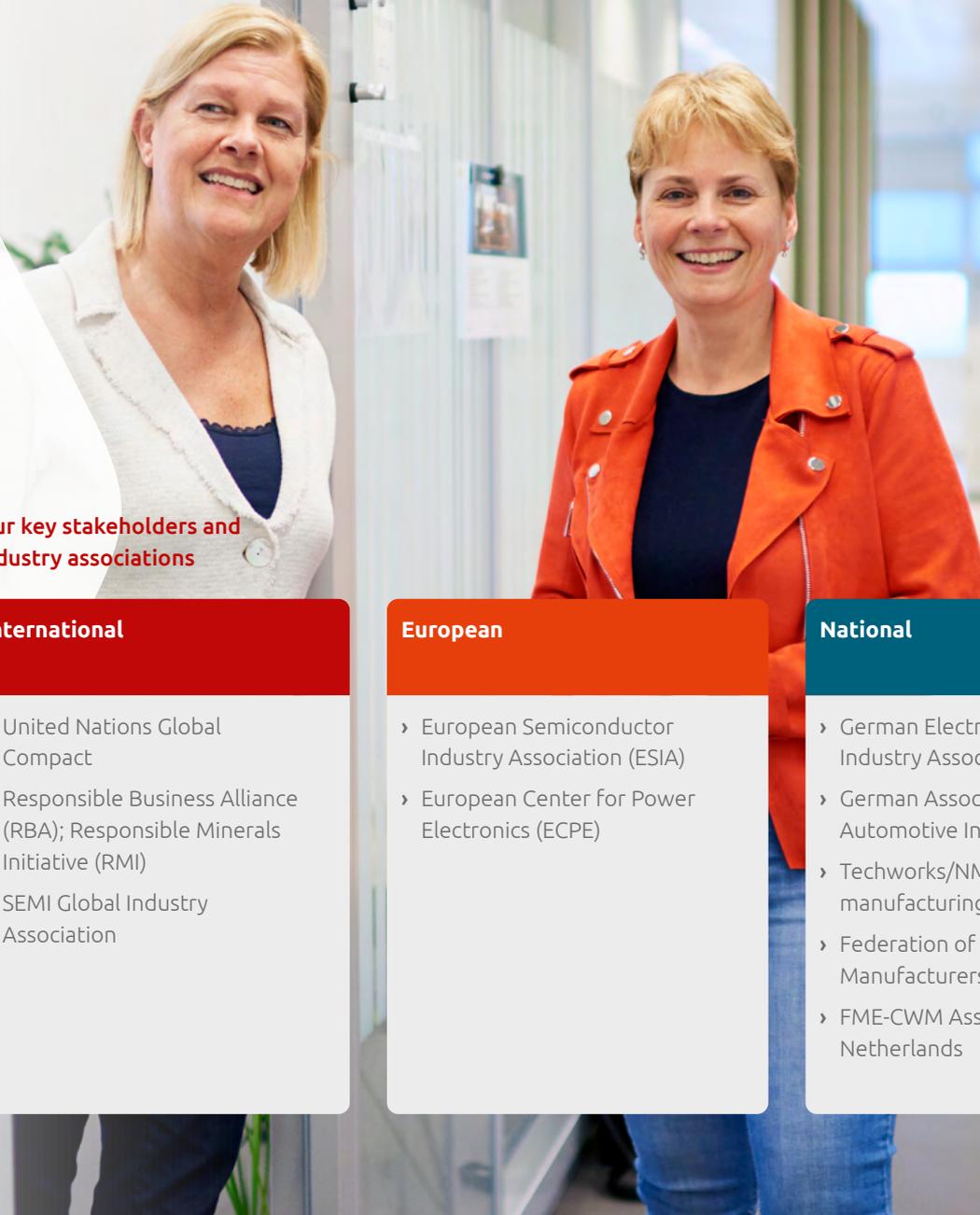
- › United Nations Global Compact
- › Responsible Business Alliance (RBA); Responsible Minerals Initiative (RMI)
- › SEMI Global Industry Association

#### European

- › European Semiconductor Industry Association (ESIA)
- › European Center for Power Electronics (ECPE)

#### National

- › German Electro and Digital Industry Association (ZVEI)
- › German Association of the Automotive Industry (VDA)
- › Techworks/NMI (Electronics manufacturing, UK)
- › Federation of Malaysian Manufacturers (FMM)
- › FME-CWM Association, the Netherlands



## Involving our stakeholders

We are committed to maintaining strong engagement with our diverse range of stakeholders. Through ongoing dialogue, we transparently communicate our actions and decisions to build positive relationships with our employees, partners, the general public, and other stakeholders. Our goal is to align divergent interests, build trust, and create sustainable, long-term relationships.

### Stakeholder Suppliers

#### Engagement

- › Supplier Day 2024: Presentation of upcoming EU legislation and the German Supply Chain Due Diligence Act.
- › Regular social responsibility audits.
- › Distribution of the revised Supplier Code of Conduct.

#### Focus areas

Main violations of social responsibility supplier audit:

- 1) Exceeding working hours
- 2) Emergency preparedness
- 3) Recruitment fees

### Stakeholder Customers

#### Engagement

- › Conferences, customer product launches, trade shows, and regular business review meetings.
- › Assessing requirements and sharing progress in regular meetings with customers.
- › Continuously responding to customer requests relating to ESG topics and setup of a new tool for the efficient handling of requests.

#### Feedback, lessons learned, and future activities

Through ongoing dialogue with our customers, we have learned there is a growing demand for regular and detailed sustainability reporting, ESG ratings, climate risk assessments, circular and carbon-neutral product design, life cycle assessments, and product carbon footprint data.

### Stakeholder Responsible Business Alliance (RBA)

#### Engagement

- › Monthly and quarterly RBA member calls.
- › Participation in annual RBA conference and members' meeting in November 2024 in the US.
- › Regular participation and exchange with industry peers in thematic workshops on new regulations.
- › Member of several task forces and working groups.

### Stakeholder Workers' Councils

#### Engagement

Regular and ongoing engagement with Workers' Councils.

### Stakeholder Responsible Minerals Initiative (RMI)

#### Engagement

- › Participation in monthly plenary calls.
- › Involvement in due diligence practices and smelter engagement teams.

### Stakeholder European Semiconductor Industry Association (ESIA)

#### Engagement

Participation in conferences, meetings, and several working groups (e.g., sustainability, EU Taxonomy, CSDDD, and CBAM).

## Stakeholder

**German Electro and Digital Industry Association (ZVEI)****Engagement**

- › Chairing the semiconductor working group of ZVEI.
- › Additional participation in other ZVEI working groups and committees.

## Stakeholder

**German Association of the Automotive Industry (VDA)****Engagement**

- › Member of the semiconductor working group of VDA.
- › Participation in further VDA working groups and committees.

## Stakeholder

**Federation of Malaysian Manufacturers (FMM)****Engagement**

Participation in conferences, meetings, and relevant working groups.

## Stakeholder

**Techworks/NMI (Electronics manufacturing, UK)****Engagement**

Participation in conferences, meetings, and relevant working groups.

## Stakeholder

**FME-CWM Association, the Netherlands****Engagement**

Participation in conferences, meetings, and relevant working groups.

## Stakeholder

**Responsible Sourcing Council****Engagement**

- › Hosting an in-person conference at Nexperia Germany.
- › Exchange on future challenges of sustainable supply chain management, sustainability reporting, assurance, and strategy development.

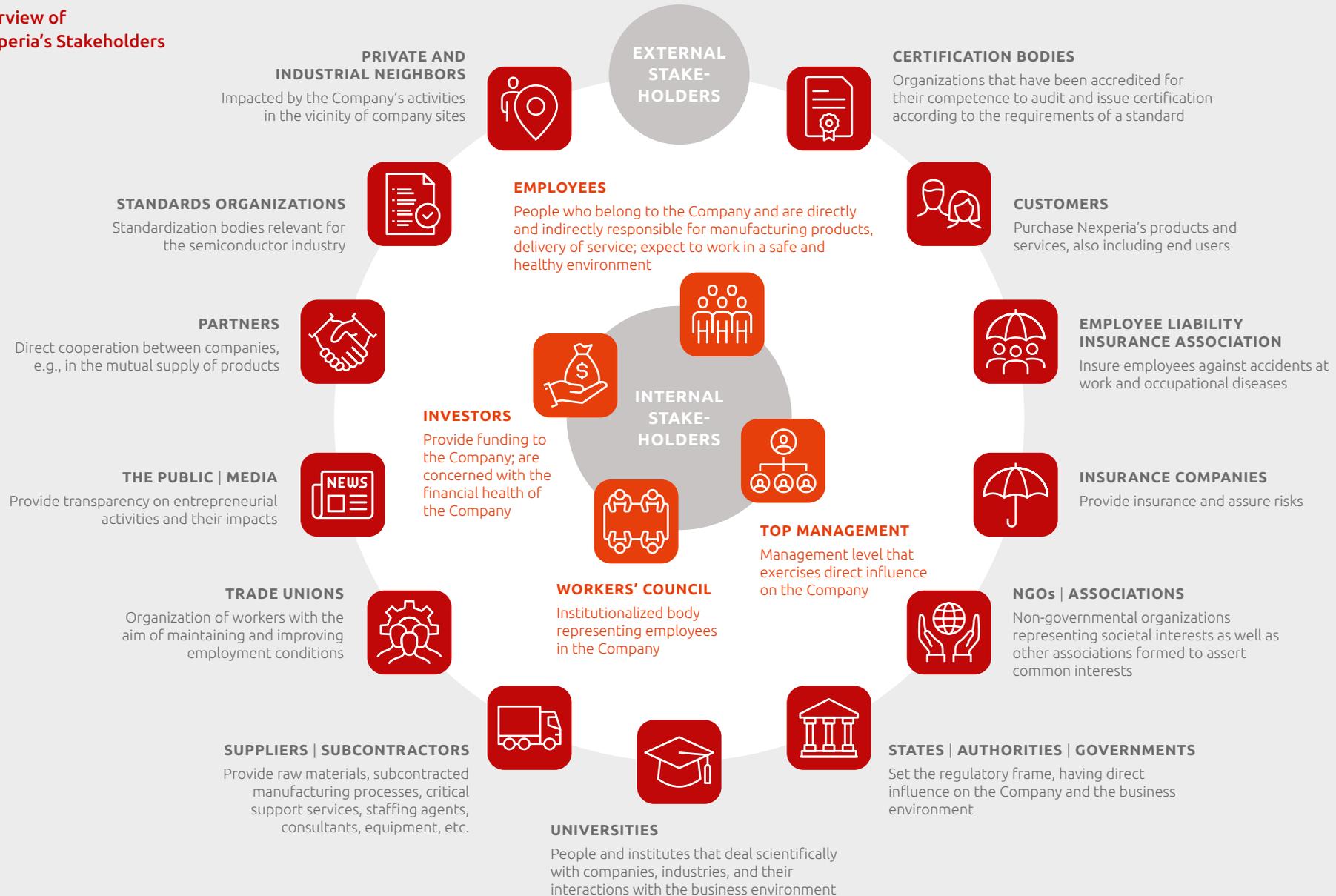
In addition to the above memberships and interactions with our suppliers, customers, and employees, Nexperia established a Corporate Affairs department in 2022. It maintains a structured dialogue with relevant international, national, and regional governments and authorities in the countries where Nexperia has a significant presence.

By listening to our stakeholders and incorporating their feedback, we enhance our sustainability performance and reputation as a responsible corporate citizen. Some examples include our annual employee survey (the last survey took place in 2023; see the “Talent Attraction and Retention” chapter) and utilizing communication opportunities such as town halls, social media, newsletters, and our website. We also engage with policymakers, industry associations, and other interest groups through meetings, workshops, task forces, and topical events.

We are committed to being transparent about the outcomes and impacts of our stakeholder engagement activities to demonstrate accountability and inspire others.

In early 2024, we conducted a series of in-person interviews as part of our new double materiality analysis in preparation to comply with the CSRD and European Sustainability Reporting Standards (ESRS). In addition to the stakeholders mentioned above, we interviewed representatives from the NGO ElectronicsWatch, financial stakeholders at the DBS Bank Singapore, science experts from the ESCP Business School, and several internal stakeholders (TeamNexperia) from the Industrial Technology and Engineering Center (ITEC) as well as our Quality and and Facility Management departments.

## Overview of Nexperia's Stakeholders



# Materiality Assessment

**Relevant GRI Standards:**

2-14, 3-1, 3-2

Nexperia's 2024 Sustainability Report marks a significant transition from voluntary to mandatory sustainability reporting that complies with the European Corporate Sustainability Reporting Directive (CSRD). Going forward, the CSRD will guide Nexperia's approach to providing transparent and comparable sustainability data disclosures, which we will integrate into our financial reports. This shift requires new levels of internal collaboration and professionalization as well as increasing the scope and accuracy of sustainability data. In 2024, we prepared for CSRD compliance by refining our sustainability strategy, developing our sustainability roadmap, and launching new projects to support it. In addition, we conducted a new double materiality analysis in accordance with CSRD requirements. This analysis will form the basis of our future Sustainability Reports, while the 2024 report is based on our existing findings.

In February 2025, the European Commission announced a so-called **Omnibus Simplification Package** on corporate sustainability reporting regulations like the CSRD, EU Taxonomy, and others. These amendments, which partly took effect in mid-April 2025, postpone the CSRD's implementation by two years. As a result, Nexperia will not be required to report under the CSRD and EU Taxonomy regulations until the 2027 financial year. In addition, the European Sustainability Reporting Standards (ESRS) are scheduled for revision in 2025. We are closely monitoring regulatory changes at relevant levels and will adapt our approach as needed.

## Overview on Nexperia's 16 material topics (until 2024)



## Our approach to defining materiality until 2024

We conducted our initial materiality assessment in the second half of 2022, resulting in 16 material topics that have since formed the basis of our Sustainability Reports.

Using the double materiality approach, we identified material sustainability topics based on their impact on people and the environment (impact materiality) and their financial implications (financial materiality). Our analysis also allowed us to determine which topics are strategically important and should be included in our Sustainability Report.

We informed the materiality assessment by analyzing various internal and external documents and conducting an online stakeholder survey. Covering both impact and financial materiality, we consulted Nexperia's stakeholders on the potential likelihood and impact intensity of our material sustainability topics. Further details can be found in Nexperia's Sustainability Reports for 2022 and 2023.

## **CSRD-readiness: Nexperia's double materiality analysis from 2024 onward**

From January to May 2024, we conducted a new double materiality assessment in line with the CSRD's European Sustainability Reporting Standards (ESRS). It included evaluating a new list of potential focus topics defined by the ESRS, expanding the scope of our report to the entire value chain, and considering various timeframes. We identified significant potential and actual positive and negative impacts, as well as risks and opportunities, which will be the focus areas of our future reports. As in 2022, stakeholder engagement was crucial in our materiality analysis. After updating our value chain and stakeholder mappings, we consulted stakeholders to assess the topic list, including one-on-one interviews with select stakeholder representatives.

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**In preparation for the CSRD, we conducted a double materiality analysis to identify key sustainability aspects. This analysis laid the foundations for strategic workstreams, driving company-wide initiatives that will benefit our operations and stakeholders.**



## Climate Risk Assessment

Climate Risk Assessments (CRA) are essential to understanding and addressing the risks companies face due to climate change. As a result, CRAs have become integral to regulations like the CSRD and EU Taxonomy, as well as to stakeholder expectations and industry rating requirements. In addition to helping us comply with regulatory requirements, the insights and actions derived from CRAs often align with our customers' own focus on sustainability. For these reasons, we launched Nexperia's first full-scale climate risk assessment in January 2025.

For our climate risk and vulnerability assessment, we applied different climate scenarios to account for future climatic conditions in two extremes:

**1** For physical climate risks, we applied the SSP5-8.5 scenario (Shared Socioeconomic Pathways) of the 6<sup>th</sup> Assessment Report (AR6) of the Intergovernmental Panel on Climate Change (IPCC). It describes a pathway driven by fossil-fueled development that ultimately leads to over 4°C of global warming compared to the pre-industrial age. This is the so-called "worst-case" scenario, where climate change impacts materialize strongly.

**2** To identify transitory risks and opportunities, we applied the Net Zero Emission (NZE) 2050 scenario of the International Energy Agency (IEA), which shows a pathway to limiting the global temperature increase in line with the Paris Agreement to 1.5°C by achieving net-zero CO<sub>2</sub> emissions by 2050. The narrative is mainly driven by energy, innovation, and technological changes, leading to reduced global energy demand and improved energy efficiency.

Our objective was to identify:

- › Physical risks and opportunities associated with extreme weather events and long-term changes in climatic conditions.
- › Transitional risks and opportunities arising from regulatory changes, market shifts, and technological advancements driven by the transition to a low-carbon economy.

As part of our commitment to sustainability and climate resilience, we used the findings of our CRA to strengthen our strategy and risk management. Our key focus areas included:



Ensuring regulatory compliance with the EU Taxonomy, CSRD, and other requirements.



Strengthening our adaptation planning to address physical and transitional risks.



Integrating climate risks into our overall risk management framework.



Enhancing internal awareness to support more informed decision-making.

We will publish the results of our CRA in our upcoming reports.

# UN Global Compact

## Our commitment and approach

Since January 2023, Nexperia has been a signatory to the United Nations Global Compact.

The Global Compact identifies ten universal principles in four important areas: human rights, labor, the environment, and anti-corruption. As a voluntary initiative supported by over 20,000 companies worldwide, the Global Compact encourages businesses to align their strategies and operations with these principles and contribute to the UN Sustainable Development Goals (SDGs).

As a signatory to the Global Compact, we follow its ten universal principles and proactively approach sustainability through our robust management systems. Overall, we aim to incorporate socially and environmentally friendly practices across our global operations. We detail Nexperia's policies, procedures, and actions in the respective chapters of this Sustainability Report, and the Communication on progress section below summarizes our steps toward more sustainable and socially responsible policies and practices.

Since January

**2023**

Signatory to the  
United Nations  
Global Compact

## Communication on progress

### Human rights

**Principle 1: Businesses should support and respect the protection of internationally proclaimed human rights; and**

**Principle 2: make sure that they are not complicit in human rights abuses.**

- › Nexperia is a signatory to the UN Global Compact, the International Labor Organization's (ILO) Labor Standards, the Responsible Business Alliance (RBA), the UN Guiding Principles on Business and Human Rights, the UN Sustainable Development Goals (SDGs), the OECD Guidelines for Multinational Enterprises, and the Paris Agreement. We also adhere to various management standards issued by the International Standards Organization (ISO).
- › Nexperia's Code of Conduct, Supplier Code of Conduct, and our Sustainability Policy demonstrate our commitment to labor and human rights, providing a safe working environment, promoting good health, minimizing the environmental

impact of our activities, protecting the environment, and adhering to ethical business practices. We foster innovations and creative solutions that add value for our customers, communities, and planet.

- › Our human rights-related policies and processes are guided by globally recognized standards, such as the Universal Declaration of Human Rights (UDHR) and standards issued by organizations such as the International Labor Organization (ILO), Social Accountability International (SAI), and the Ethical Trading Initiative (ETI).
- › We are committed to preventing human and labor rights abuses. We conduct risk analyses, supplier and self-assessments, and audits of both Nexperia and supplier sites in line with the Responsible Business Alliance (RBA) standard. Nexperia's Social Responsibility Auditable Standard covers employees at our company and along our supply chain. The standard details our commitment to transparent and safe workplaces and supply chains, including requirements regarding human rights, equal pay, non-discrimination measures, training, and more.

### Labor

**Principle 3: Businesses should uphold the freedom of association and the effective recognition of the right to collective bargaining;**

**Principle 4: the elimination of all forms of forced and compulsory labor;**

**Principle 5: the effective abolition of child labor; and**

**Principle 6: the elimination of discrimination in respect of employment and occupation.**

- › We support and participate in dialogues with employee representation bodies, including workers' councils at the site level and trade unions at sectoral and national levels. We have collective bargaining agreements in place in several countries, including Germany, the Netherlands, the Philippines, and the UK.

- › We also support the aim of the International Labor Organization (ILO) to promote and realize universally accepted labor standards. We respect and recognize our employees' freedom to establish, join, or be represented by an organization, trade union, or employee group of their choice. Across all global sites, our employees have the freedom to associate and the right to collective bargaining as provided by local statutes.
- › The Nexperia Supplier Code of Conduct and the Nexperia Slavery and Human Trafficking Statement explicitly state that we do not tolerate any form of slavery – including forced, bonded, indentured, or prison labor, as well as human trafficking, child labor, and discrimination – within our company or across our supply chain.

## Environment

**Principle 7:** Businesses should support a precautionary approach to environmental challenges;

**Principle 8:** undertake initiatives to promote greater environmental responsibility; and

**Principle 9:** encourage the development and diffusion of environmentally friendly technologies.

- › Nexperia takes a proactive approach to environmental protection. We implement robust management systems and incorporate practices across our operations to minimize our environmental footprint. In addition, we adhere to the principles of the Global Compact based on our ISO 14001-certified Environmental Management System, covering all our manufacturing sites and headquarters. The Environmental Management System requires us to identify, control, and reduce the ecological impact of our operations and establish compliant and impactful policies, processes, and procedures to manage all material environmental aspects.

- › In 2023, Nexperia announced the long-term target to become carbon neutral by 2035. This commitment includes direct operational emissions (Scope 1) and indirect emissions associated with procuring energy for operations (Scope 2). In the future, Nexperia also aims to analyze and decrease its supply chain emissions wherever possible (Scope 3).
- › Nexperia is a company driven by an unwavering commitment to innovation, developing semiconductors for energy-efficient everyday products used by people worldwide. To do so, we continuously work to improve the energy efficiency of our original portfolio, including products with increased power capabilities, such as wide bandgap (WBG) devices like silicon carbide (SiC) rectifiers, gallium nitride (GaN) FETs, and power management ICs. We continue improving and developing products that reduce energy and material consumption in a broad range of applications while striving to make our operations CO<sub>2</sub> neutral to contribute to a more sustainable future.

## Anti-corruption

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

- › Nexperia has robust policies and procedures to prevent corruption and promote ethical business practices across our operations and supply chain. We address all relevant business ethics risks that come to our attention using our ethical risk assessment procedures.
- › Our Code of Conduct details our commitment to preventing corruption and promoting ethical behavior in an accessible and structured format. It provides concrete operating guidelines for appropriate behavior and correct procedures, including ethics escalation (whistleblowing). Overall, it aims to promote a clear, strong, and consistent culture of ethics.

## UN Sustainable Development Goals

In 2015, the United Nations (UN) adopted 17 Sustainable Development Goals (SDGs). Together with the 2023 Agenda, they serve as a critical roadmap to create a more sustainable future for people and the environment. The SDGs define concrete targets for 2030, and we have joined many other companies in embedding the SDG reporting framework into our Sustainability Report.

We have identified seven core SDGs and how Nexperia can contribute to their objectives. Our contributions focus on the sub-targets listed below, which we strive to impact with our business activities.

Going forward, we will work on a comprehensive assessment of progress toward the SDG targets across the 17 SDGs at a global level, following the SDG progress chart.

**SDG 3** – Good health and well-being

**SDG 4** – Quality education

**SDG 5** – Gender equality

**SDG 7** – Affordable and clean energy

**SDG 9** – Industry, innovation, and infrastructure

**SDG 12** – Responsible consumption and production

**SDG 13** – Climate action



SUSTAINABLE DEVELOPMENT GOALS

## Our contribution to the SDGs

### SDG 3 | Good health and well-being Ensure healthy lives and promote well-being for all at all ages



The health and safety of our employees is our highest priority. We continually strive to ensure that everyone at Nexperia – our employees, temporary workers, interns, partners, and visitors – feels safe in a secure environment. This includes medical, physical, emotional, and mental health.

Target	Our contributions
3.8 Achieve universal health coverage, including financial risk protection, access to quality essential health-care services, and access to safe, effective, quality, and affordable essential medicines and vaccines for all.	<ul style="list-style-type: none"> <li>› Comprehensive health &amp; safety policies in Nexperia's Code of Conduct, Sustainability Policy, and Supplier Code of Conduct ("Health &amp; Safety" and "Business Integrity and Ethics")</li> <li>› Comprehensive health and pension plans for employees ("Talent Attraction and Retention")</li> <li>› Health events and campaigns at the local and global levels ("Our Responsibility and Engagement")</li> </ul>
3.9 By 2030, substantially reduce the number of deaths and illnesses from hazardous chemicals and air, water, and soil pollution and contamination.	<ul style="list-style-type: none"> <li>› Effective risk prevention and management measures: since Nexperia's foundation in 2017, zero recorded fatalities and high-consequence work-related injuries</li> <li>› Management approach to health and safety: EHS Management System and Chemicals Management System</li> <li>› Robust reporting processes for any safety risks, accidents, and injuries</li> </ul> <p>Further details: "Health &amp; Safety"</p>

### SDG 4 | Quality education Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all



Education is pivotal for personal, professional, social, and economic development. We are committed to providing equal access to quality education and investing in the skills and competencies of our employees.

Target	Our contributions
4.3 By 2030, ensure equal access for all women and men to affordable and quality technical, vocational, and tertiary education, including university.	<ul style="list-style-type: none"> <li>› Diversity &amp; Inclusion (D&amp;I) program with targets for women in management and R&amp;D/engineering ("Diversity, Non-Discrimination, and Inclusion")</li> </ul>
4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs, and entrepreneurship.	<ul style="list-style-type: none"> <li>› Trainee and graduate programs for young talents ("Talent Attraction and Retention")</li> <li>› Cooperation with schools and universities to stimulate interest and innovation in technology ("Our Responsibility and Engagement")</li> <li>› Kids' and family day events for career guidance and inspiration ("Our Responsibility and Engagement")</li> </ul>

**At Nexperia, we believe that empowering individuals through education not only fosters personal growth but also fuels innovation, economic progress, and social cohesion. We are deeply committed to this mission through our partnerships with schools and universities.**



**SDG 5 | Gender equality**  
**Achieve gender equality and empower all women and girls**

We champion gender equality and empower all women and girls.  
 We value diversity and inclusion in our culture and teams.

**Target**

**Our contributions**

5.1  
 End all forms of discrimination against all women and girls everywhere.

- › Nexperia’s Code of Conduct outlines a clear commitment to prevent and address any forms of discrimination, harassment, or misconduct
  - › Internal and external mechanisms to report suspected cases of misconduct, e.g., SpeakUp Line
  - › Ongoing global employee awareness campaign on our updated Code of Conduct
  - › Comprehensive company-wide Diversity & Inclusion (D&I) program
- Further details: “Business Integrity and Ethics” and “Diversity, Non-Discrimination, and Inclusion”

5.c  
 Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

- › Targets for women in management and R&D/engineering
  - › Diversity ambassadors to inspire more women to pursue a career in engineering
  - › Launch of the female leadership program EmpowHERment
  - › Supported the growth of female leaders through Women in Nexperia Employee Resource Group (ERG)
- Further details: “Diversity, Non-Discrimination, and Inclusion” and “Business Integrity and Ethics”

5.5  
 Ensure women’s full and effective participation and equal opportunities for leadership at all levels of decision-making in political, economic, and public life.

- › Targets for women in management and R&D/engineering
  - › Deployed and scaled D&I analytics and a gender metrics dashboard for monthly Sustainability Board reporting
- Further details: “Diversity, Non-Discrimination, and Inclusion”



**SDG 7 | Affordable and clean energy**  
**Ensure access to affordable, reliable, sustainable, and modern energy for all**

We aim to reduce our carbon footprint and increase the share of renewable energy in our operations and across our value chain.

Target	Our contributions
<p>7.2</p> <p>By 2030, increase substantially the share of renewable energy in the global energy mix.</p>	<ul style="list-style-type: none"> <li>› Sustainability and environmental policies inscribed into our Code of Conduct</li> <li>› Ambitious GHG Emissions Reduction Roadmap to achieve carbon neutrality across Scope 1 and 2 emissions by 2035</li> <li>› Renewable Energy program to purchase green electricity for all our sites; 32% of electricity purchased from renewable sources in 2024</li> </ul> <p>Further details: "Our Approach to ESG", "Emissions", and "Resources and Energy"</p>



**SDG 9 | Industry, innovation, and infrastructure**  
**Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation**

We pioneer innovative products across diverse markets and industries, tailored to driving the development of energy-efficient products and applications.

Target	Our contributions
<p>9.4</p> <p>By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.</p>	<ul style="list-style-type: none"> <li>› Providing innovative, e.g., wide band gap (WBG) and silicon carbide- or gallium nitride-based semiconductors geared toward boosting energy efficiency in products and applications</li> <li>› \$200 million investment in Nexperia's Hamburg (Germany) facility in 2024 and 2025 to advance the development and production of WBG semiconductors, including SiC and GaN</li> <li>› Product innovation: over 800 new products annually</li> </ul> <p>Further details: "New Product Design" and "Our Company and Business"</p>
<p>9.5</p> <p>Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per one million people and public and private research and development spending.</p>	<ul style="list-style-type: none"> <li>› 14 R&amp;D centers worldwide</li> <li>› R&amp;D investment of \$156 million in 2024 (2023: \$147 million)</li> <li>› R&amp;D staff of over 1,150 experts (FTE) in 2024 (2023: 1,122 FTE)</li> </ul> <p>Further details: "Our Company and Business"</p>



**SDG 12 | Responsible consumption and production**  
**Ensure sustainable consumption and production patterns**

We aim to be carbon neutral across Scopes 1 and 2 by 2035 and use resources efficiently. We reduce and recycle waste, source renewable energy, and report on our sustainability performance.

Target	Our contributions
<p>12.2</p> <p>By 2030, achieve the sustainable management and efficient use of natural resources.</p>	<ul style="list-style-type: none"> <li>› Comprehensive Environmental Management System (ISO 14001-certified), targets, and performance (“Environmental Management at Nexperia”)</li> <li>› Commitment to carbon neutrality: net-zero emissions for Scope 1 and 2 by 2035 (“Emissions”)</li> <li>› Launch of Product Carbon Footprint (PCF) project in 2024 (“Emissions”)</li> <li>› Green electricity purchases and renewable energy projects (“Emissions” and “Resources and Energy”)</li> </ul>
<p>12.5</p> <p>By 2030, substantially reduce waste generation through prevention, reduction, recycling, and reuse.</p>	<ul style="list-style-type: none"> <li>› Recycling activities and waste reduction initiatives</li> <li>› In 2024, 86% of regular waste in our manufacturing sites was recycled, based on definitions from local legislation</li> </ul> <p>Further Details: “Waste Management”</p>
<p>12.6</p> <p>Encourage companies, especially large and transnational companies, to adopt sustainable practices and to integrate sustainability information into their reporting cycle.</p>	<ul style="list-style-type: none"> <li>› Continuous voluntary annual non-financial ESG disclosures since 2022 (GRI standards)</li> <li>› Extensive preparations for compliance with the EU’s Corporate Sustainability Reporting Directive (CSRD)</li> </ul> <p>Further Details: “Our Sustainability Report” and “Our Approach to ESG”</p>



**SDG 13 | Climate action**  
**Take urgent action to combat climate change and its impacts**

We are committed to climate action and aligning our business with the Paris Agreement. We aim to achieve net-zero emissions across Scopes 1 and 2 by 2035.

Target	Our contributions
<p>13.2</p> <p>Integrate climate change measures into national policies, strategies, and planning.</p>	<ul style="list-style-type: none"> <li>› Ambitious GHG Emissions Reduction Roadmap launched in 2023 (“Emissions”)</li> <li>› Assessment of climate-related risks and opportunities (“Our Approach to ESG” and “Environmental Management”)</li> <li>› Launch of Product Carbon Footprint (PCF) project in 2024 (“Emissions”)</li> <li>› Ongoing renewable energy projects with a special focus on switching to purchased renewable electricity (“Emissions” and “Resources and Energy”)</li> <li>› Energy efficiency measures to optimize energy consumption and performance (“Emissions” and “Resources and Energy”)</li> </ul>

# ESG Risk Rating

## Relevant GRI Standards:

3-3

Nexperia transparently monitors and communicates progress toward the Company's environmental, social, and governance (ESG) goals. This includes providing investors with insights that enable informed investment decisions on business activities that promote more sustainable long-term development. For this purpose, we liaise with renowned agencies to evaluate our ESG performance.



## ECOVADIS SUSTAINABILITY RATING GOLD - TOP 5%

*In April 2025, Nexperia received its second EcoVadis rating and was awarded a gold medal for the second consecutive year. In a competitive comparison, Nexperia reached the 98<sup>th</sup> percentile. The EcoVadis score (0-100) reflects the quality of a company's sustainability management system at the time of the assessment.*

*This result places Nexperia among the top 5% of companies in our industry assessed by EcoVadis in the past 12 months.*

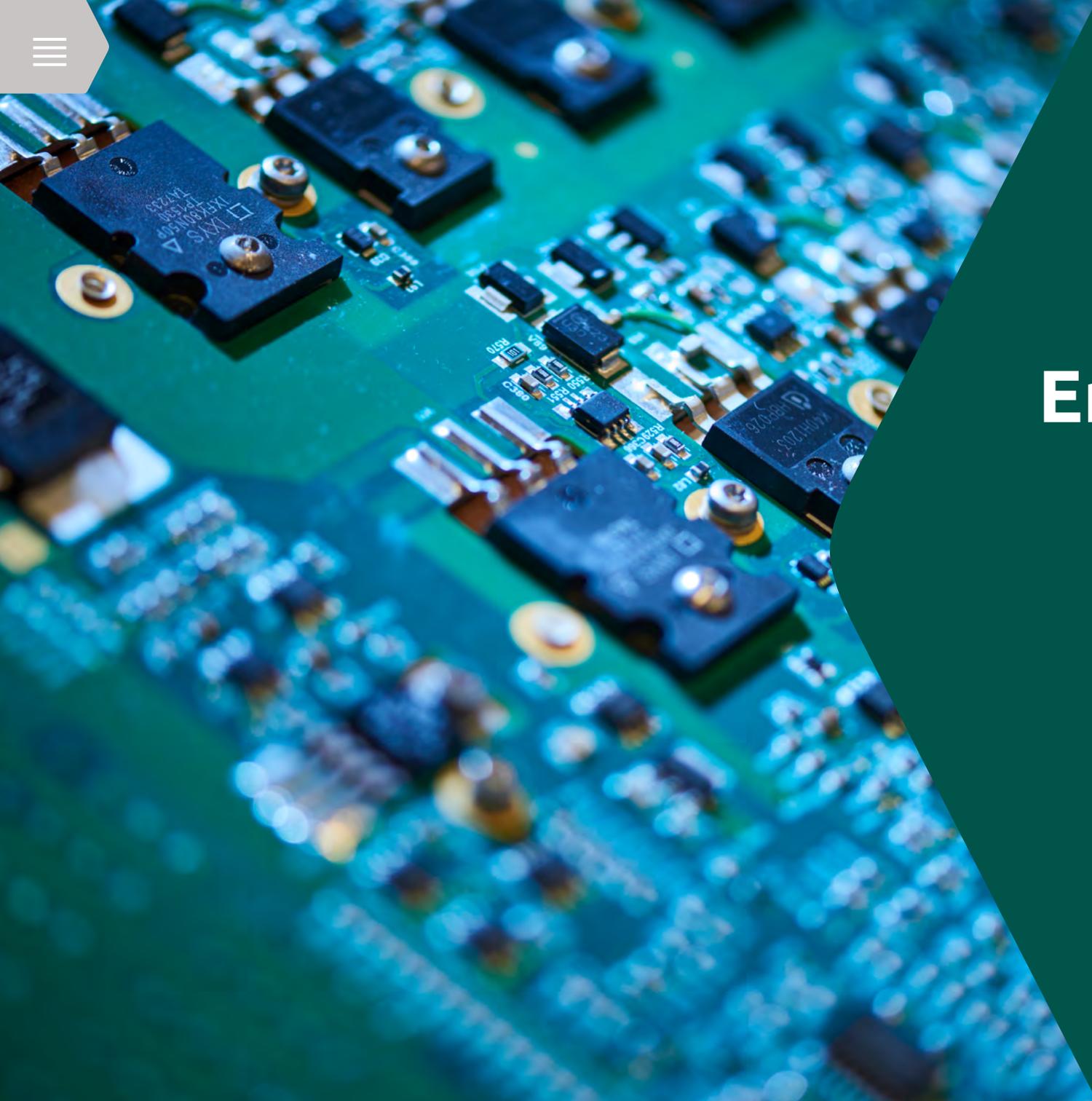
## Sustainability-Linked loan

In December 2023, Nexperia successfully signed a \$800 million senior sustainability-linked loan (SLL), reaffirming the Company's leading industry position regarding ESG factors and its commitment to environmental and social ambitions (for further details, see our Annual Report).

The SLL includes environmental and social Key Performance Indicators (KPIs). This method incentivizes environmentally and socially sustainable economic growth and innovation. The SLL's KPIs primarily relate to greenhouse gas emissions and gender diversity, with a focus on including more women in management positions. With these KPIs, the SLL directly reflects our strategy and target of achieving carbon neutrality by 2035 for Scope 1 and 2 emissions and reaching 30% women in management positions by 2030.

For additional transparency and robust governance, Morningstar Sustainability supported the SLL's KPIs with a second-party opinion. A third party provides independent annual assurance.





# Environmental Reporting

# Environmental Management at Nexperia

## Relevant GRI Standards:

2-9, 2-13, 2-28, 3-3, 301, 302, 303, 305, 306

We take a proactive approach to sustainability by implementing robust management systems and incorporating environmentally friendly practices across our operations. As a signatory to the UN Global Compact, we adhere to its three core environmental principles:

1

Businesses should support a precautionary approach to environmental challenges

2

Undertake initiatives to promote greater environmental responsibility

3

Encourage the development and diffusion of environmentally friendly technologies

In addition to following our Code of Conduct and Sustainability Policy, we adhere to these principles by managing our material environmental topics in accordance with certified management systems. To ensure a consistent alignment of our global strategy, we have unified our management systems (including all corporate documents and policies) to create the Nexperia Management System. It follows the structured approach of the ISO 14001 environmental management systems standard, helping us drive continuous improvement in relevant environmental areas.

Our Environmental Management System is certified to ISO 14001. It covers our headquarters and all manufacturing sites<sup>1</sup>, totaling 90% of Nexperia's global employees. Our compliance with the management systems standard is verified through external audits by the certification body. ISO 14001 requires us to

identify, control, and reduce the environmental impact of our operations. It also requires us to establish policies, processes, and procedures to manage all material environmental aspects in a way that is legally compliant and minimizes our environmental impact. As a result, the list of environmental factors relevant to Nexperia exceeds the material topics covered in this Sustainability Report.

We assess our environmental impacts, risks, and opportunities and set goals and objectives to enhance our positive outcomes while reducing negative ones. To achieve our goals, we implement various programs and processes, monitor them quarterly using Key Performance Indicators (KPIs), and update our goals and programs annually. The KPIs, goals, and objectives are described in the respective chapters of this report.

Additionally, as part of our Responsible Business Alliance (RBA) membership, each of our manufacturing sites must complete an annual RBA self-assessment questionnaire that covers environmental topics and management systems. These self-assessments help us



<sup>1</sup> Our new site in Wuxi (China) is not yet covered by the certificate, as it had no commercial activity in 2024.

identify and evaluate potentially significant environmental risks at our manufacturing sites and establish appropriate mitigation and control measures.

Our sustainable corporate governance structure is embedded in the Nexperia Management System, detailed in the "Our Approach to ESG" chapter of this report. Our Chief Operations Officer (COO) has overall accountability for the general Nexperia Management System, which includes environmental management. The Head of Global Environment, Health and Safety (EHS) is accountable for the implementation of our global EHS Management

System. They are supported by the Manager EHS Management System, who is responsible for the system's documentation and coordinating EHS certification. Additional environmental topics such as ECO-Products, chemicals management, and audit support are managed by specialized positions. Local EHS managers and teams provide extra support and function as Nexperia's EHS team. Our Vice President Front End Operations, Global Real Estate and Facilities, and EHS is responsible for the effectiveness of the Management System.

Our internal environmental data management software allows us to track company-wide metrics and performance targets set by our management. We report our data and update our management teams every quarter to ensure transparent progress and continually identify new areas of development and improvement.

We also conduct annual internal audits at our headquarters and manufacturing sites to maintain compliance with the ISO 14001 management system standards. Additionally, we perform internal annual audits at our Hamburg (Germany) site to comply with the ISO 50001 energy management system. We conduct these audits in line with the global audit procedure guideline to ensure standardized audits across all sites.

Nexperia's Data Management System tracks and calculates our environmental data for each site to provide a global overview of our performance. Each site submits its environmental data every quarter, which is analyzed, validated, and reported at the corporate level.

The validation stage comprises three steps:

- › We check the completeness of the data to ensure all sites and parameters have been measured and reported. We then compare the latest data against the previous reporting years to identify any significant changes. If any are identified, we assess their magnitude and investigate their causes.
- › We investigate external factors that may have impacted the data, such as power outages or weather events.
- › We validate the data to ensure it is accurate and reflects our actual environmental performance.

If data from previous years deviates by more than 2% due to changes in the basis or errors identified in data collection, we correct the data and issue appropriate instructions.

## ADJUSTMENTS TO REPORTED ENVIRONMENTAL, HEALTH AND SAFETY (EHS) DATA

*Nexperia's 2024 Sustainability Report does not include environmental data from the Newport (UK) front-end wafer fab, as it was divested in March 2024. We adjusted our GHG emissions data in accordance with the respective requirements of the GHG Protocol. The following chapters present our adjusted environmental data for 2021, 2022 (the base year for our GHG target), and 2023.*

*Our site in Wuxi (China) is not covered in the "Environmental Reporting" section and the "Health & Safety" chapter of this report, as there was no commercial activity in 2024.*

# Emissions

Relevant GRI Standards:

3-3, 305

## Introduction and management approach

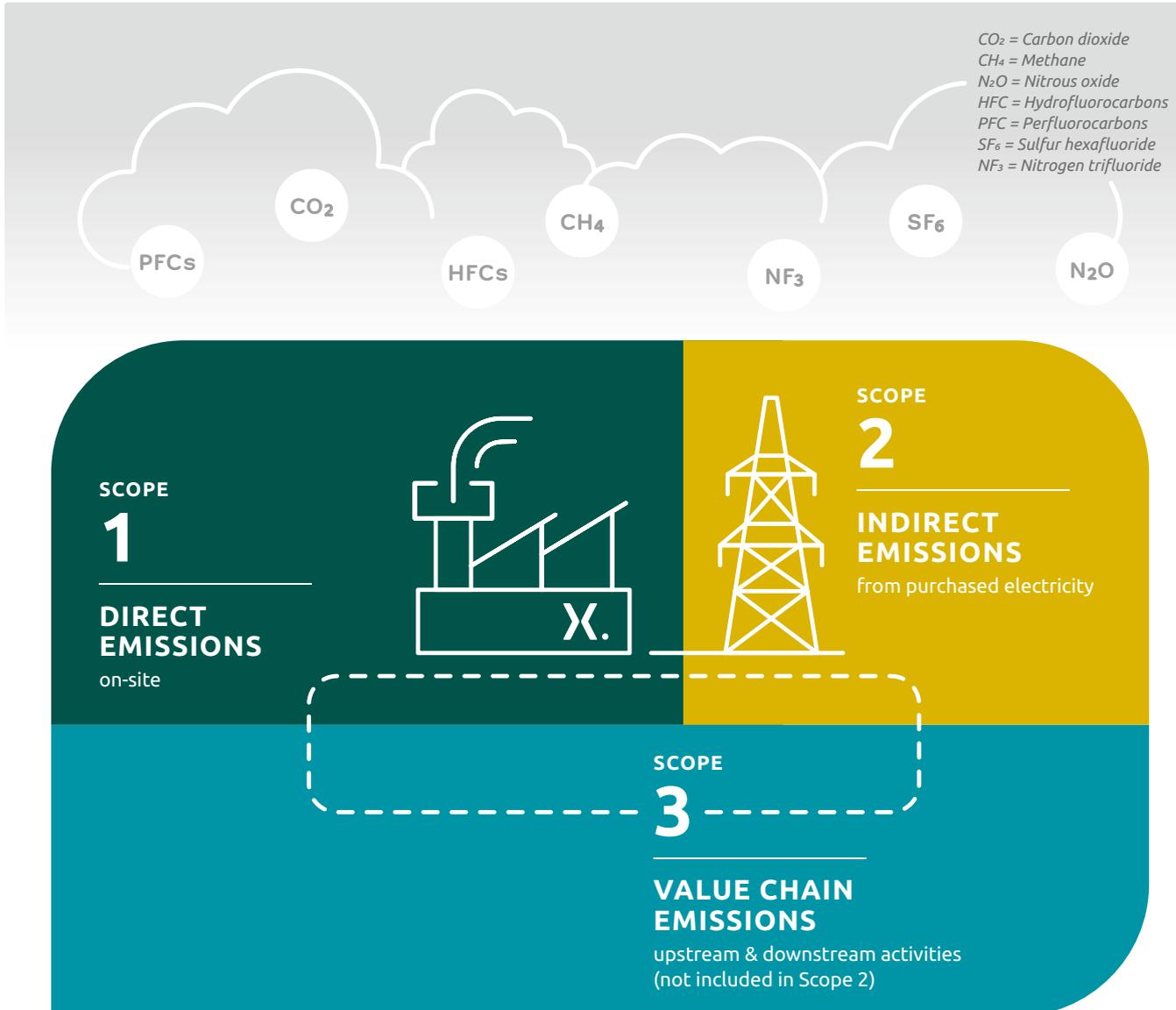
As the impacts of climate change continue intensifying worldwide, companies in all industries are being held accountable for their carbon footprint and environmental impact. As a semiconductor company, we recognize that we must take responsibility for our greenhouse gas (GHG) emissions, which trap heat in Earth's atmosphere and contribute to global warming and climate change. The 1997 UN Kyoto Protocol defined the main greenhouse gases as carbon dioxide (CO<sub>2</sub>), methane (CH<sub>4</sub>), nitrous oxide (N<sub>2</sub>O), sulfur hexafluoride (SF<sub>6</sub>), nitrogen trifluoride (NF<sub>3</sub>), and fluorinated gases, summarized as hydrofluorocarbons (HFCs) and perfluorocarbons (PFCs). Even though sulfur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>) do not belong to the group of PFCs, it is common in the semiconductor industry to report these emissions together as PFC emissions. Therefore, PFCs are often regarded as "perfluorinated compounds." In this chapter, we use PFC to mean perfluorinated compounds, which include sulfur hexafluoride (SF<sub>6</sub>) and nitrogen trifluoride (NF<sub>3</sub>).

Scope 1, 2, and 3 emissions refer to the different GHG emissions that comprise an organization's overall carbon footprint. At Nexperia, we track our Scope 1 emissions, which we generate internally through on-site manufacturing and stationary fuel combustion. We also monitor our Scope 2 emissions, which are generated externally from the electricity we purchase from utilities. We are currently in the process of developing our approach to Scope 3 emissions, i.e., indirect emissions generated across our upstream and downstream value chain.

As our industry evolves and semiconductors grow in capacity, their manufacturing is becoming more complex and energy and chemical intensive. In 2024, Nexperia decreased its Scope 1 and 2 emissions by 15.6% compared to 2023. To further mitigate our environmental impact while our business continues growing, we remain committed to optimizing our processes, embracing sustainable alternatives, and decreasing our direct GHG emissions where possible.



### Definition of greenhouse gas emissions



Our structure for managing GHG emissions is described in the “Environmental Management at Nexperia” chapter of this report. The topic of GHG and non-GHG emissions is part of our Responsible Business Alliance (RBA) Validated Assessment Programs (VAP) audits and internal audits in line with our Environmental Management System. The topic of Nexperia’s physical and transitional climate risks is part of our enterprise risk management and, therefore, within the responsibility scope of Nexperia’s Board. We are committed to elevating our climate risk management procedures and managing all relevant climate risks.

This chapter focuses on our primary sources of carbon emissions: purchased electricity, use of PFCs, nitrous oxide, fossil fuels we combust directly, and heat-transfer fluids (HTFs), which are integral substances used in semiconductor manufacturing to transfer heat from one point to another. Nexperia is committed to increasing its contribution to a net-zero economy: our long-term target is to be carbon neutral across our global operations by 2035, including direct operational emissions (Scope 1) and indirect emissions associated with electricity procurement (Scope 2). Due to the lack of technological solutions that will be available by 2035 and the calculation methods to be used, e.g., for PFC emissions, we are aware that some emissions cannot be avoided and must be offset through compensation.

In 2023, we introduced a comprehensive GHG Emissions Reduction Roadmap. It summarizes our strategic approach to achieving carbon neutrality, which includes quantified targets, emission-reducing initiatives, and expert partnerships. It also gives stakeholders a transparent view of our ongoing progress in key environmental, social, and governance (ESG) topics.

## Our approach: Nexperia's GHG Emissions Reduction Roadmap toward carbon neutrality

Our GHG Emissions Reduction Roadmap underscores our commitment to sustainable business growth and provides an efficient and realistic pathway to achieving carbon neutrality by 2035 (for Scope 1 and 2 emissions). We have also set mid-term goals as progress milestones: we aim to reduce our Scope 1 and 2 emissions by 4% a year between 2024 and 2029, via a linear reduction against a 2022 baseline. We calculate our carbon footprint using the GHG Protocol, an internationally recognized standard for quantifying and reporting GHG emissions.

### Project governance and strategic management

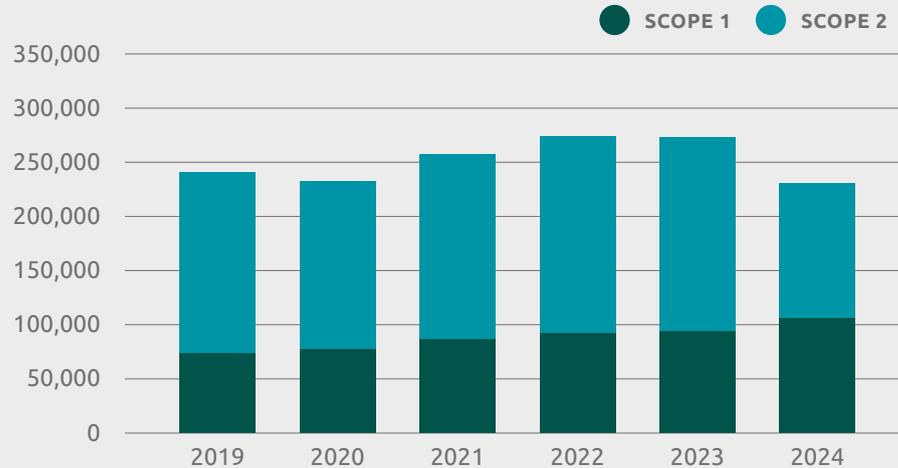
Robust project governance is the backbone of our GHG Emissions Reduction Roadmap, and accountability across our organization is vital. For these reasons, we have established a multidisciplinary team responsible for our Roadmap's day-to-day management and implementation. It comprises experts in sustainability, technology, and project management to coordinate and align the various complex and interrelated topics.

Given the semiconductor industry's dynamic nature and unique resource requirements, achieving carbon neutrality poses a significant challenge for Nexperia. In response, we emphasize continuously developing our internal expertise and building partnerships with industry peers, governmental bodies, and sustainability organizations (see the "Our Approach to ESG" chapter). We also proactively consult external experts, who have made valuable contributions to developing our Roadmap and incorporating best practices from the countries and regions where we operate.

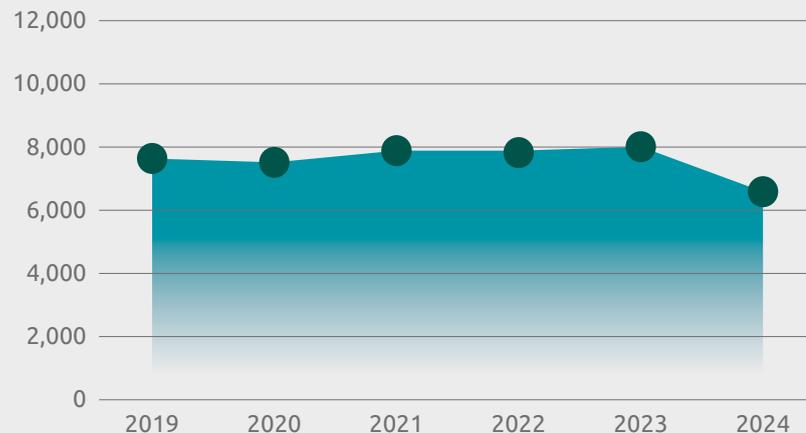
### Keyword: carbon neutral

Carbon neutrality refers to activities that release zero carbon emissions (and equivalents) into the atmosphere. The first steps toward this goal are tracking emissions and working to reduce them as much as possible. Nexperia uses the term carbon neutrality to reference achieving net-zero emissions in our operations (Scopes 1 and 2) by 2035. We will offset any (direct or indirect) remaining emissions we cannot avoid through activities that remove carbon dioxide from the atmosphere.

**Scope 1 & 2 Emissions – tons CO<sub>2</sub>e**



**Normalized Scope 1 & 2 Emissions – kg CO<sub>2</sub>e/m<sup>2</sup>**



**Nexperia’s path toward carbon neutrality: reducing Scope 1 and 2 emissions**

In 2024, we took various measures to monitor and reduce our global Scope 1 and 2 emissions in line with our GHG Emissions Reduction Roadmap.

Overall, our absolute Scope 1 and 2 emissions decreased by 15.6% compared to 2023 and 16.1% compared to the baseline year 2022. Our normalized Scope 1 and 2 emissions decreased by 17.7% compared to 2023. Considering the long-term development of normalized emissions, we have achieved a 30% reduction since Nexperia’s foundation in 2017, driven by our collective efforts over the previous decade.



*New in 2025: at our site in Cabuyao (the Philippines), a new system of solar PV system will be fully operational by April 2025. Once complete, it will meet part of the site’s electricity needs with clean energy.*

### Reducing Scope 1 emissions

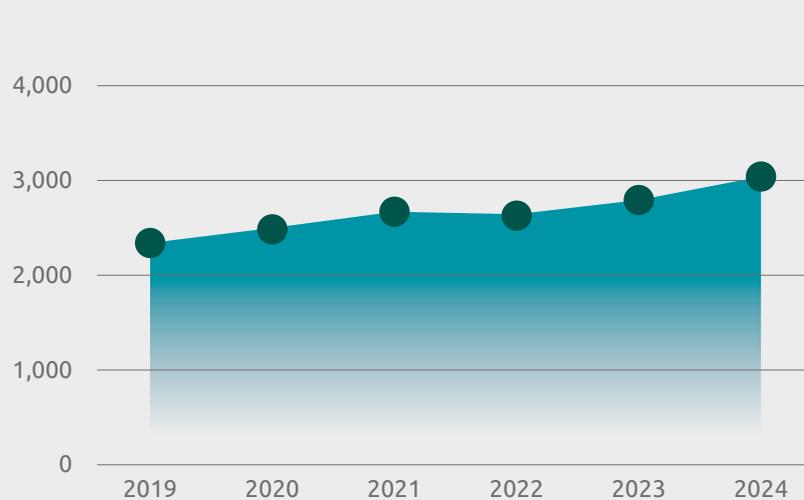
Nexperia's Scope 1 emissions are those directly released by our activities, including consuming or burning fossil fuels (e.g., natural gas, diesel, liquefied petroleum gas (LPG), and gasoline), using PFCs and N<sub>2</sub>O, and releasing HTFs. Nexperia does not produce biogenic Scope 1 emissions or emissions from ozone-depleting substances. To reduce our Scope 1 emissions, we focus on designing or installing more efficient equipment, substituting chemicals with more sustainable alternatives, and optimizing our manufacturing processes.

PFCs are essential for semiconductor manufacturing, and there are currently no alternatives available. Despite this challenge, we have taken measures to minimize their environmental impact, including signing the Memorandum of Agreement in Europe and supporting the Global Semiconductor Industry PFC voluntary agreement. While our PFC consumption increased in 2024 due to greater product complexity, our absolute PFC emissions increased by only 6.6% to 58,210 tons of CO<sub>2</sub> equivalent (tCO<sub>2</sub>e), and our normalized PFC emissions by 3% compared to 2023. The 6.6% increase in absolute PFC emissions was caused by an updated calculation model that takes new global warming potentials into account. Therefore, the

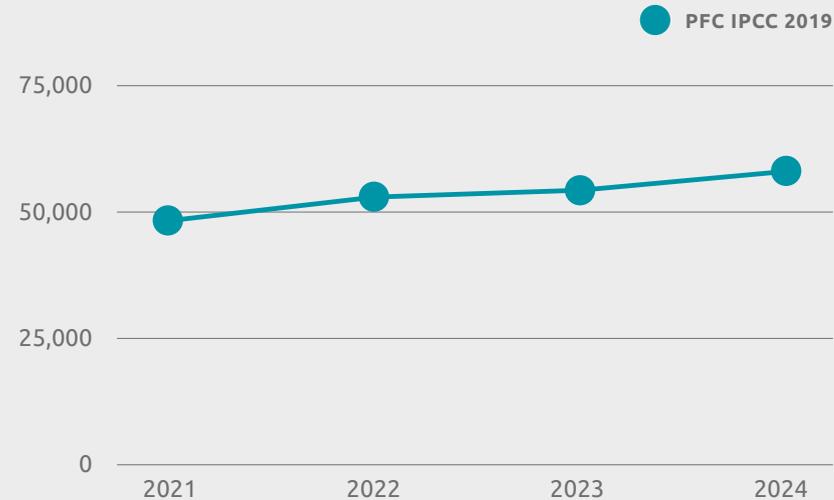
data from 2024 is not directly comparable with data from previous years. Our calculation of PFC emissions is based on the IPCC 2019, AR6, tier 2c model.

Having continually optimized our processes in recent years to reduce CO<sub>2</sub>e emissions, it has become difficult to achieve additional large-scale reductions. Nevertheless, we embraced this challenge by establishing a new program in 2022 to further reduce our Scope 1 CO<sub>2</sub> emissions and our normalized PFC emissions by 2025. Our PFC Policy aims to lower PFC emissions to less than 1.25 tCO<sub>2</sub>e per m<sup>2</sup> (2024: 1.66 tCO<sub>2</sub>e per m<sup>2</sup>).

#### Normalized Scope 1 Emissions – kg CO<sub>2</sub>e/m<sup>2</sup>



#### PFC Emissions – tons CO<sub>2</sub>e



*As the calculation of PFCs has changed twice in recent years, only the data from 2021 onward is shown. The data for 2021–2023 is calculated using the IPCC 2019, AR5, tier 2c model; data for 2024 with the IPCC 2019, AR6, tier 2c model.*



Another large share of our GHG emissions comes from using fossil fuels, primarily for natural gas heating and generating electricity and heat in combined heat and power (CHP) plants. Our fossil fuel consumption varies, as it is primarily tied to weather conditions and their associated fluctuating temperatures. We also use diesel fuel to power emergency systems and small amounts of LPG in Nexperia staff catering facilities, especially in Seremban (Malaysia) and Cabuyao (the Philippines). We use N<sub>2</sub>O in several stages of our manufacturing processes, including chemical vapor deposition and diffusion. In 2024, our CO<sub>2</sub> equivalent emissions caused by N<sub>2</sub>O usage increased by 11%. Of this increase in CO<sub>2</sub> equivalent emissions, 3% was due to an updated calculation model that considers new global warming potentials. Therefore, the data from 2024 is not directly comparable with that of previous years. We calculate our N<sub>2</sub>O emissions based on the IPCC 2019, AR6, tier 2c model.

### CALCULATING PERFLUORINATED COMPOUNDS (PFCs)

*In the semiconductor industry, CO<sub>2</sub>e emissions from PFCs are determined using a scientific accounting model based on research by the Intergovernmental Panel on Climate Change (IPCC).<sup>2</sup> In 2019, the IPCC refined its 2006 Guidelines for National Greenhouse Gas Inventories (IPCC 2006) and released a new accounting model, IPCC 2019, to be used for 2023 data onward.*

*In 2024, new global warming potentials for the fluorinated compounds were added to the accounting model (IPCC, GWP in the Sixth*

*Assessment Report (AR6)). Based on these new global warming potentials, Nexperia's emissions increased by 7% compared to the previous accounting model (IPCC 2019, AR5, tier 2c). In 2024, we used the new model IPCC 2019, AR6, tier 2c.*

*Despite this increase, we remain committed to our PFC Policy and strive to achieve a value of <1.25 tons CO<sub>2</sub>e/m<sup>2</sup> (data recalculated for IPCC 2019 tier 2c) by 2025. In 2024, our value was 1.66 tons of CO<sub>2</sub>e/m<sup>2</sup>.*

<sup>2</sup> see [Refinement to the 2006 IPCC Guidelines](#) and [IPCC Global Warming Potential Values](#)

### Reducing Scope 2 emissions

Nexperia's Scope 2 emissions are generated externally from the electricity we purchase from utilities. Since our foundation in 2017, we have followed a calculated and practical approach to increasing our use of renewable electricity. We seek to foster long-term partnerships with relevant stakeholders to ensure internationally accepted renewable electricity contracts and certifications. This approach facilitates CO<sub>2</sub> reductions across our back-end sites by utilizing credible renewable electricity procurement strategies tailored to our manufacturing sites' locations and energy markets. These mechanisms include corporate power purchase agreements (PPAs), energy attribute certificates (EACs), green tariffs, on-site power generation, and other bespoke solutions.

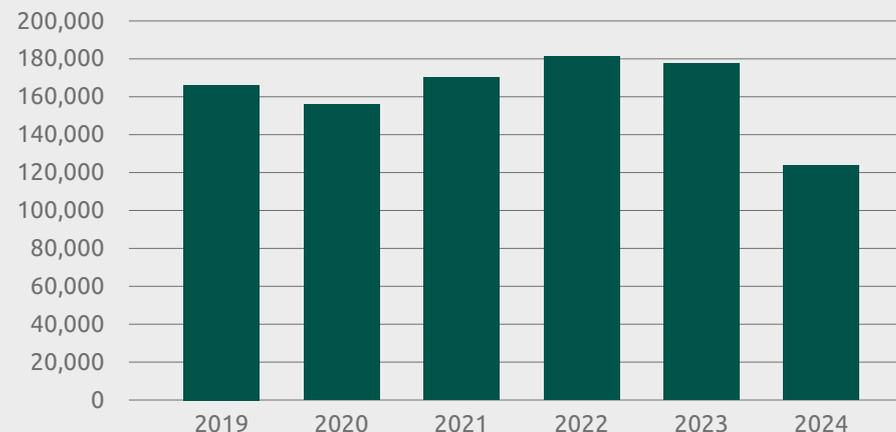
As a semiconductor company, our operations involve complex product manufacturing processes that require significant amounts of electricity. In 2024, we started procuring around 20% renewable electricity for our sites in Dongguan (China) and Cabuyao (the Philippines). As a result, our absolute Scope 2 emissions decreased by 30% in 2024, while our normalized Scope 2 emissions decreased by 32% compared to 2023. We calculate our Scope 2 emissions using the GHG Protocol's market-based approach.

Our ongoing sustainability efforts have decreased our absolute Scope 2 emissions by 33% and our normalized value by a remarkable 51% compared to 2017. This substantial improvement reinforces our commitment to reducing our emissions intensity as we expand our operations. We continue exploring new opportunities to minimize our Scope 2 emissions, such as investing in renewable electricity sources, improving operational efficiency, and investigating alternative energy sources.

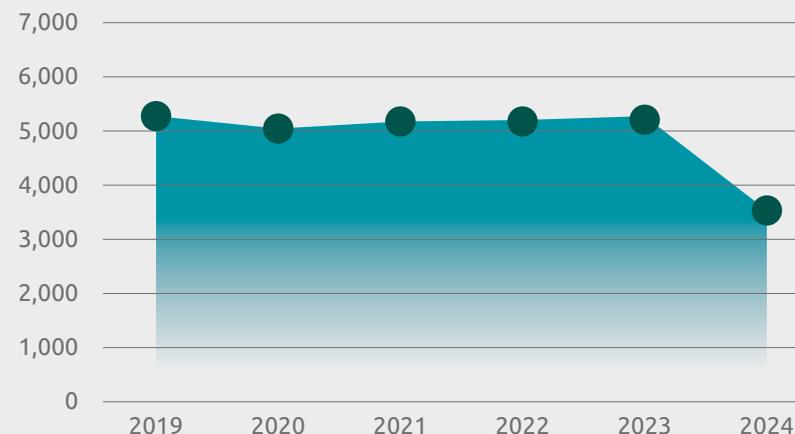
### Reducing Scope 3 emissions

Nexperia's Scope 3 emissions are indirect emissions (not included in Scope 2) generated across our value chain, including both upstream and downstream emissions. We do not currently report our Scope 3 emissions but are planning the required steps for accurate and complete Scope 3 data collection.

### Scope 2 Emissions – tons CO<sub>2</sub>e



### Normalized Scope 2 Emissions – kg CO<sub>2</sub>e/m<sup>2</sup>



### Non-greenhouse gas emissions

While GHG emissions negatively influence Earth’s climate, there are many other substances emitted by companies that can negatively impact human and environmental health. Of these non-GHG emissions, nitrogen oxides (NOx) and volatile organic compounds (VOCs) are most relevant to Nexperia. These emissions primarily result from our CHP plants and manufacturing processes that use chemical solvents in the photolithography process, as well as emissions from boilers and emergency generators.

NOx emissions result mainly from burning fossil fuels in power plants or abatement systems. They contribute to the formation of smog, which can lead to respiratory problems and intensify existing heart and lung diseases. In 2024, our NOx emissions decreased by 2% to 21 tons.

VOCs, such as chemical solvents, are used in the photolithographic processes of semiconductor manufacturing. Their use results in VOC emissions that remain even after passing through exhaust air treatment systems. These emissions contribute to the formation of ground-level ozone, which is harmful to human health and the environment. Our VOC emissions decreased by 21% in 2024 to 19 tons.

### Product Carbon Footprint (PCF) project

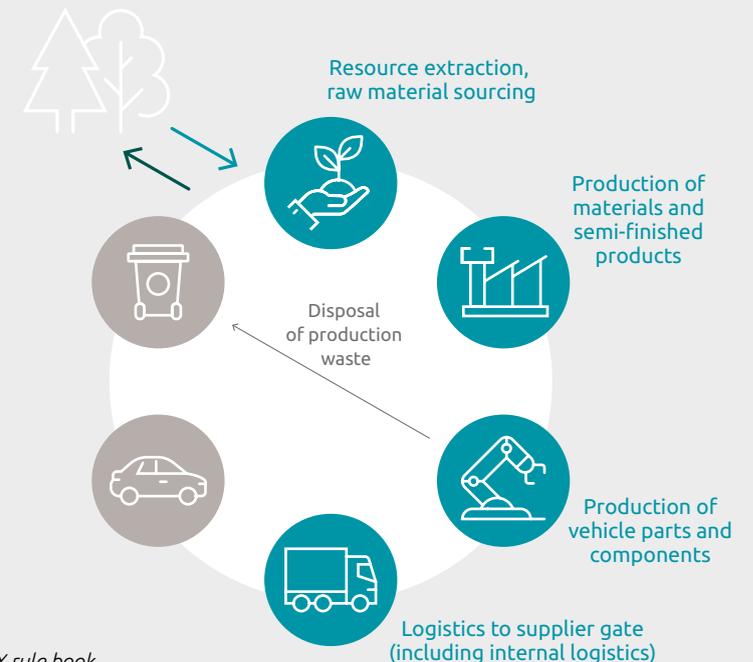
We took a significant stride toward sustainability by launching our Product Carbon Footprint (PCF) project, which measures a product’s greenhouse gas (GHG) emissions. This data is becoming increasingly important as more customers demand transparency and accountability in the products they purchase.

Initiated in Q4 2024, our PCF project is led by a dedicated cross-functional team under the guidance of our Sustainability Office. The team ensures that the PCF data adheres to the Catena-X rulebook and ISO standard 14067, assuring accuracy and reliability.

Nexperia calculates the cradle-to-gate PCF, which includes emissions from upstream processes as well as our internal processes until the product leaves the gate. This approach provides a detailed understanding of the product’s environmental footprint, helping Nexperia and its customers make more informed, eco-friendly decisions.

The key emission sources of the PCF project include:<sup>3</sup>

- › Raw material sourcing
- › Front-end and mid-end processes such as wafer manufacturing and bumping, back-end packaging (BE), and external manufacturing (EM)
- › Primary and secondary product packing materials
- › Disposal of production waste
- › Logistics to Nexperia’s gate (including internal logistics)



<sup>3</sup> See cradle-to-gate PCF calculation according to the Catena-X rule book

# Resources and Energy

## Relevant GRI Standards:

3-3, 301, 302

## Overview and management approach

In the semiconductor industry, efficient resource and energy management is critical to improving sustainability. Nexperia's key materials include lead frames, mold compounds, raw silicon wafers, processing chemicals, and various equipment and spare parts. As producing semiconductors also requires significant amounts of energy, we continuously analyze our materials and energy use to find new ways to improve.

Our Procurement department is responsible for sourcing materials. At the board level, our Chief Procurement Officer (CPO) holds overall accountability and reports relevant information to the other board members. Our formal procurement process is detailed in the "Responsible Sourcing and Supplier Engagement" chapter of this report. The Procurement

department works closely within the Environment, Health and Safety (EHS) Management structure described in the "Environmental Management at Nexperia" chapter.

Our certified Environmental Management System governs our energy efficiency initiatives and the environmental aspects of our material procurement. Our site in Hamburg (Germany) is certified to ISO 50001, a global standard in energy management systems. Our compliance with this standard underscores our commitment to reducing energy consumption and increasing operational efficiency.



## Our approach: improving efficiency and embracing renewable energy

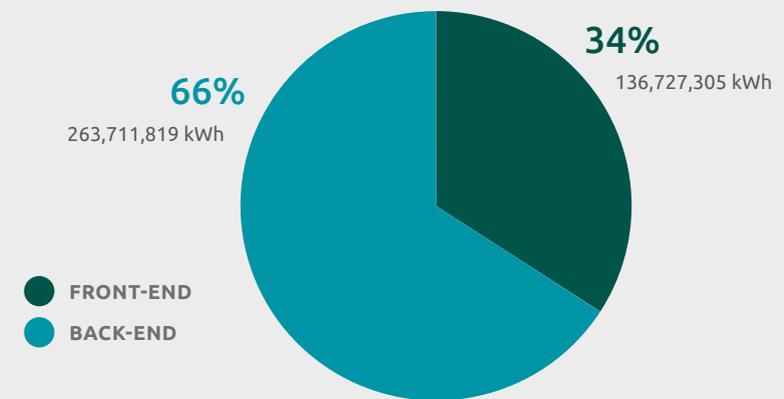
Our manufacturing sites draw the majority of their electricity from the power grid and, where possible, purchase renewable electricity. However, in regions where reliable and abundant renewable sources are not yet available, we rely on electricity generated from fossil fuels. We also use natural gas to produce electricity and heat efficiently through combined heat and power (CHP) plants. These plants are essential for powering the heating, cooling, and humidity management equipment in our manufacturing processes. We also use abatement systems that effectively decompose climate-damaging process gases. In emergencies, we use small amounts of diesel in generators to mitigate power outages and maintain our emergency systems.

We have steadily increased our production capacity since the foundation of our company. At the same time, we are manufacturing increasingly complex products and introducing new process technologies to create more environmentally friendly solutions for end users. As these advanced products and process technologies require more energy,

our manufacturing sites continually work to optimize their processes and replace or upgrade equipment to minimize energy use. Additionally, as part of our EHS Management System, we set annual targets for each site to incrementally decrease its electricity consumption, supported by specific reduction and efficiency measures such as integrating advanced low-energy technologies in our production lines and running targeted employee awareness campaigns.

In 2024, while our absolute electricity consumption decreased by 3% compared to 2023, these efficiency measures reduced our normalized electricity consumption (kWh/m<sup>2</sup>) by 10% compared to 2017.

### Electricity Consumption 2024



*Distribution between front-end (FE – Hamburg, Manchester) and back-end (BE – Dongguan, Seremban, and Cabuyao) factories.*

In parallel with our efforts to reduce electricity consumption, we are committed to increasing our use of renewable electricity. Globally, around 32% of our purchased electricity comes from renewable sources (in accordance with RE100/GHG Protocol). While we are exploring opportunities to utilize more renewable electricity in our back-end facilities, sourcing renewables poses unique challenges in some regions. The Asian market, for example, features diverse regulatory landscapes across many different countries. In response, we strive to develop effective solutions tailored to each site, working closely with local experts to gain detailed knowledge about evolving markets.

We disclose our electricity consumption based on both purchased electricity and our overall electricity mix:

- › Purchased electricity: 32% of the electricity we procure is sourced exclusively from renewable generation and verified through renewable energy certificates. The remaining 68% is sourced from the grid.
- › Overall electricity mix: in addition to purchasing electricity, we generate electricity on-site, such as through CHP plants powered by natural gas.

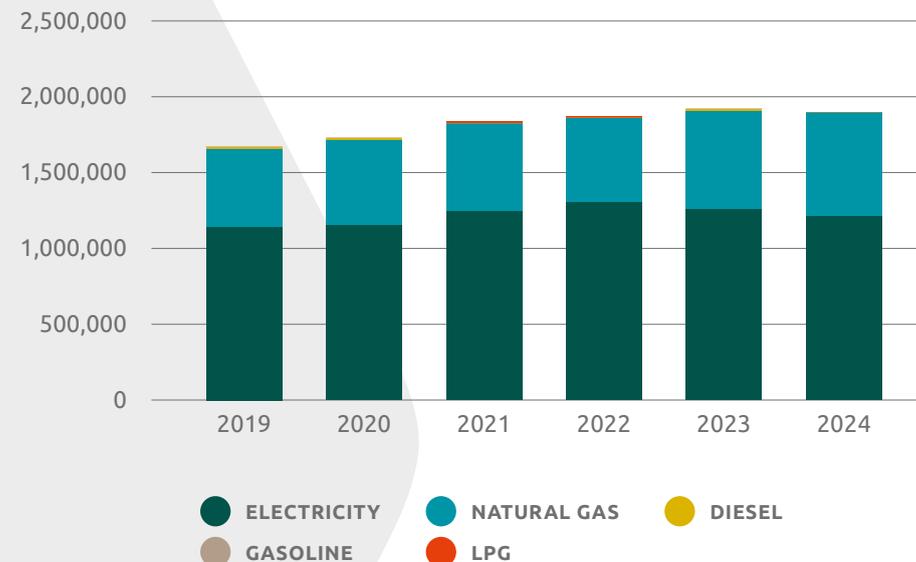
Globally, 57% of our electricity comes from the grid, 16% from our own production, and 27% from renewable sources.

Along with electricity, we rely on several fossil fuels in our operations. These include natural gas, diesel, and small amounts of gasoline and liquified petrol gas (LPG). We primarily use natural gas to generate electricity and heat efficiently, heat buildings, produce steam for humidity, and power our emissions-abatement equipment. Our use of natural gas is influenced by external weather conditions and our internal production activities. In 2024, our natural gas consumption increased by 6.7%.

We also use emergency diesel generators to support our essential safety systems during power outages. Our diesel consumption varies depending on the frequency of testing and the need for emergency systems. In addition to natural gas and diesel, we use gasoline in forklifts and LPG in some of our on-site cafeterias.

In 2024, Nexperia consumed around 1,909,860 GJ of energy globally. The energy intensity recorded as GJ/m<sup>2</sup> amounted to 54 GJ/m<sup>2</sup>.

### Energy Consumption 2024 – GJ



(GJ)	2024
Electricity	1,215,161
Natural Gas	690,632
Diesel	1,941
Gasoline	132
LPG	1,994
<b>Total</b>	<b>1,909,860</b>

Energy consumption of our manufacturing sites in GJ

## Our approach: using resources carefully and efficiently

As a large-scale semiconductor manufacturer, we utilize various resources that can have environmental and socioeconomic impacts. A notable category among these is the wide range of materials we use in our production processes. We carefully select materials that minimize our impact on people and the environment while meeting strict quality specifications and purity requirements. We pay particular attention to substances of mineral origin that may come from conflict-affected and high-risk areas (CAHRAs). These materials, while essential to our manufacturing processes, require the responsible sourcing measures detailed in our “Responsible Sourcing and Supplier Engagement” chapter.

Chemicals are another vital resource category in semiconductor manufacturing. To mitigate potential adverse effects, we implement ongoing containment actions and, where possible, substitute potentially harmful chemicals with safer alternatives. Our Environmental Management System includes a Chemicals Management System that allows us to thoroughly review all chemicals used in our manufacturing and support processes and identify those that require special attention.

We also continuously explore opportunities to use recycled materials in our processes. These include reclaimed or refurbished wafers, recycled gold, and sputtering targets, whose metal layers are used for deposition and whose copper backplates are subsequently recycled. Our sustainability efforts extend to applying shield cleaning instead of purchasing new components and reusing manufacturers' wafer cassettes for transport to back-end sites.

These initiatives are just a few ways we are making semiconductor production more sustainable, efficient, and ethical. In line with our sustainability roadmap, we will continue intensifying our focus on responsible and green material sourcing across our operations.

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**Focused on energy conservation,  
we strive to develop effective, site-specific  
solutions by working closely with local  
experts to gain detailed knowledge about  
evolving markets.**

# Water and Wastewater Management

Relevant GRI Standards:

3-3, 303



## Overview and management approach

Water is a critical natural resource, and it is also essential for Nexperia's semiconductor production. As part of our commitment to sustainability, we strive to use water responsibly, working to preserve natural water resources and minimize our impact on communities and the environment. These aims are reflected in our global water strategy, which focuses on conservation, recycling, and high standards for wastewater treatment and discharge.

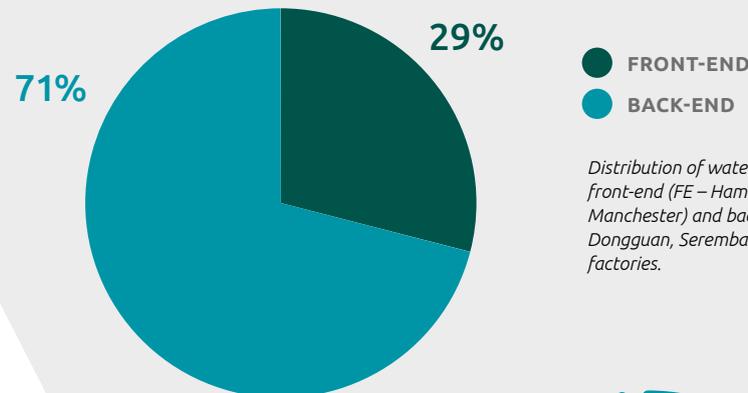
Through our Sustainability Policy, we are committed to reducing our relative overall water use and consumption as we continue growing as a company. We strive to reuse water wherever possible and have implemented reduction programs at all our sites.

Water and wastewater management are integral aspects of our Environmental, Health and Safety (EHS) Management System, outlined in the "Environmental Management at Nexperia" chapter of this report. We also conduct risk assessments to calculate more general

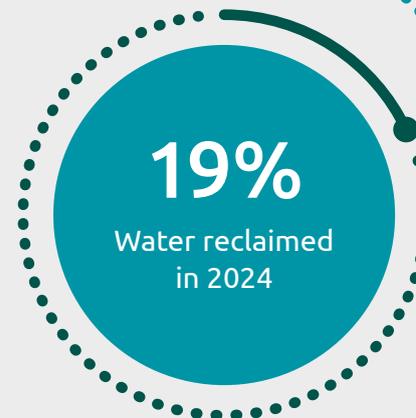
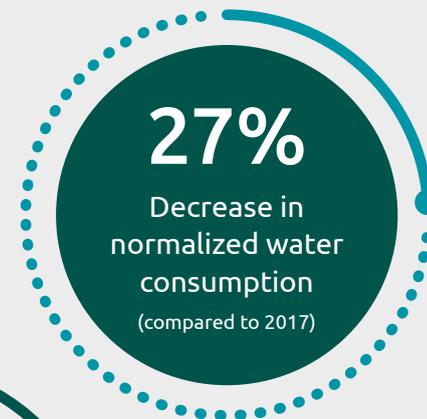
water-related risks, such as flooding or tsunamis, and have established crisis management plans to address these potential hazards.

As part of our commitment to conserving water, we place a particular focus on water-scarce areas. For example, many of our manufacturing and testing facilities are in regions that may become vulnerable to prolonged droughts associated with climate change, leading to resource scarcity. Using a location-based approach, our manufacturing facilities assess the impacts of water scarcity and identify best practices to conserve and recycle water to meet our goals.

Water Consumption 2024



Distribution of water use between front-end (FE – Hamburg, Manchester) and back-end (BE – Dongguan, Seremban, Cabuyao) factories.



Water Performance 2024

## Our approach: understanding and reducing our water footprint

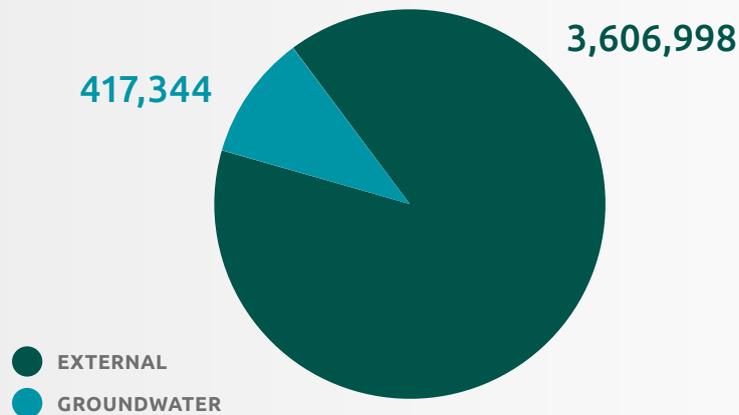
Even before Nexperia was established in 2017, we continually worked to conserve water – for over 30 years at some facilities – and achieved considerable savings in relation to our output. While the success of these efforts prior to our base year of 2017 means additional large-scale reductions are no longer practical, we continuously emphasize the use of more efficient tools, seek new opportunities to recycle water, and strive to optimize our processes. As a result, we have kept our water consumption relatively low compared to 2017 and substantially reduced our normalized water footprint since our foundation.

We believe it is also essential to understand the broader impacts of water availability on society and the environment. In addition to impacting our manufacturing sites, water access affects other industrial, agricultural, and residential users in the regions where we operate. By using less water, we can help increase the supply for others in our communities. Therefore, our global water approach focuses on water conservation and recycling while maintaining high standards for our wastewater treatment and discharge.

We also understand that our water demands will rise as our production increases and that it is not viable to dramatically reduce the total amount of water we use in our manufacturing processes. Therefore, we are working to increase our water recycling rate compared to previous years. In 2024, we reclaimed 19% of our water, amounting to nearly 1 million cubic meters of water globally.

To measure and manage our water use effectively, we use the water-related KPI “cubic meters water usage per square meter produced silicon.” This KPI allows us to set and monitor yearly targets to reduce the water intensity of our manufacturing sites. We track our progress through regular EHS reporting and analysis, which ensure we continuously improve our water efficiency and management.

Water Withdrawal 2024 – m<sup>3</sup>



Source of water withdrawal – 417,344 m<sup>3</sup> are from own extraction (groundwater in Manchester); the rest is purchased.

We treat our industrial wastewater on-site to prevent environmental pollution, in line with local requirements and our Environmental Management System. The treated industrial wastewater, as well as further wastewater flows from the air-conditioning of production rooms, sanitary facilities, or canteens, are discharged in accordance with local laws and permits. Parts of the water also evaporate.

In addition, our Stormwater Management Policy aims to prevent the release of pollutants into the environment during stormwater runoff. All our manufacturing sites complete the included risk assessment template, which forms a risk evaluation for each location. The water management requirements and procedures are fully auditable and guarantee our compliance with laws and regulations in our countries of operation. We also periodically monitor and control the effectiveness of all related measures.

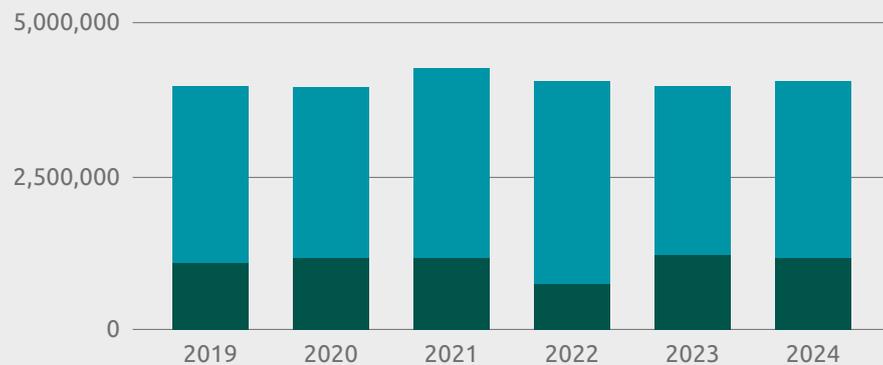
Local authorities define substances of concern in wastewater streams in the discharge permits, and we continually analyze and review their acceptable limits. These measures help to progressively reduce our impacts on water availability and the environment.

We monitor water data at the site level in compliance with local requirements. Our sites then enter their data into our company-wide environmental data management software each quarter, where it is checked and analyzed

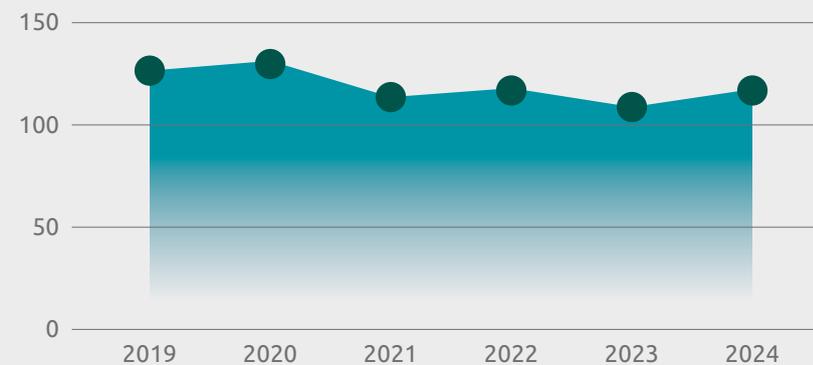
centrally. We source approximately 90% of our water from third-party providers and extract the remaining amounts internally from groundwater sources.

Total Water Consumption – m<sup>3</sup>

● FRONT-END ● BACK-END



Normalized Water Consumption – m<sup>3</sup>/m<sup>2</sup>



# Waste Management

Relevant GRI Standards:

3-3, 306

## Overview and management approach

Semiconductor manufacturing generates hazardous and non-hazardous waste streams, including solvents, acids, and metal plating waste. Our operations also produce paper, plastic, wood, metal, electronic, kitchen, and general office waste. We understand that reducing or eliminating waste streams contributes to greater operational efficiencies and a more sustainable circular economy.

At Nexperia, waste management is part of our Environmental Management System, detailed in the “Environmental Management at Nexperia” chapter of this report. Our commitment to reducing all waste is reflected in our Code of Conduct, Sustainability Policy, and our ongoing efforts to phase out hazardous substances wherever possible.

Nexperia maintains high standards when it comes to waste management. Each site closely monitors its generated waste and separates it based on its type and specific handling or disposal requirements. To ensure the safe and proper disposal of waste – particularly hazardous materials – we collaborate with partners who specialize in handling particular types of waste.



## Our approach: reducing, recycling, and handling waste carefully

We generate regular and ongoing hazardous and non-hazardous waste in our manufacturing activities, offices, and canteens. We also produce so-called one-time waste in construction and other manufacturing. Our waste handling methods for either type comply with all local rules and regulations.

At our manufacturing sites, we collect manufacturing waste, including acids, solvents, waste molding compounds, and hazardous waste from metal plating; office waste, including paper, cardboard, and beverage containers; canteen waste, such as food and other compostable items; and items from support operations, including scrap metal, wood, and coolant chemicals. Each site separates its waste using appropriate disposal methods based on levels of hazardousness.

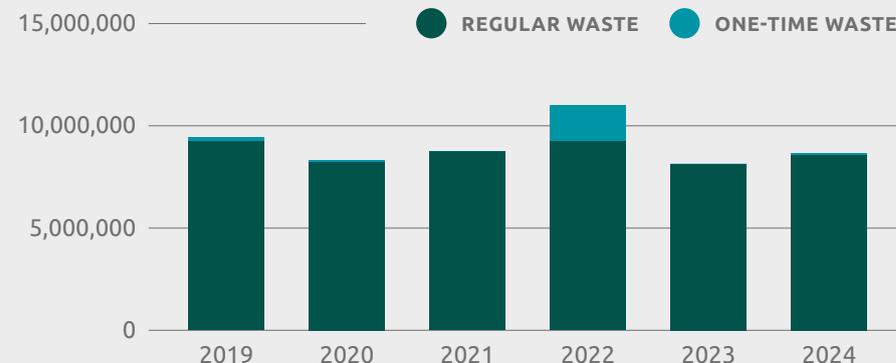
The main goal of our waste management is to reduce or completely eliminate waste or waste streams. For waste that cannot be avoided, we continuously seek solutions to increase reuse or recycling. In 2024, we recycled 86% of the regular waste in our manufacturing sites, based on definitions from local legislation.

At the beginning of each calendar year, we set recycling rate targets for each manufacturing site. We then monitor and record each site's monthly waste generation and compare its recycling rates to its target, serving as the primary Key Performance Indicator for waste. We also consolidate this data on a global level. If a site is not on target, the general environmental management teams and local staff collaborate to identify the reasons and explore potential corrective actions.

We track each manufacturing site's waste consumption for recycled and reused non-hazardous and hazardous waste in our EHS database every quarter.

In addition to these initiatives to reduce, reuse, and recycle waste at our sites worldwide, we are continuously exploring new and innovative ways to minimize waste and promote sustainability.

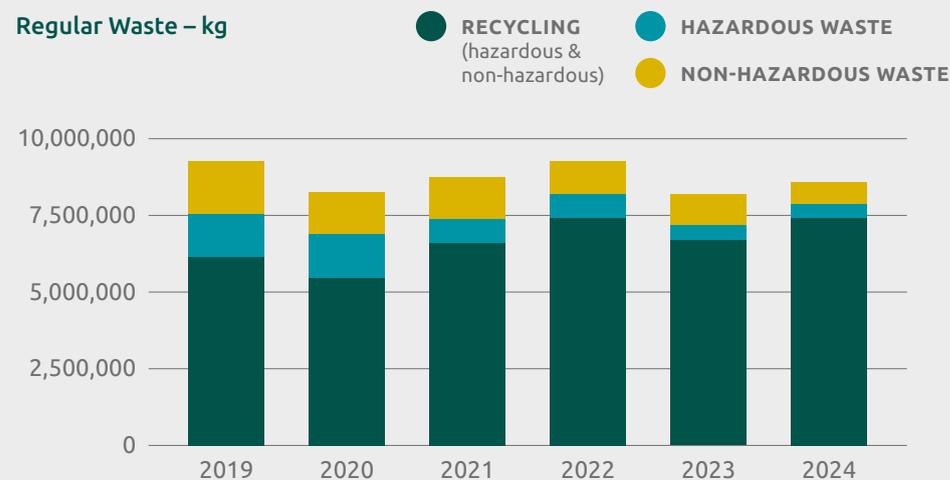
Waste – kg



Regular waste is defined as recycled, non-hazardous, or hazardous waste generated during normal production activities.

One-time waste is defined as recycled, non-hazardous, or hazardous waste generated outside normal production activities. Examples are building or rebuilding work, building demolition, cleanup after moving premises, replacement of equipment, etc.

Regular Waste – kg





# Social Reporting

# People Management at TeamNexperia

## Relevant GRI Standards:

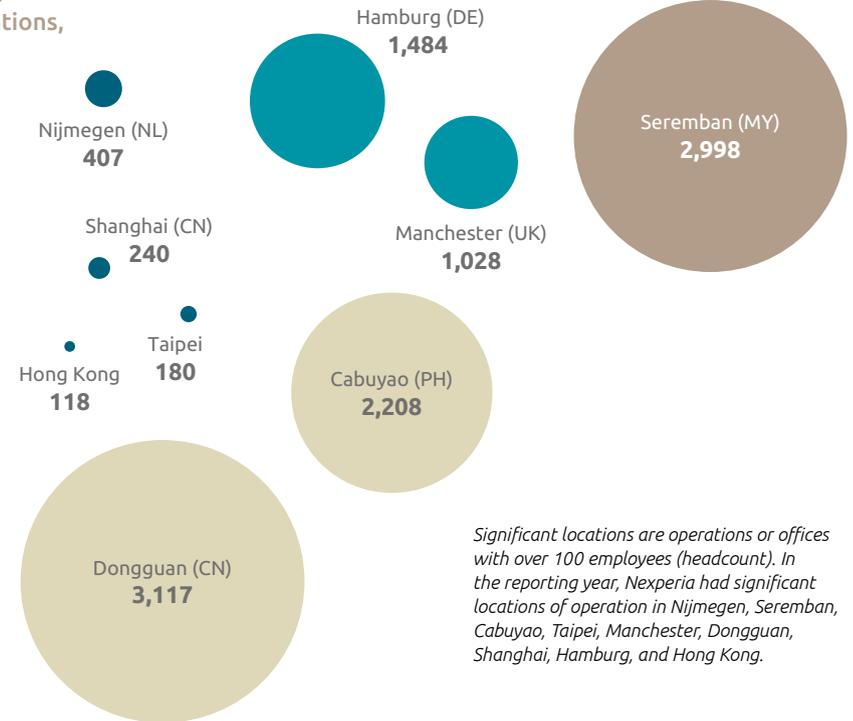
2-7, 2-30, 3-3, 401, 402, 404, 405, 406, 407

## Overview and strategic approach

Nexperia's people drive our mission to create some of the world's most advanced semiconductors. Our employees foster a collaborative ecosystem of ideas, energy, and innovation to develop products that enrich our daily lives. As a geographically and culturally diverse workforce, we are multidisciplinary, multitasking, and always striving to learn and grow. Despite our varied backgrounds, we are united by shared values and a common purpose.

We are committed to maintaining a safe and secure workplace where every employee can achieve a positive work-life balance and is treated with respect and dignity.

## Nexperia Employees 2024 (Significant Locations, 100+ workforce)



Significant locations are operations or offices with over 100 employees (headcount). In the reporting year, Nexperia had significant locations of operation in Nijmegen, Seremban, Cabuyao, Taipei, Manchester, Dongguan, Shanghai, Hamburg, and Hong Kong.

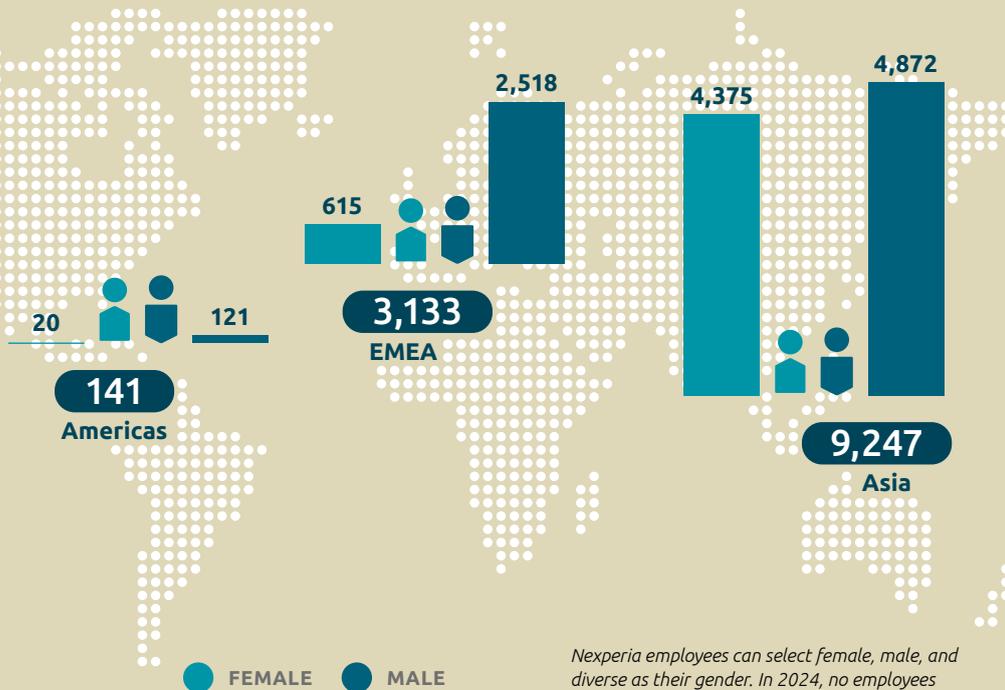
We have various policies that shape how we work, interact, and manage our human resources (HR) responsibilities. In addition to the general values outlined in Nexperia's **Code of Conduct** and Sustainability Policy, we are guided by our TeamNexperia values. They help our team members navigate their careers and grow within our organization. We developed these values organically during our early years, and they reflect the spirit and best practices of our employees. They also embody our company culture and define who we are to our people and the world.





### Our TeamNexperia values

#### Workforce Employees by Region (December 31, 2024)



Nexperia employees can select female, male, and diverse as their gender. In 2024, no employees identified as diverse.

### Our approach: managing TeamNexperia

As a responsible employer, we work to comply with applicable regulations and legal agreements. We also regularly engage in social dialogue with employee representation bodies, such as workers' councils at the site level and trade unions at sectoral and national levels. We have collective bargaining agreements in place in several countries, including Germany, the Philippines, the Netherlands, and the UK. As a result, collective bargaining agreements cover around 34% of our global workforce.

We also support the aim of the International Labor Organization (ILO) to promote and realize universally accepted labor standards. We respect and recognize our employees' freedom to establish, join, or be represented by an organization, trade union, or employee group of their choice. Across all our global sites, our employees also have the freedom to associate and the right to collective bargaining as provided by local statutes.

In our operating model, the HR function distinguishes three crucial roles with unique focus areas. These roles work together to balance various objectives that are important to the Company:

1

HR Business Partners safeguard and drive the impact of people on business performance and strategy execution.

2

Country HR oversees our adherence to and compliance with relevant legislation, maintains industrial relations, and ensures our local operational processes run smoothly.

3

Centers of Expertise (CoE) support businesses, functions, and countries in their areas of expertise while driving quality, professionalism, consistency, and innovation throughout the Company.

Our HR Leadership Team (HRLT) works to balance these three roles and facilitate constructive dialogue in policymaking and performance management. Within this structure, Nexperia's Chief Human Resources Officer (CHRO) serves as the primary escalation point. We structure our country HR management teams into HR generalists, local HR specialists, and payroll experts. This structure allows Nexperia to expand without altering its organizational design.

We rely on a solid foundation of data collection to manage our workforce effectively. Therefore, we use a global Human Resources Information System (HRIS). At the site level, HR enters all employee data into this system, including job details, personal data, compensation information, and other work-related data. On a global level, the HRIS team can access all data and generate reports to collate employee information. Individual sites use additional systems for time registration and payroll.

As the success of our company depends on maintaining a motivated, well-trained workforce, we continually address the current and emerging challenges facing our HR departments as part of a human capital risk assessment. These challenges include the increasing competition for skilled personnel, rising trends of remote work and more diverse teams, and ageing demographics in key locations.

#### Our approach to addressing HR challenges



**Conducting regular and more objective talent reviews by appraising performance KPIs and including formal assessment committees in the process.**



**Supporting Nexperia's growth ambitions by incorporating internal and external benchmarking to ensure we achieve our bottom-line results.**



**Investing in human capital and expanding into new regions and countries to achieve leading industry performance.**



**Engaging and retaining new and existing talent to support and enhance a unique and differentiated product portfolio.**

# Talent Attraction and Retention

Relevant GRI Standards:

3-3, 201, 401

## Our approach: striving to be an attractive employer

As a leading manufacturer in the dynamic and fast-moving technology sector, we aim to continually attract, nurture, and retain world-class talent. We support this aim by striving to create engaging and productive work environments that welcome new employees and empower existing team members to progress within the Company. We believe our status as an attractive employer stems from Nexperia's strengths and offerings, which include:

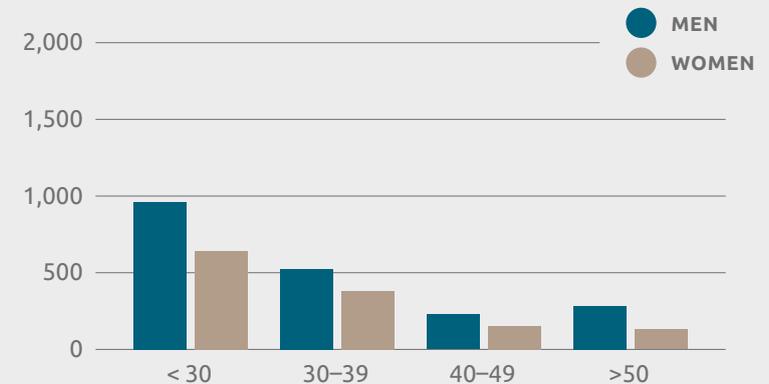
- › Our commitment to an inclusive and diverse corporate culture (detailed in the "Diversity, Non-Discrimination, and Inclusion" chapter).
- › Offering competitive compensation and benefits packages.
- › Investing in each individual's professional and personal development (detailed in the "Talent Development" chapter).



We are committed to supporting the success of TeamNexperia and making all employees feel valued and appreciated. As part of these goals, we acknowledge the long tenure of employees who joined us prior to Nexperia's foundation in 2017. Our employees' loyalty to the organization and its preceding companies is also reflected in the high average length of service. For example,

our average employment length in Hamburg (Germany) is 13.7 years. Other regions show similar results, with 10.3 years at our site in Cabuyao (the Philippines) and 9.1 years in Manchester (UK). In 2024, our employee retention rate for indirect employees reached 91%, demonstrating our ability to maintain a stable and engaged workforce.

Staff Departure by Gender & Age



Staff departures in 2024 by gender and age, including voluntary resignations and other reasons for leaving. Nexperia employees can select female, male, and diverse as their gender. In 2024, no employees identified as diverse.

We manage the material topic of “Talent Attraction and Retention” as part of our HR management approach described in the “People Management at Nexperia” chapter of this report. We use our Human Resource Information System (HRIS) to measure the success of our initiatives and progress toward talent attraction and retention targets. Our key data points and KPIs include our retention rates and the time between job postings and hires (time to fill).

In addition to the HRIS, we conduct an employee engagement survey every two years to understand our employees’ thoughts, perspectives, and concerns. We conducted the last survey in 2023 and the next is scheduled for Q4 2025.

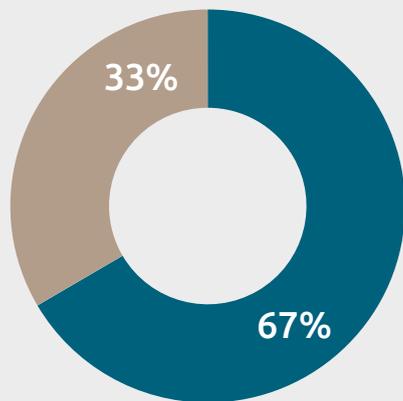
The survey covers our global workforce and includes questions on various HR-related categories, such as:

- › Clarity of direction
- › Continuous improvement
- › Employment engagement
- › Customer focus
- › Performance management
- › Resources and support
- › Manager relationship
- › Employment empowerment
- › Teamwork and collaboration
- › Growth and development
- › Recognition and rewards
- › Values
- › Well-being

We engage with our employees through regular dialogue and at key stages such as hirings and staff exits. This valuable feedback helps us enhance our corporate culture and the working conditions for our employees. During feedback processes, our teams present and discuss results internally, coordinated by their managers.

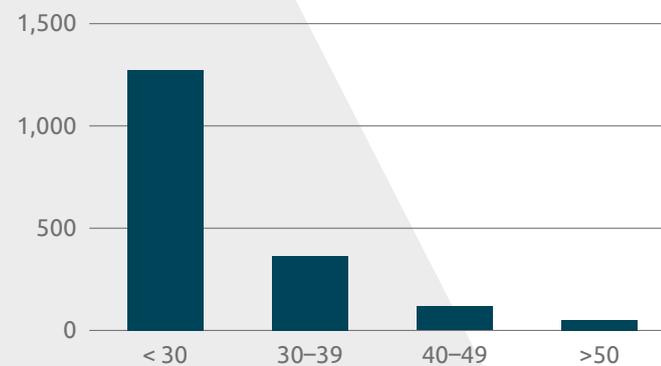
We use two important KPIs to measure the progress of our action plans: a high response rate and a high overall favorability rating. In our last employee survey conducted in 2023, the global response rate was 93% and the overall favorability of working at Nexperia was 84.7%, a 4.4% decrease from our previous survey in 2021. Overall, our most favorable scoring category was customer focus, with all items scoring above 80% favorable.

New Employees by Gender



● MALE ● FEMALE

New Employees by Age



Despite declines across all categories since 2021, our employee survey results still exceed the external norms of our providers and industry peers. Our employees positively rated the growth and development opportunities at Nexperia and showed interest in sharing their views on improving their workplace experience (93%). Based on this feedback, we implemented the following measures to act on their feedback:

- › Our lab community, supported by other business groups, aims to recognize employee accomplishments with quarterly appreciation events, including sending winning recipients to an external technical conference.
- › Our businesses are working to improve the clarity and consistency of manager goal-setting to ensure employees feel they are paid fairly for their work and understand what is needed to be a top achiever.
- › To eliminate unnecessary bureaucracy, our managers are more clearly defining accountability and examples of responsible behavior. They also work with employees to identify inefficiencies in their job roles and prescribe corrective actions.

## Employee benefits

We aim to support all members of TeamNexperia with comprehensive employee benefits that improve their work-life balance. In addition to competitive compensation and annual paid leave at each site, we offer our employees annual incentive plans (linked to company performance) and sales incentive plans, where appropriate. To show appreciation for our team members and their work, we award long-term service prizes to employees in some countries. To support the ongoing well-being of our employees, we provide discounted collective health insurance and pension plans. We also help our employees balance their work and family planning activities with pregnancy and maternity leave, parental leave, adoption, and foster care leave. In addition, we provide the following country-specific benefits:

- › In Malaysia, our discounted collective health insurance also extends to employees' children.
- › In the Netherlands, employees are entitled to take long-term carer's leave to support family members facing life-threatening circumstances.
- › In Germany and Hungary, we offer employees nursery and daycare support.

We also provide advice to all employees through our Employee Assistance Programs, which cover subjects such as work-life balance, managing life changes, parenting, and others.

In addition to state pension plans, our employees in several countries receive company pension benefits, either as a defined benefit plan or a defined contribution plan. Our defined benefit plans are differentiated by offering either pensions or post-retirement medical benefits. The benefits generally depend on factors such as an employee's length of service, contributions, and compensation. They also factor in relevant labor, tax, and social security laws in the countries where Nexperia is located.

Starting in 2027, Nexperia will be subject to reporting obligations under the EU Pay Transparency Directive. In 2024, we took initial steps toward compliance, including a data analysis of existing pay gaps and assessing measures to reduce them. We will align our implementation of these measures with deployments by EU member states.

## Attracting young talents: Nexperia's corporate trainee and apprenticeship programs

Our corporate trainee programs are essential to attracting and retaining the brightest young talent. These programs offer valuable learning opportunities and foster a culture of mentorship and growth within our company, aligned with our commitment to supporting and retaining top talent.

We operate dedicated young talent programs at each of our major manufacturing sites. In 2024, our graduate programs across all manufacturing sites recruited and developed 85 graduates. These programs ranged from nine to 36 months, and all participants were offered permanent contracts upon completion. In 2025, we aim to expand our graduate program to increase our global reach and attract more outstanding young talents we can develop into future leaders.

### Nexperia graduate program 2024

Program  
duration

9 to 36  
months

85

Graduates

Permanent  
contracts  
offered to all  
participants.



# Talent Development

Relevant GRI Standards:

3-3, 404

As Nexperia's success relies on our people and their abilities, it is vital that we continuously grow together to sustainably achieve our corporate objectives. To this end, our talent development has three specific pillars:



**Ensure we have the right talent to implement our strategy**



**Build robust pipelines for the future**



**Encourage every individual to reach their full potential**

These pillars guide our efforts and help streamline our development actions. Importantly, we strive to maintain and achieve all three at the same time, which presents a sophisticated balancing act for our leaders and HR experts.



## Cultivating talent to realize our strategic ambitions

Our performance management approach reflects our belief that how we conduct ourselves is just as important as what we achieve. Therefore, during our annual review cycle, we evaluate indirect employees on their behavior as well as their impact. Indirect employees are those who do not work on the product directly, but work for the overall business. All managers receive a one-hour training session in preparation for the performance management process. We also utilize performance review calibrations – in which managers discuss their proposed reviews with other managers – to ensure fairness, objectivity, and consistency.

For our direct employees working as operators in manufacturing sites, we have our own performance management system in place. It differs from country to country and is locally managed by HR. For example, in Hamburg (Germany) and Manchester (UK), we conduct annual performance appraisals with employees, typically 12 months after they join Nexperia and at further review intervals. In Seremban (Malaysia), Cabuyao (the Philippines), and Dongguan (China), every operator has a monthly KPI – including output, quality, yield, and personal behavior – which determines their end-of-year performance rating and incentive payment. All newly hired direct labor employees receive a complete orientation one or two days before commencing work. These orientations cover Nexperia's policies, environment, health and safety awareness, and our quality mindset.

## Mutual responsibility and calibrated assessments

We take a shared approach to aligning our company ambitions, the contribution requirements of each position, and individual performance. Within this approach, we expect our employees to seek clarity and feedback to improve their performance and our managers to actively provide clear and constructive feedback. We encourage our employees and managers to make this a continuous dialogue, which we augment with a formal appraisal once a year. Throughout the year, our HR structure enables all employees and managers to request direct feedback from any person at any time. To ensure this dialogue remains honest and open, constructive feedback from employees must never result in personal consequences. Employees can also give anonymous feedback via our SpeakUp Line, which is described in more detail in the [“Business Integrity and Ethics”](#) chapter of this report.

To maintain consistency and fairness, our appraisals and feedback undergo a calibration cycle before they are finalized and discussed with the employee.

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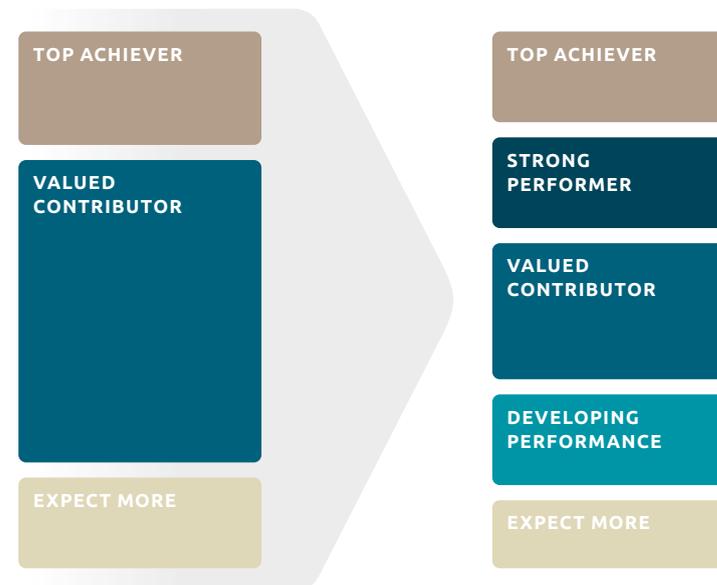
**Our success depends on our people. Growing our people to their full potential creates a strong, robust internal talent pipeline and makes Nexperia a rewarding place to develop a career.**

## Performance management in 2024: introducing a five-point performance rating scale for more accurate and helpful feedback

In 2024, we focused on improving the feedback given to employees during their performance appraisals. We updated our Performance Management System by replacing the three-point rating scale with a five-point scale that provides more nuanced evaluations. While the categories in our three-point scale – top achiever (TA), valued contributor (VC), and expect more (EM) – provided an effective framework, they were not granular enough to adequately capture the performance of employees between TA and VC, or VC and EM. As a solution, we added two new options: strong performer (SP) for employees performing above average, and developing performance (DP) for employees still developing toward their expected performance levels.

In 2023, one of our key talent development activities was linking individual goals to Nexperia's overall strategic objectives. This alignment allowed employees to see how their contributions directly impact the Company's performance, fostering a sense of purpose and engagement. In 2024, 81% of employee goals were linked to department goals. We also continued monitoring and promoting the feedback appraisal system, which we introduced to our performance review process in 2023. We encouraged employees to actively seek feedback from a broader range of stakeholders, including project managers and dotted-line managers, who oversee employees' assignments without being their direct line managers.

### Implementing our five-point performance rating scale

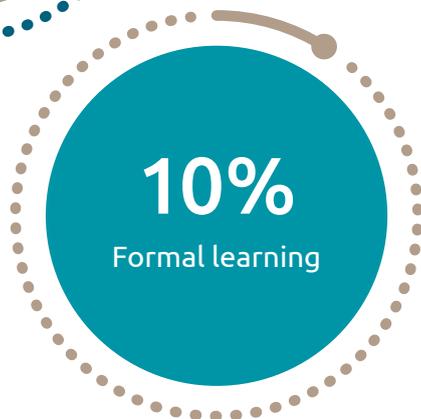


*The more nuanced evaluation categories in our new five-point-scales: top achiever (TA), strong performer (SP, formerly valued contributor + (VC+)), valued contributor (VC), developing performance (DP, formerly VC-) and expect more (EM)*

**Our performance management process and system evolves to provide fair evaluations and more accurate feedback. This allows us to celebrate and nurture our employees' talents and cultivate a thriving environment of growth and excellence.**



### Learning approach



## Utilizing the “70-20-10” model

We believe mastering a subject requires a combination of formal knowledge, practice, and feedback – commonly known as the “70-20-10” model. Within this approach, 70% of all learning comes from practicing in a relevant context, 20% comes from receiving active coaching and feedback, and the remaining 10% – often in the form of behavioral change – comes from formal learning. At Nexperia, our development support focuses primarily on the 20% and 10% by encouraging feedback from managers and peers and making formal learning available.

Since 2022, we have invested in our learning platform, the Nexperia Academy, which combines all our learning functions into one user-friendly database. The Nexperia Academy enables us to effectively manage our learning asset portfolio and include suggested learning and knowledge-sharing features to enhance our development practices. Our learning approach increasingly uses “blended” learning and includes “performance support,” where relevant information is presented or can be accessed in small sections to improve engagement and knowledge retention. Since introducing this learning platform, we have logged 909 courses. In 2024, our subject matter experts created 457 new courses, leading to a significant increase in enrolments, with a total of 29,594 recorded. Our employees invested a total of 1,071 hours into digital learning, translating to an average of six course participations per employee. In a single month, we recorded 4,103 active users, highlighting our learning platform’s growing interest and engagement.

In 2025, we will continue investing in internal knowledge transfers and creation, as well as enhancing the user experience. We will also work more closely with our 86 power users, the administrators who manage our courses, to increase their roles. Additionally, we plan to equip content creators with AI authoring tools to quickly transfer their knowledge into courses and accelerate our learning culture. The overall goal of the Nexperia Academy is to continuously encourage employees to upskill and reskill and enable them to do it anytime, anywhere.

Our key figures in 2024 included:

- › Each employee averaged 27.1 hours of voluntary training attendance and 7.6 hours of mandatory training attendance, averaging 34.7 hours of training in total.
- › We recorded 433,175 hours of training from the Netherlands, Germany, the UK, China, Malaysia, the Philippines, Taiwan, and Hong Kong.
- › We offered 934 total courses to our employees; on average, each employee participated in 5.7 courses.

The following examples illustrate the types of courses we offer: onboarding courses on topics such as the Nexperia Code of Conduct, quality and security awareness, 5S training, and EHS training; technical courses on work instruction writing, our Manufacturing Risk Assessment Tool (MRAT), and first aid training; audit training on IATF 16949, ISO 14001 and 45001; behavioral courses on stress and anxiety, conflict resolution, and customer satisfaction; and voluntary courses on Python, 7 Habits, and Toastmasters presentations.

## Professional development and coaching

To address our growing need for expert coaching in various development areas, we have partnered with a global digital coaching brokerage platform. This service provides the capacity to help specify development needs and connects our teams with a network of over 3,000 certified coaches. The platform also includes formal evaluations and trend reporting to help us identify and address common development challenges.

From a managerial perspective, we assess development gaps and determine the extent to which we will develop an incumbent or appoint a member with clear development needs versus hiring someone who already possesses the required knowledge and experience.

One example of our commitment to development is EmpowHERment, Nexperia's female leadership program that combines internal mentoring with professional coaching. It supports female leaders by helping them thrive in leadership roles, contribute to organizational success, and pave the way for more gender-inclusive workplaces. More details can be found in the "Diversity, Non-Discrimination, and Inclusion" chapter of this report.

## Robust talent pipelines for the future

In the buy-or-build equation, robust internal talent pipelines and internal career development pathways help us mitigate talent availability risks, enhance our culture, and create an attractive proposition to attract and retain top talent. Consequently, we explicitly plan successions for key positions, especially those that are difficult to replace. Currently, 21.8% of our leadership positions have a succession plan, with a primary focus on business-critical positions. By 2025, we aim to begin planning a leadership acceleration program to sustain healthy business continuity. For leadership positions without a succession plan and which have a moderate or high retention risk and a medium or high loss impact (i.e., replaceability), we maintain an external succession list to mitigate retention risks.

To fill important positions with internal candidates more effectively, we are building and maintaining succession pools, starting with the categories "Product line General Managers" and "Critical technology experts."

## Promotions at Nexperia

Our HR business partners work closely with their business counterparts to support the career growth and development of their teams. Once a year, all promotion nominations are reviewed by our Management Team and HR business partners. This consistent approach ensures our talents have opportunities to achieve more advanced positions and drive Nexperia's continued business success.

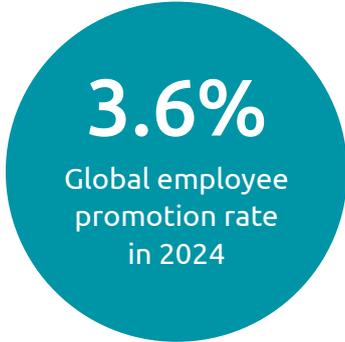
In 2024, we advanced 3.6% of our team members through internal promotions.

We are also intensifying our focus on promoting women into leadership positions. We are working to implement and expand initiatives to support the successful career development of female managers (see the "Diversity, Non-Discrimination, and Inclusion" chapter of this report).



423

Promotion count



3.6%

Global employee promotion rate in 2024

## The Nexperia People Program

Developing our people has always been one of Nexperia’s key priorities. In each of our main manufacturing and R&D sites in Asia and Europe, we run bespoke programs that reinforce our talent pipeline. These include our Graduate Program, Engineer Program, and Manager Program, each of which we tailor to the needs of our local business and customers. Going forward, we plan to extend these programs beyond regional boundaries to benefit all regions where Nexperia operates.

Our talent programs are integral to our people development and retention strategy, which aims to engage, develop, and retain our high-potential talents. Nexperia offers signature programs, each targeted at a different job level: Key Young Talent for graduates, Connections group for individual contributors, and Emerging Leadership for people managers. We select participants based on their leadership potential within Nexperia, and the curriculum is designed to foster their development as leaders and catalysts for innovation. These efforts are governed by the Nexperia management model, which guides our mission toward reaching our 2030 diversity goals (see the “Diversity, Non-Discrimination, and Inclusion” chapter of this report).

Program Offering	Offered in 2024	Planned for 2025 and a global reach
<b>Manager Program</b>	<ul style="list-style-type: none"> <li>› Germany - Learning to Lead, Leading Without Authority</li> <li>› UK - Disciplinary/Grievance, Stress Management, Mental Health, Absence Management</li> <li>› China - Supervisor Development Program (Factory), Management Essential Program, Management Development Program</li> <li>› Malaysia - Leadership Development</li> <li>› Philippines - Toastmasters: Leadership and Communication</li> </ul>	Continue offering regional programs while adding Global Manager Essential Program for newly promoted or joined managers
<b>Engineer Program</b>	<ul style="list-style-type: none"> <li>› Germany - On-business demand UK - Advanced Apprenticeship Development Program</li> <li>› China - Technical Seminar, Technical Ladder Development Program (Factory)</li> <li>› Malaysia - Technical Talent Development Programs</li> <li>› Philippines - Toastmasters: Leadership and Communication</li> </ul>	Continue offering regional programs while adding: Global Engineers Development Curriculum
<b>Graduate Program</b>	<ul style="list-style-type: none"> <li>› Germany - Graduate Program (continued from 2023)</li> <li>› UK - T-level (English study) for students, Apprenticeship Program for graduates</li> <li>› China - Fresh Graduate Program, Young Talent Development Program</li> <li>› Malaysia - NexGEM Graduate Program</li> <li>› Philippines - Cadetship Program</li> </ul>	Continue offering regional programs while standardizing: NexGEM: Nexperia Graduate Employee Management › Consistency in global branding, enable global marketing › Standardization of selection process and criteria

## Development goals, strengths, and opportunities

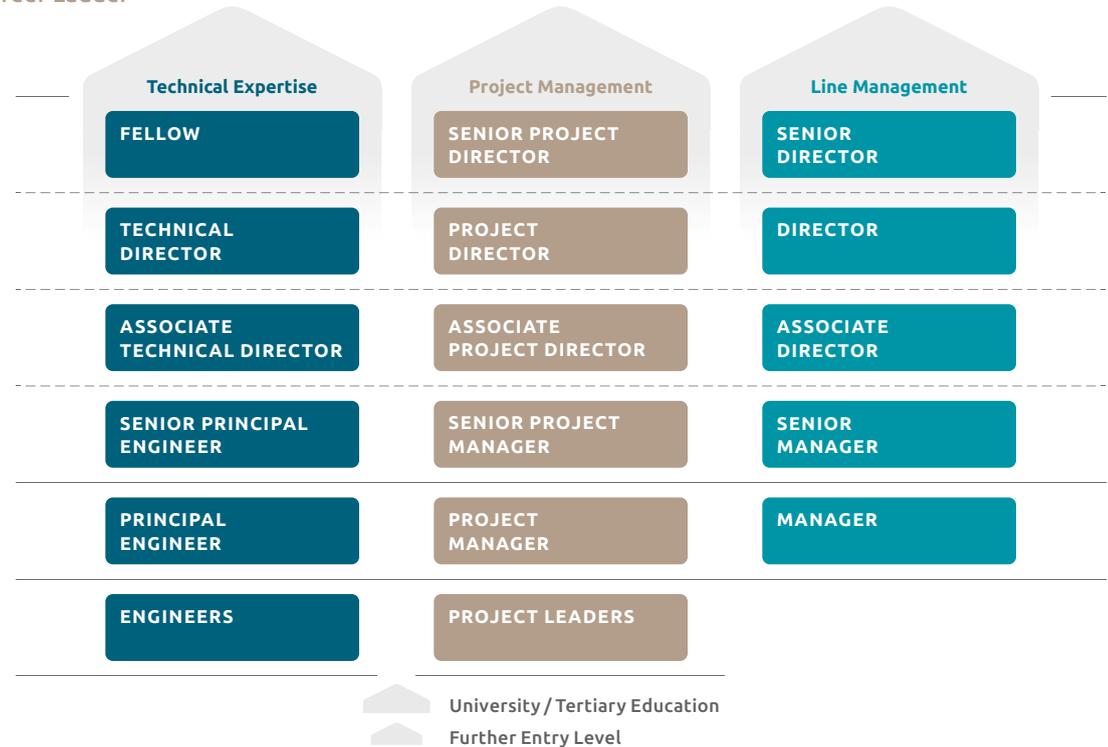
To reinforce our commitment to developing our employees as professionals – both in their existing roles and future careers – we ask them to define personal development goals as well as job performance goals. In our reviews, we expand our official feedback beyond reviewing and supporting their progress toward development goals to include general strengths and opportunities.

To further support personal and leadership development as well as well-being, all employees can access the Nexperia Academy and its extensive library of course materials. Our HR management platform also features a career section that helps employees find internal opportunities, such as alerts about exciting future roles.

## Our career ladder

In traditional job evaluations, managers are often credited with the impacts of their subordinates, and, as a result, higher-level positions tend to be managerial. Consequently, people looking to advance their careers may be forced to relinquish their expert activities to focus on managing other experts. At Nexperia, we believe top-level experts can bring value to the Company that equals or even far exceeds that of their managers. We also want to encourage our employees to progress

Nexperia Career Ladder



in the direction that brings them the most professional and personal satisfaction. For these reasons, our ladder approach recognizes expert careers directly alongside “regular” managerial careers. These ladders chart a clear path from an individual’s first role at Nexperia to advancing to the highest levels of achievement within the Company.

In our employee survey, detailed in the “Talent Attraction and Retention” chapter, we measure the extent to which our people experience growth opportunities.

# Diversity, Non-Discrimination, and Inclusion

Relevant GRI  
Standards:

2-9, 2-10, 3-3,  
202, 405, 406

5  
GENDER  
EQUALITY



## Overview and management approach

Throughout 2024, Nexperia remained committed to the diversity and inclusion (D&I) strategy it launched in 2023. This strategy supports our goal of building “the right team” by embracing diverse people, perspectives, and cultures. As a global company driven by innovation and an equal opportunity employer, we are dedicated to providing a diverse, fair, and inclusive workplace for our global community of talented professionals. By uniting various backgrounds, cultures, and skill sets, we gain perspectives that stimulate creativity and enrich our corporate culture. Embracing diversity also means learning from different voices, building meaningful relationships, growing together, and forming strong collaborations to develop innovative solutions.

We are committed to a working environment where ethics, integrity, and trustworthiness are valued and shared, both internally and among all stakeholders and the communities where we live and work. We do not tolerate any form of inhumane treatment such as harassment, bullying, public shaming, verbal abuse, or discrimination based on race, nationality, skin color, gender, religion, age, pregnancy, health, sexual orientation, socio-economic background, physical or mental disability, or political affiliation.

**D&I at Nexperia is not just a policy; it's our way of life. Our greatest asset is our diverse TeamNexperia, and inclusion ensures that every voice is heard and valued.**

Nexperia's D&I strategy comprises three main goals:

Diverse workforce

Leadership

Inclusive culture

To achieve these goals, we have developed a four-pillared approach based on:

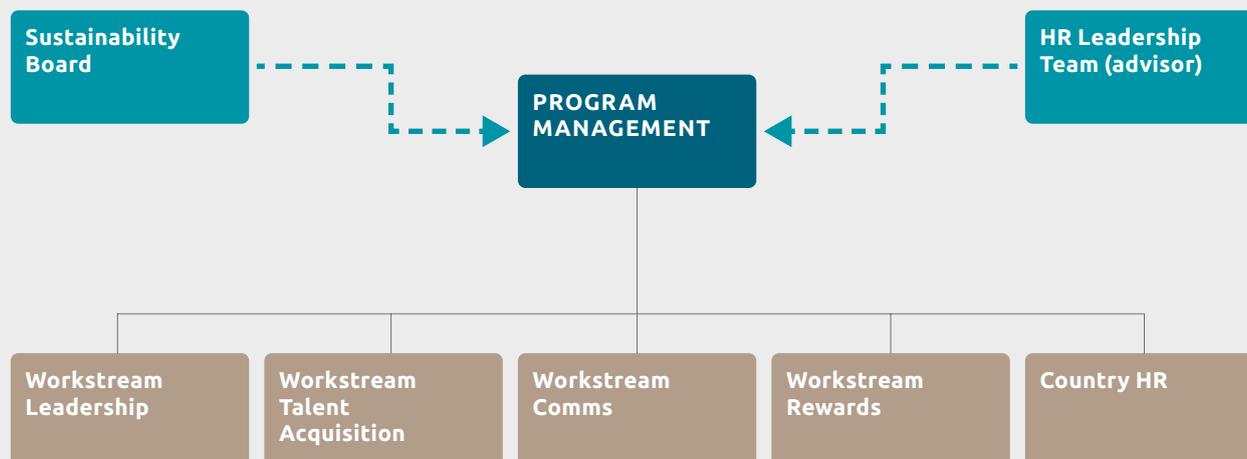
1. **Maintaining inclusive, diverse, and fair hiring practices**
2. **Empowering leaders to champion D&I within their teams**
3. **Supporting pay equality**
4. **Fostering an inclusive culture and activating D&I ambassadors**

We support these pillars with comprehensive communication measures as the foundation of our D&I strategy.

The material topic of “diversity, non-discrimination, and inclusion” is managed using the same structures outlined in the “People Management at Nexperia” chapter. Our new D&I Program is coordinated by our Head of Talent Acquisition, who represents senior HR management and reports directly to our Chief Human Resources Officer (CHRO). Our D&I strategy integrates global governance and subject matter expertise with local implementation, allowing us to address the specific needs of each Nexperia location while maintaining a unified approach.

The topic of “diversity, non-discrimination, and inclusion” also falls under the management scope of our Compliance department and Ethics Committee (EC). The EC, which includes our Chief Operating Officer (COO), Human Resources Director, Senior Director Legal, and Head of Global Audit, meets at least quarterly to advise our EMT on defining and enforcing our Code of Conduct. The EC is also responsible for accurately recording any misconduct allegations and coordinating appropriate follow-up actions.

#### D&I Program governance



### Diversity & Inclusion Program



#### OUR COMMITMENT

At Nexperia, having “the right team” means embracing a diverse range of people, perspectives, and cultures.

As a global company powered by innovation, we aim to foster inclusive working environments where all people can be authentic, develop professionally and personally, and work together to achieve collective goals.

#### OUR GOALS

<b>DIVERSE WORKFORCE</b>	<b>LEADERSHIP</b>	<b>INCLUSIVE CULTURE</b>
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#### OUR APPROACH

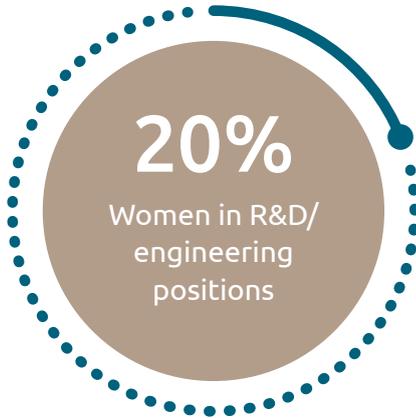
Maintaining inclusive, diverse, and fair hiring practices	Empowering leaders to champion D&I within their teams	Supporting pay equality	Fostering an inclusive culture and activating D&I ambassadors
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#### FOUNDATION

**COMMUNICATIONS**



Diversity Goals by 2030



Our D&I Program sets specific targets to increase the number of female employees in departments where women are currently underrepresented. By 2030, we aim to increase female representation in our research and development (R&D) and engineering departments, management positions, and Executive Management Team (EMT).

Throughout 2024, we accelerated our D&I Program by implementing activities across all pillars of the D&I strategy and achieving the following milestones:

### Approach

#### Maintain inclusive, diverse, and fair hiring practices

##### Measures

- › Accelerated sourcing and hiring of female talent in R&D and management: we exceeded both annual targets on the path to our 2030 diversity goals.
- › Deployed and scaled D&I analytics and a gender metrics dashboard for Sustainability Board reporting.
- › Launched a candidate engagement campaign tailored to the female leaders' talent pool.
- › Updated and rebranded job ads to reflect Nexperia's commitment to D&I: avoided jargon, used unbiased language, and presented simplified benefits.
- › Introduced a new interview guidance template for hiring managers to raise awareness about D&I and support non-biased interview processes.
- › Implemented a structured feedback procedure in our HR system to reduce unconscious bias during candidate selections.
- › Maintained ongoing unconscious bias awareness training for HR and Talent Acquisition (TA) and integrated it into the development process of hiring managers.
- › Stayed current with D&I developments by sending TA team members to various external events (e.g., Women in Business & Tech Expo, Pride in Recruitment, Breaking the Bias Summit).
- › Organized internal D&I sessions, such as female leadership in TA and a session with a Hays D&I guest speaker.

### Approach

#### Empower leaders to champion D&I within their teams

##### Measures

- › Established the female leadership program EmpowHERment. The first group, launched in 2024, featured 12 women from all of Nexperia's regions. The program includes six one-hour input sessions and additional mentoring and coaching opportunities (more details in the "Diversity and inclusion highlights").
- › Maintained unconscious bias awareness training for people and HR managers by incorporating regular micro-learning modules into the Nexperia Academy and conducting inspiration sessions. These informal talks about a predefined D&I topic typically include a guest speaker, informative content, and a knowledge-sharing or brainstorming session.

## Approach

**Foster an inclusive culture and activate D&I ambassadors****Measures**

- › Supported the growth of female leaders through Nexperia Manchester's "Women in Nexperia Employee Resource Group (ERG)" and the "PowerUp Manchester" steering committee.
- › Conducted the workshop series "Women@Nexperia Network Germany." It aimed to empower women at our Hamburg site and the semiconductor industry as a whole by providing a platform for networking, sharing experiences, supporting their professional journeys, and strengthening their visibility.
- › Accelerated the Nexperia Neurodiversity Network with over ten in-person and online sessions in 2024.
- › Established Nexperia Pride ERG in early 2024 as a safe hub for the LGBTQIA+ community, holding over 12 monthly meetings and four interactive educational sessions with guest speakers company-wide.

## Approach

**Communications****Measures**

- › Integrated D&I questions into our Code of Conduct training, with a focus on unconscious bias.
- › Facilitated the global rollout of more women's groups, providing guidance and support for meet-ups that welcomed women as well as allies.
- › Served as the main sponsor of the Paralympic Team NL House during the 2024 Paris Paralympic Games and hosted inspirational talks by multiple gold medalist Jetze Plat at Nexperia's headquarters.
- › Globally fostered D&I culture and TeamNexperia's sense of community through regular communication via internal channels and events.
- › Celebrated various cultural and religious practices through employee communications channels and social media.

**Diversity and inclusion highlight****CHAMPIONING INCLUSIVITY:  
NEXPERIA'S SUPPORT FOR TEAM NL  
AT THE 2024 PARALYMPIC GAMES**

*As part of our commitment to inclusivity, we were proud to be the main partner for the first Dutch Paralympic Team NL House during the Paris 2024 Paralympic Games. It was made possible with the support of our EMT member Jean-Pierre Kempeneers, who leads our diversity, equality, and inclusion efforts. Nexperia's partnership included hosting inspirational live talks by multiple gold medalist Jetze Plat. The talks, held at our headquarters, focused on perseverance and highlighted the crucial role of inclusivity in our society.*



## Activities for 2025 and beyond

Building on the strong D&I foundations we laid in 2023 and 2024, our efforts in 2025 and beyond will focus on the following measures to reach our D&I goals:

### Approach

#### Maintain inclusive, diverse, and fair hiring practices

- › Reach diverse talent through alternative and specialized channels and campaigns.
- › Continue raising unconscious bias awareness and education for recruiters and hiring managers through inspiration sessions, campaigns, and learning modules.

### Approach

#### Empower leaders to champion D&I within their teams

- › Launch a second group of the female leadership program EmpowHERment.
- › Conduct quarterly D&I knowledge-sharing sessions for HR management.
- › Initiate cross-cultural awareness and training sessions.

### Approach

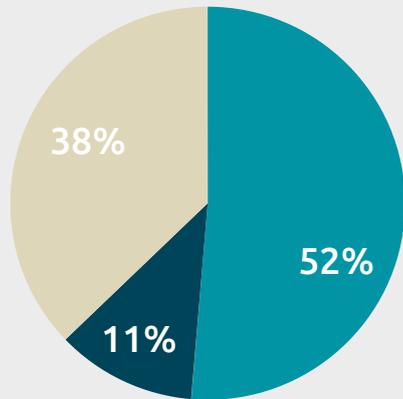
#### Foster an inclusive culture and activate D&I ambassadors

- › Cultivate employee feedback through a D&I and engagement survey.
- › Broaden the reach and impact of our D&I knowledge database by making it more accessible on our local intranet and external career pages.
- › Mature our ERGs and local networks.

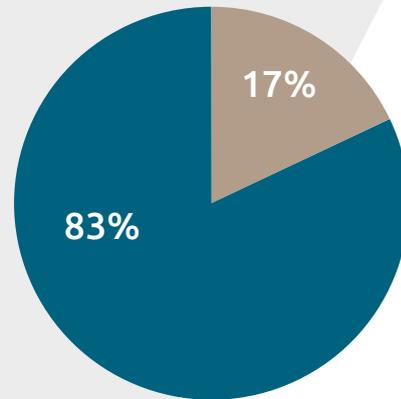
## Our approach: ensuring equal opportunities for all

Our global workforce is diverse in professional disciplines, nationality, gender, race, culture, ethnicity, language, age, religion, and sexual orientation. We embrace this diversity and are committed to continuously increasing representation across genders, nationalities, and age groups - company-wide and within our EMT and senior management teams.

Senior Management by Nationality (Regions)



Senior Management by Gender



Total number of senior managers in 2024: 958

We have developed our holistic D&I strategy to go beyond our existing decentralized approach. In addition to increasing underrepresented demographics, we focus on psychological safety and awareness, as well as broadening our culture of acceptance.

To further embed anti-discrimination, diversity, and inclusion into our company, we have adopted internal procedures and guidelines that reinforce our values. These expectations are mirrored in our Sustainability Policy and Code of Conduct. We want all employees to enjoy a safe, open, and equitable workplace where they feel confident reporting any infringements on their rights. When incidents do occur, we ensure all employees can discretely report all forms of discrimination and communicate with management without fear of reprisal, intimidation, or harassment. To achieve this aim, all Nexperia employees are encouraged to “speak up” and report any incidents of discrimination via our external whistleblowing platform, the SpeakUp Line (See the “Business Integrity and Ethics” chapter).

The programs we use to monitor labor and human rights at Nexperia and across our supply chain are described in the chapter “Responsible Sourcing and Supplier Engagement.” They also cover the topics of diversity and non-discrimination, as do our Social Responsibility Auditable Standard Policy and due diligence procedures linked to our RBA membership, including RBA Self-Assessments.

## Targets, data development, and KPIs

Our commitment to diversity, equality, and anti-discrimination includes ensuring fair pay. We maintain a pay philosophy based on fair pay principles, covering base pay, short-term incentive plans, long-term incentive plans, and benefits. Using third-party data, we compare our wages and salaries against industry benchmarks. Remuneration and any changes are determined based on objective criteria, regardless of gender; we strive to balance global and local incentives with stringent checks and safeguards. As part of our Nexperia D&I strategy, we aim to avoid potential gender pay gaps. We recognize that

achieving gender pay equality requires more than policies and guidelines, and we seek to promote pay equity and improve gender representation across all levels of our company. We are actively addressing the low percentage of female workers in the semiconductor industry by continuously benchmarking the external talent market to identify opportunities for correcting this imbalance.

We have set clear targets to increase the number of women in our leadership and senior management positions as well as in engineering roles, where the talent pool has fewer women. We are committed to achieving a minimum of 30% women leaders by 2030, a target reaffirmed in our social KPI and stipulated by Nexperia's first sustainability-linked loan (see chapter "ESG Risk Rating"). In addition, we aim to increase the percentage of women in R&D and engineering to 20% by 2030. To reach these targets, we have

developed a holistic approach, including our dedicated female leadership program and Women in Nexperia Employee Resource Group. We are also exploring targets on geographical representation, generation, and age cohorts. In 2024, we achieved 26.1% women in management positions, up from 25.1% in 2023. We also increased the representation of women in R&D and engineering from 18.6% (2023) to 20.1% in 2024. Currently, 40.75% of our global employees are women.

Women in management positions

26.1%  
in 2024

30%  
by 2030

Women in R&D/ engineering positions

20.1%  
in 2024

20%  
by 2030

## Diversity and inclusion highlight

### WOMAN IN NEXPERIA

*In Q4 2023, over 20 women from Nexperia sites worldwide joined forces to start the Global Woman in Nexperia Group. Co-founded by EMT member Irene Deng, who has been an outspoken ambassador, this Employee Resource Group (ERG) aims to coach, educate, and connect all women at Nexperia, inspiring them to achieve their full potential. Throughout 2024, we facilitated the global rollout*



*of additional women's groups, offering guidance and support for inclusive meetups that welcomed women and their allies. Notable examples include Nexperia Manchester's "Women in Nexperia ERG" and the "PowerUp Manchester" steering committee. The workshop series "Women@Nexperia Network Germany" marked a significant step forward in empowering women at our Hamburg site and the semiconductor industry as a whole. This initiative provided a platform for women to connect, share experiences, support each other in their professional journeys, and increase their visibility.*

## Diversity and inclusion highlight

### EmpowHERment

*TeamNexperia values and recognizes the strong women in our company. This is why, in 2024, we launched EmpowHERment, a dedicated female leadership program. The first group included 12 women from all of Nexperia's regions. In the first phase, participants engaged in six one-hour input sessions led by Nexperia senior leaders or guest inspirational speakers. Based on a tailored needs assessment, these sessions covered topics such as leadership styles, communication, negotiations, women's leadership challenges, emotional intelligence, and self-awareness. The program's second phase offered mentoring and coaching to help participants put their newly acquired knowledge into practice. EmpowHERment received excellent feedback, with 11 of the 12 participants stating they were "extremely satisfied" and found the content "extremely useful."*

#### Inspiring change: testimonials from our female leaders

**"Implementing the first female development program at Nexperia was an amazing experience. It is so rewarding to see these talented women grow, break barriers, and reach their potential. There were definitely some challenges along the way, but helping to create an inclusive environment and watching their success makes it all worth it."**

**"This program isn't just about individual growth; it's about creating a ripple effect of inclusivity and empowerment."**



# Safeguarding Labor and Human Rights

Relevant GRI Standards:

2-23, 2-24, 2-25, 3-3, 407, 408, 409

At Nexperia, we understand that virtually all business activities have direct impacts on people. Consequently, we are committed to safeguarding labor and human rights within our operations and across our supply chain, which we further detail in the “Responsible Sourcing and Supplier Engagement” chapter of this report.



## Labor and human rights due diligence

We follow a due diligence approach aligned with the UN Guiding Principles (UNGP) and applicable legislation such as the German Supply Chain Due Diligence Act and the EU Corporate Sustainability Due Diligence Directive. Through these efforts, we aim to prevent and mitigate risks and remediate negative impacts related to labor and human rights.

### Commitment

Nexperia's commitment to labor and human rights is manifested in a series of public statements and memberships:

- › Membership with the Responsible Business Alliance.
- › Signatory of the Ten Principles of the UN Global Compact.
- › Public commitment to international frameworks such as the UN Guiding Principles, the OECD Guidelines for Multinational Enterprises on Responsible Business Conduct, and relevant International Labor Organization (ILO) conventions.

Internally, we put these commitments into practice through various policies and procedures:

- › Nexperia's Code of Conduct
- › Nexperia's Supplier Code of Conduct
- › Sustainability Policy
- › Sustainability due diligence process
- › Child Labor and Forced Labor/ Modern Slavery/ Human Trafficking Remediation Policy
- › Grievance Mechanism and Whistleblower System

Based on these commitments, our sustainability due diligence process comprises seven steps:



### Risk assessments

We conduct regular risk assessments to identify, assess, and prioritize actual and potential adverse impacts on labor and human rights arising from Nexperia's own operations and its direct and indirect business partners (described further in the "Responsible Sourcing and Supplier Engagement" chapter of this report). Every year, we conduct a regular labor and human rights risk assessment. It is based on stakeholder mapping (internal and external) and value chain mapping (our own business, upstream, and downstream value chains) and reflects different time horizons (short-, mid-, and long-term). It incorporates several tools, such as a corporate risk assessment, site-level risk assessments for our manufacturing sites, and regular third-party audits.

### Prevention, mitigation, and remediation

Based on the risk assessment, our Human Rights Office determines appropriate measures to prevent and mitigate the identified risks. Depending on the risk, other departments such as Legal, Procurement, Sales, EHS, and/or Human Resources are consulted, along with external parties if necessary.

In 2024, we worked with various departments at the global and site levels to implement corrective action plans that address the findings of our third-party audits. In addition, we monitored the ongoing collective bargaining agreement process at one of our sites. Nexperia values direct engagement with our employees and their right to freedom of association, collective bargaining, and peaceful assembly. Whenever applicable and possible, Nexperia

has engaged in negotiation processes. To prevent any potential misconduct on either side, our Legal department visited the respective site. It reaffirmed the rights and duties of both Nexperia and the relevant worker representatives and promoted the availability of our whistleblower and grievance system. Our Sustainability department also monitored the situation and engaged with relevant stakeholders as needed.

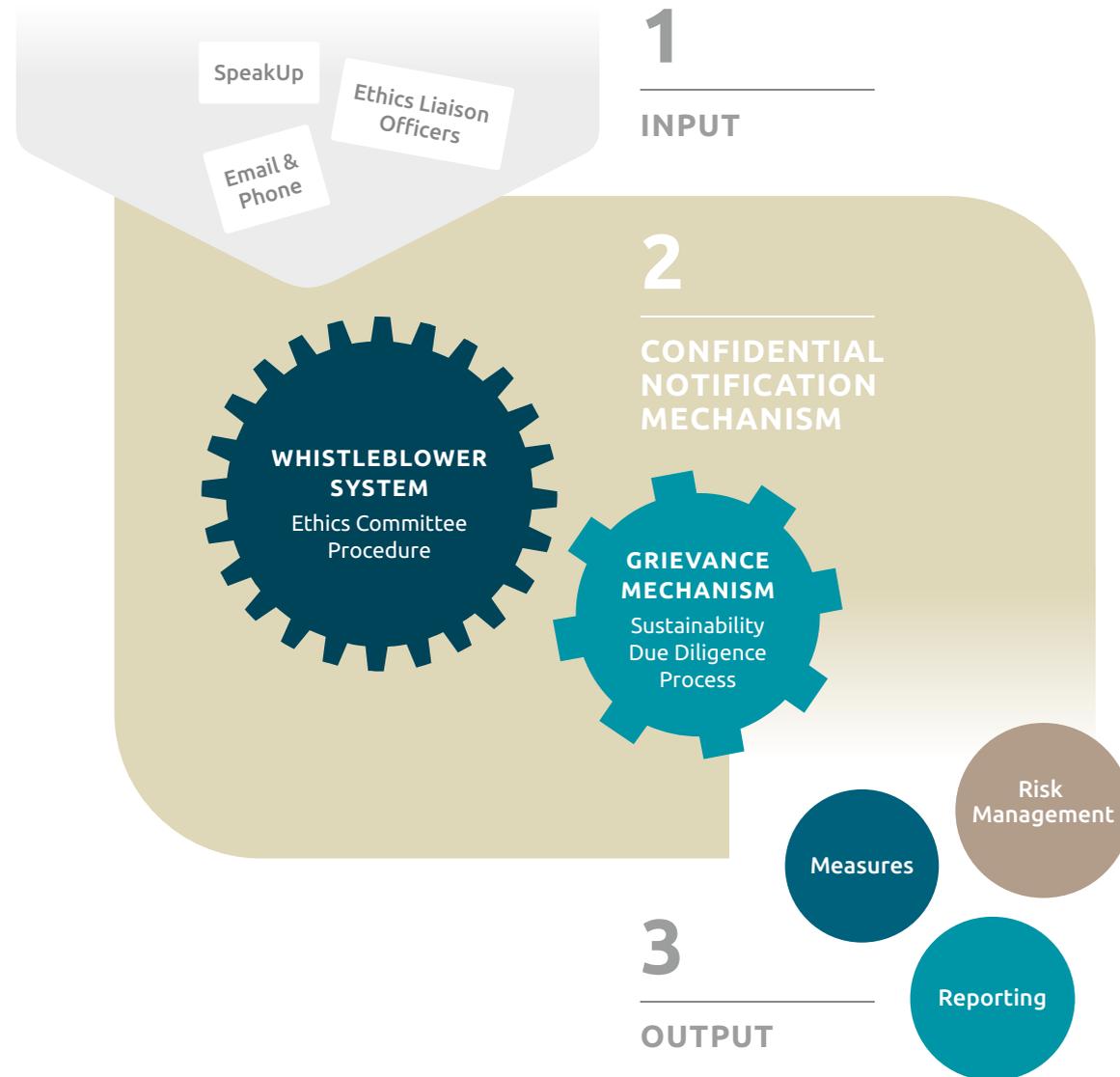
**Grievance mechanism**

In line with the UNGP, we understand the crucial role an effective grievance mechanism plays in enabling remediation and improving risk prevention. As a result, in the second half of 2024, we updated our system to improve our internal whistleblower and grievance system. Based on an assessment we conducted in line with the effectiveness criteria specified in UN Guiding Principle 31, we split our previous system into two workstreams:

- › Whistleblowing system
- › Grievance mechanism

This refined approach enables us to more effectively allocate the necessary level of expertise to assessing and resolving each individual case. It also helps us improve confidentiality, decrease the risk of potential conflicts of interest, and increase trust with relevant stakeholders. The whistleblower system and the grievance mechanism collectively form the confidential notification mechanism. Violations and suspected violations relevant to labor and human rights and any other topic covered in our Code of Conduct can be reported via this mechanism (more details in the “Business Integrity and Ethics” chapter).

**Whistleblower System & Grievance Mechanism**



### Stakeholder engagement

We value regular exchanges with our stakeholders to gain their unique inputs and perspectives. Nexperia defines its employees and their respective representatives as key stakeholders to the Company. We engage with our employees in various ways, and the most relevant members regarding labor and human rights are our local Ethics Liaison Officers (ELOs). These ELOs are local contact points for our employees to engage on any topic covered by our Code of Conduct. They also help Nexperia's management team effectively deploy the Code across our global operations. Besides our own employees, we engage with several external parties on the topic of labor and human rights. The Responsible Business Alliance provides crucial insight into policy developments on labor and human rights and facilitates exchanges with customers, suppliers, and industry peers on these topics.

### Monitoring

We assess the implementation of our due diligence process and monitor the adequacy and effectiveness of the identification, prevention, mitigation, ending, and minimization of adverse impacts. Our assessments are based on qualitative and quantitative indicators and are conducted at least every 12 months or when a significant change occurs. A predefined set of KPIs is also regularly reviewed within our Sustainability Board meetings.

### Communication

We report on labor and human rights due diligence through various channels. The main channel is our annual Sustainability Report, which is available to the general public. Our UK Modern Slavery Act statement and Human Rights Policy statement are also publicly available. Additionally, we use our corporate and site-level self-assessment questionnaires (SAQs) and third-party audit reports to report to members of our value chain. Through regular review meetings, we report to members of our Sustainability Board and other relevant internal stakeholders.

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**“At Nexperia, we are committed to upholding the highest standards of labor and human rights. Our sustainability due diligence approach ensures we proactively prevent, mitigate, and remediate any adverse impacts, fostering a culture of integrity and respect.”**

**Dr. Teresa Haller-Mangold**  
Human Rights Officer at Nexperia

# Health & Safety

Relevant GRI Standards:

3-3, 403

3 GOOD HEALTH AND WELL-BEING



4 QUALITY EDUCATION



## Overview and management approach

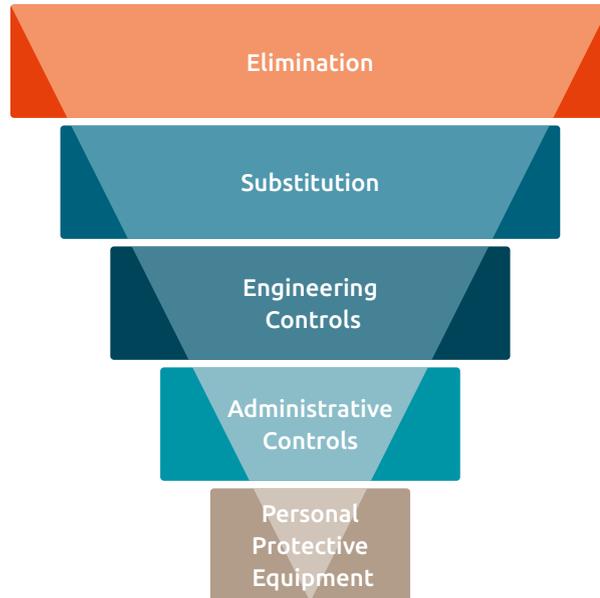
Across our global operations, the health and safety (H&S) of our employees is our highest priority. We continually strive to ensure that everyone at Nexperia – our employees, temporary workers, interns, partners, and visitors – feels safe in a secure environment. Our comprehensive H&S focus encompasses medical, physical, emotional, and mental health. Through our Code of Conduct and Sustainability Policy, we commit to providing safe and healthy working conditions, protecting people from harm, promoting all forms of health, and fostering a positive work-life balance.

In keeping with these aims, we enforce a very high standard of occupational safety, which is also integral to our operational success. We systematically rate all workplaces using risk assessment procedures and ensure we have the necessary H&S measures for all positions. Using the hierarchy of controls, we prioritize actions in the following order to maximize their effectiveness: elimination, substitution, engineering controls, administrative controls (signage, warnings), and personal protective equipment (PPE).

**All employees must complete mandatory safety training before starting work, and we base all our safety training and activities on local risk assessments. Through these actions, we promote our corporate H&S philosophy of "Vision ZERO." Our preventative approach integrates the three dimensions of safety, health, and well-being at all levels of our organization.**

We monitor, follow up, and report all cases that result in first aid, restricted workdays, medical treatment beyond first aid, lost workdays, and fatalities.

### Hierarchy of controls



Along with internal policies, we promote safety through our membership in the European Semiconductor Industry Association (ESIA). Every year, we provide ESIA with safety data from our European manufacturing sites, including the number of recordable cases, days away from work, working hours, FTEs, total case incident rate, severity rate, and other key indicators.

Since Nexperia's foundation, we have supported the well-being of our employees to ensure they feel safe, happy, and healthy at work. Our locations offer various well-being and health-related services, including on-site doctors and nursing, healthcare services, and medical and healthcare events such as vaccinations and screenings. More examples can be found later in this chapter.

Our H&S Management System is a component of our EHS Management System (detailed in the "Environmental Management at Nexperia" chapter), which is an integral part of our integrated Nexperia Management System. Our H&S Management System covers our headquarters and manufacturing sites and is certified to ISO 45001, the globally recognized occupational health & safety management systems standard. Our ongoing compliance with the management system is verified through external audits by the certification body. We have also developed robust H&S programs and initiatives to safeguard our team members, partners, contractors, and visitors. Using this structured approach, we adhere to our internal programs and standards in the same way we comply with national and international laws and regulations. Our non-certified sites – primarily our

offices – must still comply with minimum environmental and occupational H&S requirements using the "EHS Management System Light" approach. We have converted this procedure into a simple checklist that details the key issues these locations must evaluate. It also helps their responsible personnel check and document our compliance with laws relating to occupational H&S and the environment.

In addition to the audits and reviews required by ISO 45001, we verify the effectiveness of our H&S Management System using our Social Responsibility Auditable Standard. We also perform self-assessments as part of our Responsible Business Alliance (RBA) membership. The standardized RBA self-assessment approach rates companies from 0 to 100, with 100 being the highest. In 2024, Nexperia achieved a corporate risk score of 90.4, equating to a low-risk assessment. Both our RBA membership and Social Responsibility Auditable Standard are described in more detail in the "Responsible Sourcing and Supplier Engagement" chapter.



As we manage H&S using our EHS Management System and structure, the same organizational setup and positions described in the “Environmental Management at Nexperia” chapter apply to this material topic. At the site level and for specific H&S matters, we position trained experts to supervise protective measures and create safe and ergonomically friendly workplaces. We also guarantee our employees can access occupational healthcare, either on-site or in a nearby contracted facility.

**Nexperia’s Social Responsibility and certified EHS Management Systems include establishing a strong data collection base, consistent and standardized reporting from each manufacturing site, ongoing training, and internal and external audits. We also guide our daily business using procedures from relevant H&S topics, such as chemical spills, emergency response systems, pandemics, and more.**

Chemicals are essential in our manufacturing processes, development activities, and laboratories. We handle the chemicals we use safely, following adequate engineering controls and industry H&S standards. To protect our employees and facilities, we have strict safety protocols based on risk assessments and management measures, including technical safety guidelines, clear procedures, and ongoing education and training. We also prioritize emergency response skills related to chemical management, such as conducting regular evacuation exercises and preparing for emergencies. Additionally, each of our industrial sites is required to have employees with professional emergency skills, and our larger offices must have employees trained in emergency response.

Guided by our EHS Management System and Vision ZERO, all employees must immediately report accidents, injuries, and any unsafe equipment, practices, or conditions to a supervisor or appropriate team member. These measures have yielded exceptional results: we have recorded zero fatalities since our foundation and zero high-consequence work-related injuries. These data points cover employees, temporary workers, and contractors. In 2024, we also recorded zero work-related ill health incidents.

## Training on health and safety

We define our various training courses in individual learning plans that apply to all employees. We provide our employees with information about their site, legislation, and responsibilities, combined with specific knowledge about safe work systems, cleanroom safety, working with chemicals, handling machinery, first aid, and emergency procedures. We also frequently communicate all relevant H&S topics and developments and reinforce security and safety. We provide all training and communication in each employee’s native language or another that they can easily understand. We also supply all relevant H&S information to visitors and external parties working for or on behalf of Nexperia, some of whom must also complete applicable training before starting work in our facilities.

## SEVERITY RATE

*Number of lost workdays per 100 full-time equivalent employees (ESIA definition)*

## TOTAL CASE INCIDENT RATE (TCIR)

*The number of new recordable cases per 100 full-time equivalent employees during a 12-month period*

## LOST WORKDAYS CASES (LWC)

*Number of cases where an employee misses work due to a work-related injury or illness*

## Our approach: safety in all situations

We work to eliminate all types of hazards through regular audits, safety walks, and various open communication channels. Nevertheless, although they are rare, H&S incidents can still occur. That is why we study all cases – including near-misses and first-aid cases – to enhance our management systems and better understand their causes and impacts. We also check for all possible high-potential events and monitor our preparedness.

In parallel, we focus on our employees' and temporary workers' basic needs to maintain their H&S according to occupational health and safety labor standards. For example, we provide suitable working conditions with easy access to clean toilet facilities, potable water, and sanitary food preparation and storage facilities. In addition, worker dormitories provided by Nexperia or a third party must be clean and safe, including emergency exits, adequate heating and ventilation, and reasonable personal space.

We monitor and measure our H&S performance using various data points and specific KPIs. We record and categorize all H&S incidents via local data management software or collection. We report all incidents to the relevant authorities, including any contractor fatalities, of which there has never been a recorded incident.

For 2024, we set an H&S target to reduce our total case incident rate (TCIR) by 10% below the median of the past five years, equating to a rate of 0.18. Over the year, we achieved an average TCIR of 0.24 across all sites, slightly higher than our goal. Most cases we recorded were minor incidents in the categories of “fall or slip” or “being struck by/against/caught in, under, or between objects.”

To drive continuous improvement, we compare our data with the European Semiconductor Industry Association, and Nexperia has been well below the average over the last few years. We recorded 16 lost workday cases (LWC) in 2024, reducing the number compared to 2023. In addition to our KPIs, we measure and quantify our Severity Rate, which was 2.25 in 2024 and lower compared to 2023. Our individual sites often use additional KPIs to measure their progress in specific focus areas or against internal targets.

**We identify and assess potential risks and emergency situations and control them using appropriate design, engineering, administrative controls, preventive maintenance, safe work procedures, and ongoing safety training and drills. Collectively, these efforts aim to minimize all harm to people, the environment, and property. We assess all H&S risks as part of our ISO certification and our responsibility as an employer.**

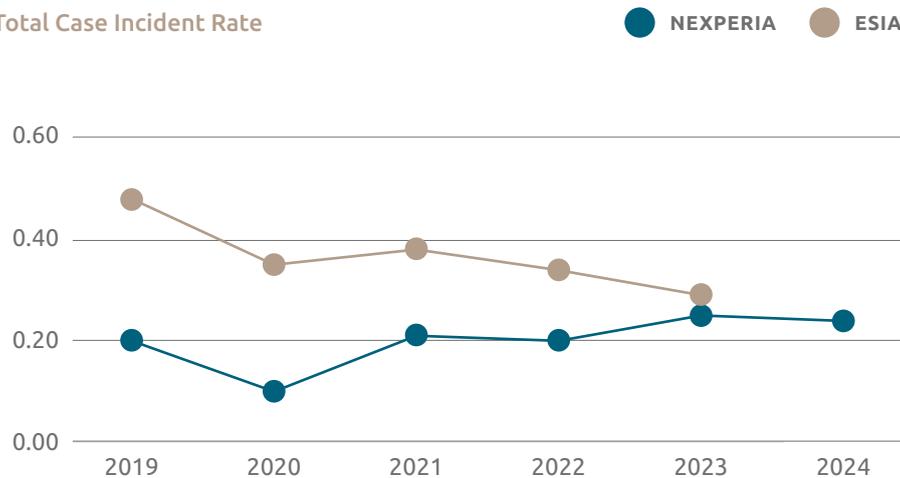
A general assessment is also part of our Business Continuity Procedures. In our daily operations, the most common work-related incidents (in order of frequency) include falling and slipping, being struck by or against an object, and being cut by sharp edges or objects. To prevent high-consequence injuries, we focus on accidents such as possible exposure to fires, chemical burns, electric shocks, and toxic fumes. We continuously work to eliminate high-impact risks while keeping our attention on regular incidents to minimize all cases.

To manage risks, we perform comprehensive annual risk assessments at each site using the repetitive PDCA (plan-do-check-act) process. These assessments play a vital role in evaluating and maintaining the effectiveness of our management systems. We also empower our employees to actively mitigate workplace hazards and incidents by providing several channels to report concerns or opportunities for improvement. They include our anonymous SpeakUp Line, which is described in more detail in our Code of Conduct and the “Business Integrity and Ethics” chapter of this report. Employees can also report directly to their site’s Occupational Health and

Safety (OHS) representative, participate in site-level safety committees and councils, or use one of our official grievance mechanisms. Whenever our employees have H&S concerns in the workplace, we ask them to stop work immediately and speak up.

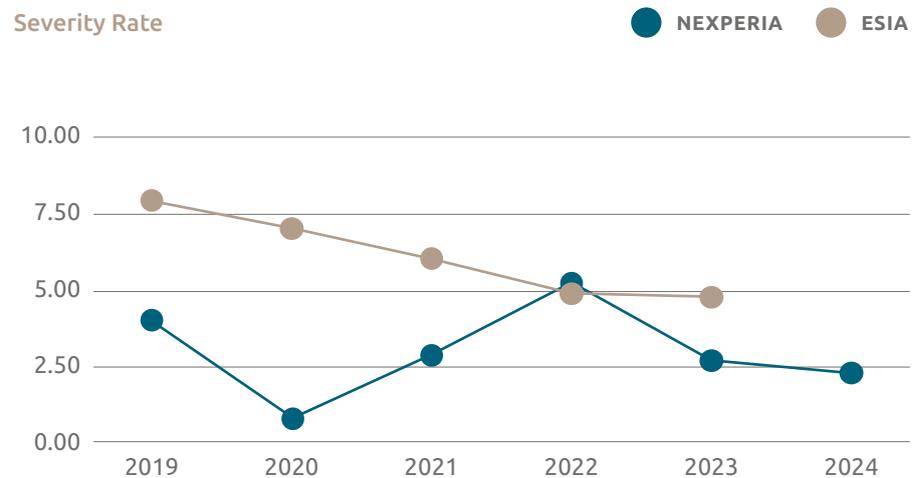
Our health and well-being approach incorporates preventative measures based on each site’s unique material issues. Our measures also encompass more general prevention management, such as at our Manchester (UK) site, where employees can access mental and physical health support and guidance through external providers.

Total Case Incident Rate



Nexperia monitors the total case incident rate (TCIR) as a Key Performance Indicator (KPI) for the effectiveness of its OHS Management System. Comparing Nexperia’s TCIR data with ESIA’s TCIR historical results enables the evaluation of the maturity level of Nexperia’s OHS Management System. (ESIA’s 2024 data was not available at the time of this report’s publication.)

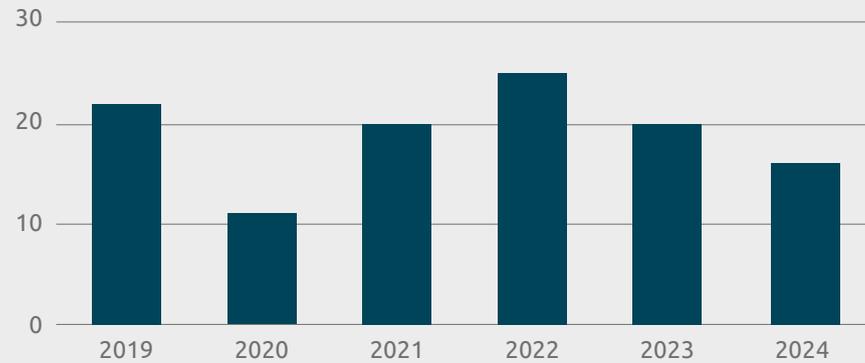
Severity Rate



Similar to the TCIR, Nexperia monitors the severity rate (SR) as a second indicator of the effectiveness of its OHS Management System.

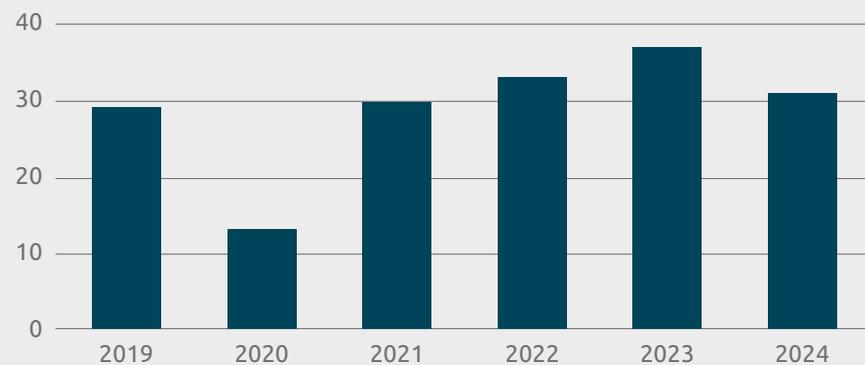
### Lost Workday Cases

● NUMBER OF CASES



### Recordable Cases

● NUMBER OF CASES



We bolster our first aid capabilities by training selected employees as mental health first aiders. However, our primary focus is on maintaining a healthy work-life balance to prevent mental health first aid from becoming necessary. For example, our Nijmegen (the Netherlands) site offers employees various leisure activities, such as table tennis and table soccer, to encourage off-screen breaks. The site also arranges weekly kickboxing group lessons to support regular sports and movement. At Nexperia's Hamburg (Germany) site, the HR team organized an employee health day in partnership with a local health insurance company. These initiatives aim to reduce stress, improve physical and mental health, and minimize work disruptions and extended absences. Our Manchester (UK) site also focuses on these areas, managing cases with processes that help employees return to work in cooperation with their line managers.

We will continue working to monitor, assess, and improve our H&S practices to ensure we meet the evolving needs of our stakeholders and society.

**Our comprehensive H&S focus covers medical, physical, emotional, and mental health. We ensure safe conditions, protect people from harm, promote well-being, and support work-life balance.**

# Our Responsibility and Engagement – Corporate Citizenship

## Social activities on the local, national, and global level

As a socially conscious company, we believe in giving back to the communities where we live and work. We support various social and environmental initiatives and encourage our employees to participate in activities that benefit their communities.

Throughout 2024, Nexperia and its employees took action at local, national, and international levels. Together, we contributed to the Company's uncompromising support for the UN's Sustainable Development Goals (SDGs).

### Our corporate citizenship actions primarily focus on:

**SDG 3** – Good health and well-being

**SDG 4** – Quality education

**SDG 5** – Gender equality

**SDG 12** – Responsible consumption and production

**SDG 13** – Climate action



At Nexperia, we believe in giving back to the communities where we work and live, because these are the places we call home.

## Examples of Nexperia's corporate citizenship actions in 2024

### Health and well-being



Our employees' mental and physical health is one of our highest priorities. Consequently, several of our sites offered awareness days or programs in 2024.

In May, for example, our site in Seremban (Malaysia) held a health screening program for employees in collaboration with the LPPKN (National Population and Family Development Board), reaching 250 people. The screenings included various checks, including Body Mass Index (BMI) assessments and tests to evaluate stress, cholesterol, and glucose levels.

Several other sites, such as Budapest (Hungary), Nijmegen (the Netherlands), and Manchester (UK), organized health days, well-being weeks, or sporting events during the year. In Manchester, we introduced Virtual Clinic, a new on-

demand platform that gives all Nexperia employees access to five health and well-being services. These include daily health and well-being support, mental health support, online physiotherapy, and long-term chronic condition support. Our employees can access these services anytime via mobile services.

In Dongguan (China), we started a Health Cabin Program in collaboration with the local government. It includes monthly health consultations, one-on-one health services, and health seminars about the uses of traditional Chinese medicine and chronic disease management. Nexperia oversees various mental health aspects and has introduced regular psychological counseling, health seminars, and training sessions, and encourages all employees to utilize these services. In 2024, over 1,000 employees participated in at least 50 hours of training. Additionally, more than 50 participants joined three supervisory psychological training programs to help identify and assist employees experiencing psychological challenges. We also established a dedicated support hotline for employees in urgent need of assistance.



In 2024, Nexperia organized sporting activities worldwide to promote health and well-being while building stronger team connections. During a sports week in Seremban, 70 TeamNexperia members across seven women's teams and sixteen men's teams participated in a futsal tournament.



In Budapest, eight employees participated in the Telekom Vivicitá 2024 race for the third consecutive year. Two duos and a trio from TeamNexperia collectively completed the half-marathon, and we had a strong showing in the individual 10km category: one of our duos secured 14<sup>th</sup> place out of 505 participants.

## Education



In addition to advancing our employees' professional and personal development, we strive to nurture the bright minds of tomorrow. With its annual Kids' Future Day program, the Hamburg team (Germany) offers employees' children aged 10-14 a fun opportunity to explore physical and digital worlds through hands-on learning. By fostering creativity and problem-solving skills in an engaging format, Kids' Future Day aims to spark long-term interest in engineering, technology, and environmental science.

In Germany, Nexperia collaborates with "Wissensfabrik," a non-profit organization dedicated to inspiring and equipping young people with technical, digital, and entrepreneurial skills. In 2024, our Hamburg site sponsored five local Wissensfabrik projects, giving young people opportunities to enhance their technical and digital abilities. In addition, the Hamburg team welcomed school groups on-site, which allowed students to gain first-hand insights into semiconductor production. As part of our collaboration with the "STEM4girls" initiative, our Hamburg site hosted a half-day visit for 12 teenage girls aged 14-16. This initiative aims to inspire and encourage girls to explore careers in science, technology, engineering, and mathematics (STEM). During their visit, female Nexperia employees shared their motivations for choosing a technical profession and pursuing career opportunities at Nexperia.



At our headquarters in Nijmegen (the Netherlands), employees actively supported a Weekend School Initiative for children from neighboring communities. Nexperia offered several Sunday sessions where children from predominantly underprivileged families could explore various subjects, including technology and engineering. All sessions were designed to spark curiosity and engagement by encouraging hands-on learning experiences.

We also host family days at our sites, which are valuable opportunities to hone children's curiosity and create fun environments that foster interest in technology. In Dongguan (China), 900 participants from 243 families attended our local family day event. Children toured the factory and learned about technological developments in the electronic and semiconductor industries. Interactive sessions and activities allowed families to learn together. Participants rated the event a 4.73 out of 5 and expressed interest in making it an annual tradition.

## Diversity and inclusion



We believe that embracing diversity, gender equality, and inclusion is fundamental to our growth, both as a company and as individuals. In November 2023, employees from around the world founded our LGBTQIA+ community, laying the vital foundations for actively promoting diversity and inclusion within TeamNexperia (see the chapter “Diversity, Non-discrimination, and Inclusion” for more details). Throughout 2024, our LGBTQIA+ community established individual groups at several Nexperia sites and initiated supporting activities. We also launched a series of company-wide events, including over 12 monthly meetings and four interactive educational sessions with guest speakers. In Manchester (UK), we celebrated Pride Month by organizing a “Wear the Rainbow Day” on Wednesday, June 26. Our employees dressed in bright attire to celebrate and support our diverse community. We also shared a social media video on LinkedIn and Instagram to express what Pride means to us, garnering positive feedback.



In a similar spirit, our female employees around the world celebrated 2024’s International Women’s Day by actively sharing their stories via local newsletters and social media posts. At our Hamburg site (Germany), around 70 women gathered for the first time for a discussion and networking event. It was opened by a keynote speech from our EMT member Irene Deng. To amplify the conversation on equality and support women’s advancement within our organization, we officially launched the Women@Nexperia Network Germany. The launch was followed by a series of workshops throughout the rest of 2024, featuring external experts and internal speakers.

TeamNexperia in Dongguan (China) organized a thought-provoking tea-talk gathering where women in senior leadership positions shared their experiences. Not only did this event celebrate and promote International Women’s Day, but it also provided insights into opportunities for personal and professional growth in the workplace.

In a social media campaign, we also promoted female empowerment on International Women in Engineering Day. We shared stories about our female engineers, celebrated their achievements, and helped inspire a new generation of young women to pursue careers in engineering.

## Environment



Keeping the environment clean and healthy is a major focus of TeamNexperia in Malaysia. In 2024, thirty employees from our Seremban site once again volunteered for a CSR beach cleaning day at Pantai Saujana, a 40-minute drive from our premises. We organized the event in collaboration with the Port Dickson City Council. In parallel, around 100 employees from the Seremban site participated in a hiking and cleaning initiative, which combined exercise with collecting litter to create a cleaner natural environment.

Working with community volunteers, 22 Nexperia employees from our local management team and employees from Cabuyao (the Philippines) also supported activities to celebrate World Water Day 2024. Working together, they cleaned up a lakeside in the village of Baclaran near our site, helping to preserve and protect vital local water sources. These events



demonstrated that the city government and companies like Nexperia are committed to addressing environmental issues, starting with our own neighborhoods.

In August, Nexperia Philippines participated in MPower's annual "CommuniTrees" tree planting activity in cooperation with the One Meralco Foundation. Employees trekked along the mountain range near Laguna de Bay, the largest lake in the Philippines, and planted 1,500 seedlings to support local reforestation efforts.

Let's make a difference together. Join us in creating a greener future!



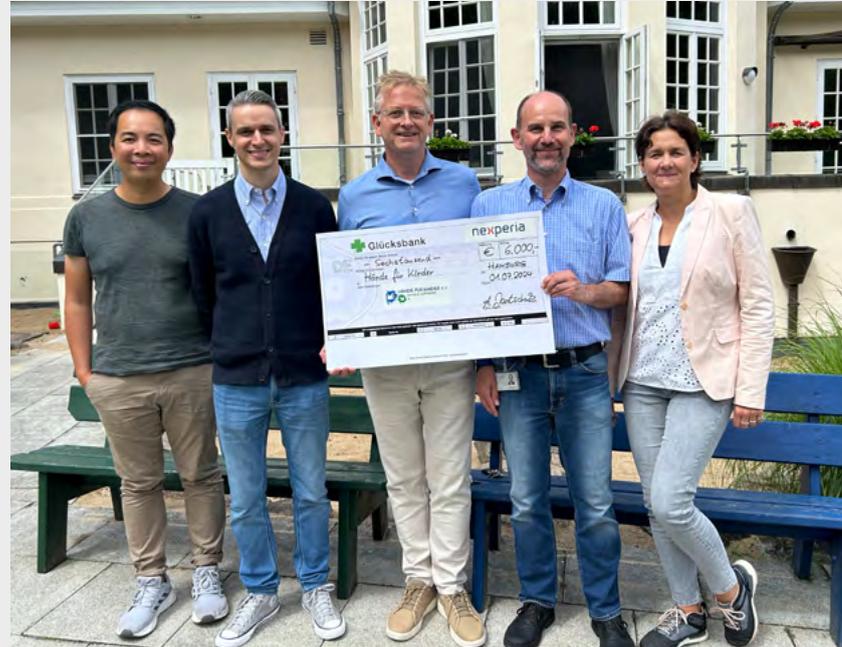
## Community engagement



In Dongguan (China), TeamNexperia continued its voluntary activities at the Yuxing School for Children with Special Needs. Three-hundred employees participated, contributing a total of 1,156 service hours to help children with hearing impairments and mild intellectual disabilities. Every two months, our volunteers assisted children in building crafts and tools, cleaning the school, and engaging in fun activities to help them develop their practical, technical, social, and cognitive skills. As a result, the local government recognized TeamNexperia as an Excellent Volunteer Team and a Caring Enterprise.

In Manchester (UK), we enable our employees to give back to the community during work hours in so-called "Volunteering Days." Our dedicated Charity and Community Committee supports local charities by coordinating various volunteering opportunities for our employees. In 2024, we dedicated over 200 working hours to causes our team members are passionate about, including a homeless charity, a children's charity organization supporting low-income families, and a local center for hearing- and vision-impaired people.

In Hamburg (Germany), our employees proudly donated €6,000 to the local children's charity "Hands For Children," a short-term home for children and young people with disabilities. Nexperia's Hamburg team generated its donation throughout the reporting year by organizing a collection and recycling campaign for electronic and metal waste. This campaign shows that environmental protection and social commitment go hand in hand.





# Governance Reporting

# Responsibility of Management

## Relevant GRI Standards:

2-9, 2-10, 2-11, 2-12, 2-18, 2-24, 2-25, 2-26, 3-3

Effective governance guided by the principles of responsibility and accountability is a critical aspect of a sustainable business strategy. At Nexperia, our Board and Executive Management Team (EMT) are committed to upholding these principles to ensure we operate sustainably and in the best interests of our stakeholders.

Our Board of Directors for Nexperia Holding B.V. and Nexperia B.V. comprises the Chief Executive Officer (CEO) and Chief Legal Officer (CLO). While retaining overall responsibility, Nexperia's Board of Directors assigns specific tasks and processes to permanent committees, whose members are appointed by the Board. The Board has also established Audit Committees for Nexperia Holding B.V. and Nexperia B.V. and a Compensation & Nomination Committee for Nexperia B.V.

Under the leadership of the CEO, the EMT is responsible for the overall management of the Company. This includes executing Nexperia's strategy and policies, as well as achieving its goals and results. The EMT oversees all operations and reviews the Group's global business performance, which allows for informed operational decisions and comprehensive performance assessments. More information on our individual EMT members can be found in the "Our Executive Management Team" chapter of this report.

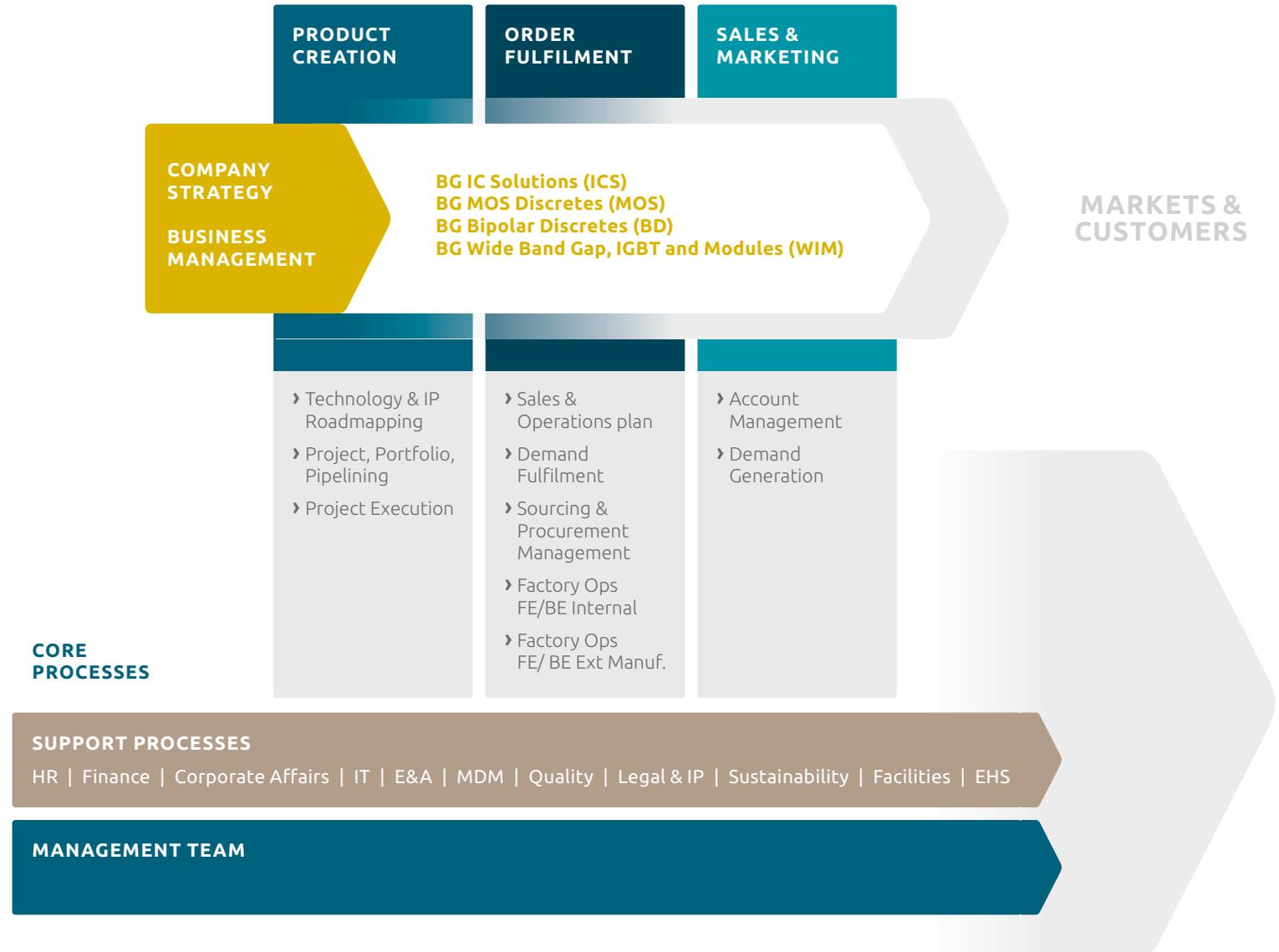
The EMT ensures we efficiently share business issues and best practices across our organization. The managerial oversight of sustainability by our EMT is detailed in the "Our Approach to ESG" chapter of this report. We have structured our EMT as a matrix organization with multiple layers of managerial accountability and responsibility. This approach allows us to maximize our focus on our customers and the market, leverage company resources, and achieve excellence in all our core processes and support functions.



Our matrix organization has three main clusters:

- › Business groups (BGs) responsible for achieving business results.
- › Core processes to build our core competencies and leverage the most effective ways of working to achieve our business goals in product creation, order fulfillment, and sales and marketing.
- › Support functions for the BGs to achieve leadership positions in the market. They include HR, Corporate Development, Strategy, M&As, Finance, Corporate Affairs, Legal & IP (Intellectual Property), IT, Equipment and Automation (E&A), Master Data Management (MDM), Quality, and Sustainability.

**Nexperia Processes**



## Nexperia management model

### NEXPERIA VISION

#### CORPORATE VALUE



Provides an objective assessment of a **company's financial worth**, guiding investment decisions, mergers, and fundraising efforts while ensuring strategic growth.

#### LONG-TERM PERFORMANCE



Establishes a clear **roadmap for sustainable growth**, aligning business targets with market trends, investment priorities, and competitive positioning to drive future success.

#### DEEP DIVE



Ensures **financial and operational targets are setting** with strategic precision, aligning business units and sales teams to validate revenue goals, refine execution strategies.

#### BUDGET



Ensures **optimal allocation of financial resources**, balancing cost control with strategic investments to maintain operational efficiency, financial stability, and business scalability.

#### GAP CLOSURE - ACTION PLAN



Allows organizations to **implement targeted actions** that enhance efficiency, improve competitiveness, and accelerate progress toward long-term performance targets.

#### KPIs



Provide quantifiable metrics to track department's value in **Strategic planning and management, Compliance operation, Value creation and Return on investment.**

## Nexperia management governance

### From vision and mission to strategy and action plans

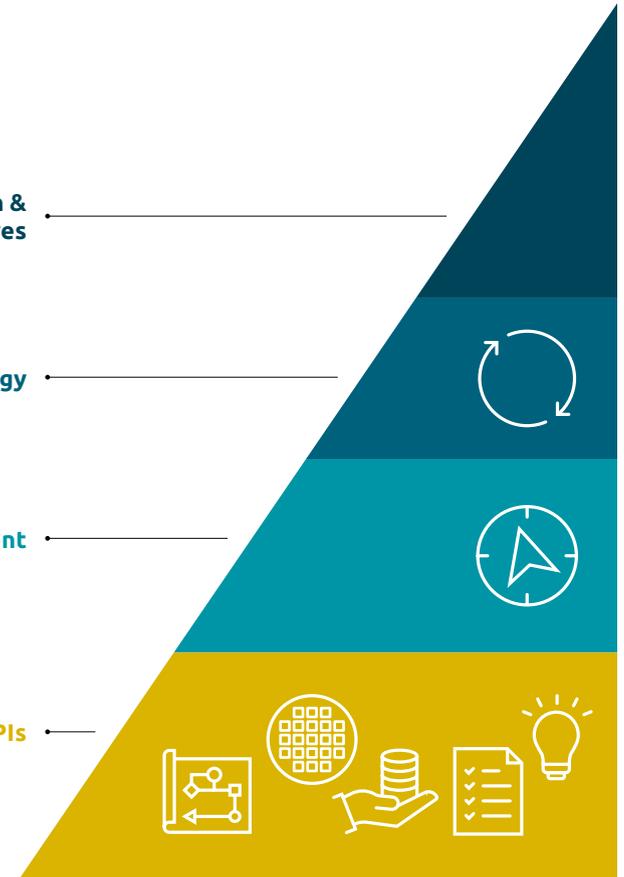
Every employee contributes to Nexperia's strategic goals and its vision and mission.

#### Vision/Mission & Objectives

#### Company Strategy

#### Management

#### Action Plan & KPIs



## Key organizational principles and policies

All of Nexperia’s activities are essential to supporting our overall mission and strategy. Therefore, we have created an organizational structure comprising business groups and centrally led core and support processes. Nexperia is managed as a fully integrated business.

1. Key decisions are made by the EMT, which gives direction to the businesses and its core and support processes.
2. Our company culture and values are led by our efficient and passionate team, which supports our mission and vision.
3. Our strategy enables us to outline strategic directions and activities to further enhance Nexperia’s competitive positioning and achieve its company objectives.
4. We have defined core processes (product creation, order fulfillment, and sales and marketing) and several support functions and processes.

The leadership of our core and support processes is responsible for:

- › Providing business-enabling technologies, effective and efficient working methods, and training to ensure our competencies match our strategy and customer requirements.
- › Determining the optimum balance between central and decentralized resourcing.
- › Providing cross-unit support, coordination, and learning to leverage considerable company advantages in decentralized activities.

Driven by our Quality Policy, our quality commitments ensure that:

- › We strive for zero customer incidents in our standard.
- › We promote that everyone is responsible for quality.
- › We have recognized leadership in quality.
- › We maintain a company-wide focus on quality.

The EMT underpins our commitment to responsible corporate citizenship and our pursuit of a more sustainable future – economically, socially, and environmentally. Our Code of Conduct outlines Nexperia’s core principles on integrity and ethics in business conduct and governance, guiding our business decisions and actions globally. Further details can be found in the “Business Integrity and Ethics” chapter of this report.

Our ambition to satisfy our customers and stakeholders relies on the seamless operation of our critical processes. Therefore, our Business Continuity Management (BCM) serves as a catalyst to anticipate, plan for, and react to any disruptions. The BCM also defines necessary measures and procedures to sustain our operations, enabling us to proactively identify and mitigate risks.

Each Nexperia site has identified the potential risks in their factory operations that could impact the product supply to end customers. These risks encompass physical asset risks within front-end and back-end operations, including facility systems, utility infrastructure (electricity, water, etc.), regional risks (natural hazards), or other supply risks (wafers, chemicals, gases, etc.). To maintain readiness, we periodically review, audit, and update these risks.

For each site, we implement a range of measures, such as defining crisis teams and emergency plans, establishing processes to restore operations, and conducting various monitoring, training, and other relevant actions.

### NEXPERIA’S THREE STRATEGIC FOCUS AREAS:

1. Innovation, primarily supported by increasing R&D spending
2. Enhancing efficiency and driving further cost reductions
3. Growing our business in a sustainable and eco-friendly way

*As part of this strategy, Nexperia aims to strengthen its position with technology- and industry-shaping customers by anticipating megatrend requirements in Electrification, Connectivity & Digitalization, Industry 4.0 and Automation, and Sustainability and Energy.*

## Continuous improvement and negative impact remediation

Our organization is committed to learning and continuous improvement. To support these aims, we established a comprehensive, company-wide approach focused on identifying and solving problems to deliver exceptional quality in all areas of our work. Our business review structure, improvement projects, and audit program form the core of this continuous improvement process. This framework enables our Board and EMT to achieve consistent business enhancement and proactively identify and address negative impacts.

Recognizing that every issue that is not addressed could affect product quality, we strive to empower our employees to participate in quality improvement initiatives. We prioritize employee development to ensure our team members can be creative problem solvers and our managers excel as mentors and coaches. This approach has resulted in high levels of engagement in our quality improvement across all teams. Additionally, our EMT focuses on problem elimination rather than mere reduction, underscoring our commitment to understanding critical issues and enabling more targeted and effective corrective actions. Further details can be found in the “Talent Development” chapter of this report.

We employ a range of methods to identify areas of improvement, including internal and external audits, customer audits, complaints, customer feedback (Net Promoter Score), business review meetings, and staff suggestions. We then implement corrective and preventive actions at the necessary levels to reduce negative impacts. These activities are supported by appropriate quality tools and reinforced by conducting an employee survey every two years.

Overall, we believe that effective governance and sustainability practices are critical to the long-term success of our company and stakeholders. Our EMT and top management play a crucial role in ensuring we operate sustainably and responsibly. Their performance – along with that of Nexperia as a whole – is reflected in our company’s valuation, which is assessed biannually. This procedure also includes strategic planning to ensure our systems and processes remain relevant and ready to embrace new opportunities. Through these steps, we align our governance practices with our business strategy and sustainability values.

# Business Integrity and Ethics

## Relevant GRI Standards:

2-15, 2-16, 2-23, 2-24, 2-25, 2-26, 3-3, 205, 206, 415

## Introduction and management approach

We are committed to upholding high ethical standards in our workplace and business dealings. Our core values - passion, professionalism, perseverance, and performance - are the basis of everything we do and determine our long-term success. Our professionalism is based on integrity, fairness, and respect: every decision must be an ethical decision, and under all circumstances. The Nexperia Code of Conduct details clear standards for different areas of business life. Its purpose is to promote a clear, strong, and consistent culture of ethics that applies to our global workforce at all times. We also require our suppliers and business partners to follow similar principles.

Our Ethics Committee (EC) is operationally responsible for our ethics and compliance management. It comprises a dedicated team of executive leaders that ensures all employees, suppliers, and business partners understand and comply with our business ethics standards. The EC is responsible for governing and interpreting our Code of Conduct and ensuring it is communicated and implemented effectively. We released the latest version of our Code of Conduct in June 2024, and we continuously promote its awareness and adoption with a global campaign titled "What's your limit?" The EC advises the Executive Management Team and reports on the current status of the Code's deployment. Additionally, EC members oversee investigations to ensure all misconduct reports and supporting actions are appropriate and complete.



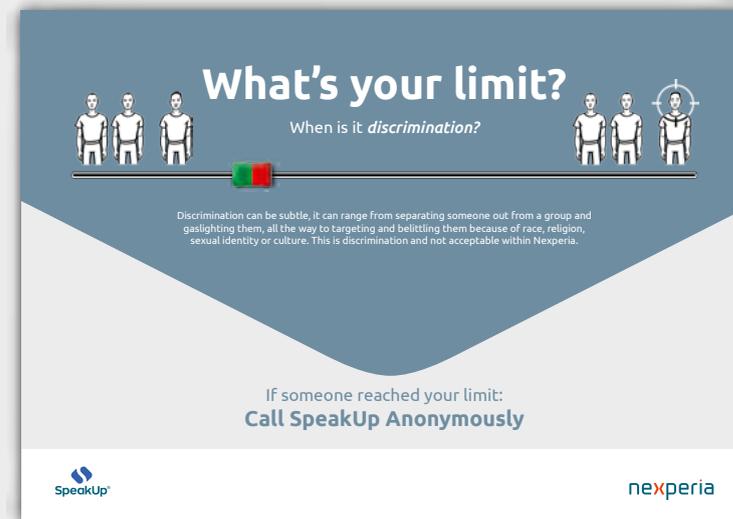
## Our approach

Our **Code of Conduct** details our commitment to preventing corruption and promoting ethical business practices in an accessible and structured format. In single chapters, it provides concrete operating guidelines for appropriate behavior and correct procedures, including:

- › How to apply the Code itself
- › How we work (including anti-discrimination, prohibition of modern slavery, and environmental and occupational health protection)
- › How we compete (including the topics of anti-trust, bribery, data protection, and trade compliance)
- › How we conduct ourselves (defining guidance on gifts and hospitality, conflicts of interest, and social media usage)
- › How we protect company assets (including specifications on proper use, intellectual property, confidentiality, and record retention)
- › How we take responsibility (covering lobbying and political activity, donations, and environmental topics)

Every year, all members of TeamNexperia must participate in mandatory Code of Conduct training. Our Code of Conduct training guides employees on conducting business in line with Nexperia's core values and principles outlined in our Code of Conduct. The latest session took place in November 2024, and we closely monitor participation. New employees must also complete this training and sign the Code of Conduct as part of their onboarding process. To uphold the values of our Code, we have implemented internal measures, including monitoring, to detect and prevent bribery, conflicts of interest, and other forms of corruption and business ethics violations. We have an entity-level internal control that specifically addresses the risk of unethical business practices and non-compliance with the Code. This control is executed at least once a year and includes risk assessments of cases reported via our Whistleblower hotline.

We have also established due diligence procedures to assess the integrity of potential suppliers and business partners and mitigate any compliance and ethics risks. These procedures are detailed in the "Responsible Sourcing and Supplier Engagement" chapter, which includes the Social Responsibility Auditable Standard we use to audit our internal and external operations, including our supply chain.



## "WHAT'S YOUR LIMIT" GLOBAL CODE OF CONDUCT CAMPAIGN

*"What's your limit?" This question was at the heart of the ongoing global campaign that introduced the updated Nexperia Code of Conduct to all employees in August 2023. At each site, eye-catching poster designs highlight a different violation and the actions employees can take in response. Posters are available in German, English, and Chinese, ensuring accessibility for our diverse workforce.*

We address fraud and corruption risks through additional controls, such as supplier selection process controls. However, as it is important to identify these risks and actual cases early on, we utilize incident report hierarchies at each site to effectively manage compliance risks.

We encourage our employees to speak up and address any concerns if they witness any actions violating our Code of Conduct. In many cases, simply raising questions is enough to prevent non-compliant behavior. We also recommend that employees contact and consult their managers to discuss relevant matters. If these actions do not resolve the issue, our stakeholders can contact their local Ethics Liaison (serving as an independent ombudsperson) or our Ethics Committee. Our Code of Conduct details the full procedure.

## Whistleblowing

Employees and external stakeholders have access to several channels to report suspected cases of misconduct. Our primary notification mechanism is the SpeakUp Line, which is available 24/7 in all relevant languages. It is an external, independent, anonymous, and confidential reporting channel available to all employees, suppliers, business partners, and other third-party stakeholders. Available via a free telephone number, the SpeakUp Line offers a secure webpage that provides the caller with clear instructions. We actively promote the line to our employees and third parties and test the service provider annually to maintain quality.

The EC is notified of each submission and given adequate time to thoroughly consider and investigate the issue. All submissions are treated with strict confidentiality. The EC can inform the caller that their message has been

received and ask follow-up questions. The caller then has the option to submit a new message, either immediately or at a later time. This format facilitates an ongoing dialogue that can remain anonymous if desired. Any form of retaliation against a person reporting suspected misconduct in good faith or participating in a related investigation is strictly prohibited. We have clear boundaries that no one shall discharge, demote, suspend, threaten, harass, or discriminate against a person reporting suspected violations of the Code. We also guarantee the protection of each whistleblower as part of our Code of Conduct.

If a complaint is valid, Nexperia will take measures that may impact the future employment at Nexperia of an individual which can result in legal repercussions. We also monitor and assess all logged cases using a range of metrics. This approach, combined with the increased likelihood of discovery, also serves as a deterrent.

In 2024, we received 21 submissions via the SpeakUp Line. We have followed up on all cases in compliance with our EC guidelines. During the reporting year, there were no legal actions pending or completed regarding anti-competitive behavior or violations of anti-trust or monopoly legislation.

## Contributions

An essential aspect of ethical business is transparency regarding lobbying and political contributions.

While our business activities include engaging with governments and governmental organizations, we never make payments to political candidates or support political activities on behalf of Nexperia. We have a general rule not to pay any advisory fees, make payments, or donate money or in-kind support to political parties, political organizations, or individual politicians. As part of the Code, any envisaged diversions from this principle must be explicitly approved by our management, and all public disclosure requirements must be met in full. When preparing this Sustainability Report, we assessed all donations and membership fees to industry associations, interest groups, and think tanks in 2024. Nexperia did not record any cases of financial or in-kind political contributions, either directly or indirectly.

**Our Code of Conduct is the guiding document that raises awareness about all forms of unethical business conduct, including corruption, bribery, and harassment.**

# Responsible Sourcing and Supplier Engagement

Relevant GRI Standards: 2-6,

3-3, 204, 303, 308, 408, 409, 414

## Overview and management approach

Nexperia sources components and materials from all over the world, including regions where we cannot assume human and labor rights are upheld as standard. This concern is especially true for specific resources, which require additional due diligence to source responsibly and from conflict-free areas. To assist these efforts, we rely on established, long-term partnerships with our suppliers and contractors and foster mutually beneficial relationships. We also frequently communicate sustainability topics to our suppliers and encourage them to report any problems or concerns. As part of this approach, we seek to award our business to suppliers that act ethically toward their stakeholders, observe applicable laws, and respect and uphold universal human rights.

Since 2017

Affiliate Member of the Responsible Business Alliance (RBA)

Nexperia Supplier Code of Conduct corresponds to principles of the RBA CoC

Our Sustainability Policy recognizes the critical importance of responsible procurement practices and engaging with suppliers to drive sustainability and social responsibility across our supply chain. Through various policies and procedures, we cement our commitments to human and labor rights, fair working and living conditions, environmentally responsible business, compliance, health and safety, diversity, and non-discrimination.

Both our Supplier Code of Conduct and the Nexperia Code of Conduct detail clear guidelines relating to sustainability and compliance across our supply chains. For example, we make it clear that Nexperia respects and recognizes labor and human rights worldwide, and we expect our suppliers to do the same. Additionally, both documents detail the grievance mechanisms for actions that violate our Codes of Conduct. Stakeholders can

report any suspected or confirmed breaches through channels such as our confidential SpeakUp Line.

As supply chain sustainability is essential to our company, we require all suppliers to sign and comply with our Supplier Code of Conduct. The document, which forms a binding contractual agreement, aligns with the principles of the Code of Conduct of the Responsible Business Alliance (RBA), which we joined in 2017. Our Code is also guided by globally recognized standards, such as the Universal Declaration of Human Rights (UDHR) and standards issued by organizations such as the International Labor Organization (ILO), Social Accountability International (SAI), and the Ethical Trading Initiative (ETI). The Code provides commitments and guidance on labor and human rights, health and safety, environment, business ethics, and management system standards.



We follow various procedures when conducting on-site audits, social responsibility and assurance processes, or necessary management actions against non-compliant suppliers, which we describe on the following pages.

Many of the sustainability topics that are material to our operations are also relevant in our supply chain. We manage these overlaps by clarifying our principles and commitments and encouraging our suppliers to replicate them. For example, in the area of water and wastewater, we recommend our suppliers implement systematic approaches to managing the wastewater generated by their operations, industrial processes, and sanitation facilities and monitor, control, and treat this wastewater in line with legislation before discharge or disposal. As further measures, we request they work to reduce the amount of wastewater generated, regularly monitor their wastewater treatment systems, and provide Nexperia with ongoing updates.

The overall accountability for responsible sourcing and supplier engagement extends to our management team. It includes our COO, Chief Procurement Officer (CPO), Senior Director of Sustainability, VP of Quality, and Senior Director of Global Environment, Health and Safety (EHS). Our Global Procurement department is accountable for supplier selection and management. Since 2024, our Procurement Sustainability and Risk Management department has been responsible for social responsibility within our supply chain. This area includes conducting risk analyses and assessments, managing on-site supplier audits, and coordinating corrective actions with suppliers. We expect all suppliers to cooperate with our audits and implement containment and remedial measures for any identified findings. We coordinate these actions using our Social Responsibility Management System, which comprises various policies and other building blocks described below.

## Our approach: careful supplier selection and management

We are committed to working with suppliers who share our values and dedication to sustainability. To achieve this aim, we have established supplier selection criteria that include sustainability and ethical considerations, along with factors such as quality, cost, and delivery.

### Supplier selection

We select and approve new suppliers based on defined standards and procedures. For example, new suppliers must meet strict preselection criteria, including assessments and scores on social responsibility and sustainability acceptance. Using a risk-based approach, we ask suppliers to complete a self-assessment questionnaire to gauge their compliance with our sustainability and social responsibility standards. Each questionnaire must be reviewed and signed by a member of the supplier's top management and then approved internally by our Procurement Sustainability and Risk department.

If the potential supplier cannot meet our requirements, we either attempt to reach mutual values by defining new engagement measures or reject their application and explain why we cannot engage further. Our Global Procurement organization controls the entire supplier selection and approval process.

2024

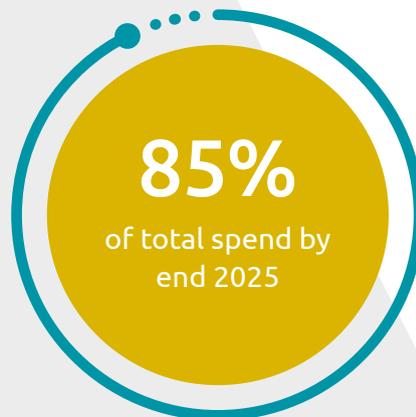
Supplier Code of  
Conduct (SCoC) signed  
by suppliers representing  
80% of total spend

A key element of our supplier management process is our RBA-aligned Supplier Code of Conduct. It applies to all active suppliers, and all new suppliers must sign it during their initial engagement and selection. If a supplier refuses, our supplier selection and approval process includes various escalation scenarios. They can involve accepting the supplier's own Code of Conduct after a comprehensive review, or generating a customized agreement defined by our Procurement Management Team.

As part of our commitment to fostering more sustainable supply chains, we frequently revise our Supplier Code of Conduct with updates released by the RBA, international regulations, and the latest industry benchmarks. If a customer's social responsibility requirements exceed those of the RBA Code of Conduct, we may assess and integrate them into our existing procedures. In February 2024, we initiated a global rollout of our revised Code to all active suppliers. By the end of the reporting year, the new version covered suppliers representing 80% of our total spend. To drive continuous improvement, we have set clear targets to increase this coverage rate year over year.

- › A supplier is classed as active if it has a recorded spend, purchase order, or invoice in the past 24 months and if transactions are planned in the future.
- › Coverage rate includes a signature, a mutually signed addendum, or the supplier's own approved Code of Conduct (after an internal Nexperia review).

Target on SCoC signature rate of suppliers representing



### Sourcing strategy

Local sourcing is crucial to our sourcing strategy, as it supports local economies and reduces our carbon footprint by minimizing transport emissions. We balance this ambition with our need to maintain a diverse and resilient supply chain, which is one of our long-term objectives. Nexperia sources approximately 60% from local suppliers.

### Sourcing from local suppliers (% of total procurement budget)

Entities	Location	Ratio of Spend %
Nexperia B.V.	Nijmegen	54%
Nexperia Germany	Hamburg	70%
Nexperia UK	Manchester	64%
Nexperia Malaysia	Seremban	43%
Nexperia Philippines	Cabuyao	42%
Nexperia Hong Kong	Hong Kong	20%
Nexperia (China)	Dongguan	63%
Nexperia (Shanghai)	Shanghai	90%
Nexperia Taiwan	Taipei	91%

*The percentage of procurement budget used for significant locations. Significant locations are operations or offices with over 100 employees (headcount). In 2024, Nexperia had significant locations in Nijmegen, Seremban, Cabuyao, Taipei, Manchester, Dongguan, Shanghai, Hamburg, and Hong Kong.*

### The role of audits

Effective and consistent auditing is essential to promoting responsible procurement and sustainability across our supply chain. Our Auditing Procedure Policy contains a comprehensive audit standard that covers internal and certification audits for our operations and supplier audits. We use these audits to verify suppliers' adherence to our requirements, including human and labor rights, conformity with international standards, governance and compliance, and environmental topics. In this process, we follow the requirements of our Social Responsibility Auditable Standard, which strictly adheres to RBA Validated Assessment Program (VAP) specifications. It also includes requirements from the ISO 14001 and ISO 45001 management system standards. We audit contractors according to our internal audit program guidelines.

As strong collaborations are critical to driving sustainability in our supply chain, we regularly monitor our suppliers' sustainability performance. One valuable source of information is our engagement with industry peers and policymakers facilitated by the RBA. We establish whether a supplier audit is necessary via a yearly risk assessment of each supplier, in line with our Supplier Social Responsibility Risk Assessment Process. We engage a supplier for an audit if they exceed selected risk thresholds or continually show low ESG performance. Relative to the threshold surpassed, our Procurement department select either a mandatory on-site audit performed by Nexperia or an RBA VAP audit.

Our on-site audits are part of the Nexperia Supplier Social Responsibility Audit Program, which drives more collaborative supplier and contractor relationships. We promote continuous improvement in our supply

chain by conducting annual risk assessments, which were co-developed by our Procurement department. We review and update these assessments annually to reflect the evolving environmental, labor, and human rights landscape. Our supplier risk assessment considers criteria such as geographical risk, product and/or service risk, and business criticality or spend risk. We assign a score from 1 to 10 (10 being the highest) to each category to generate a percentage that signifies the supplier's risk level, with higher numbers indicating higher risk exposure.

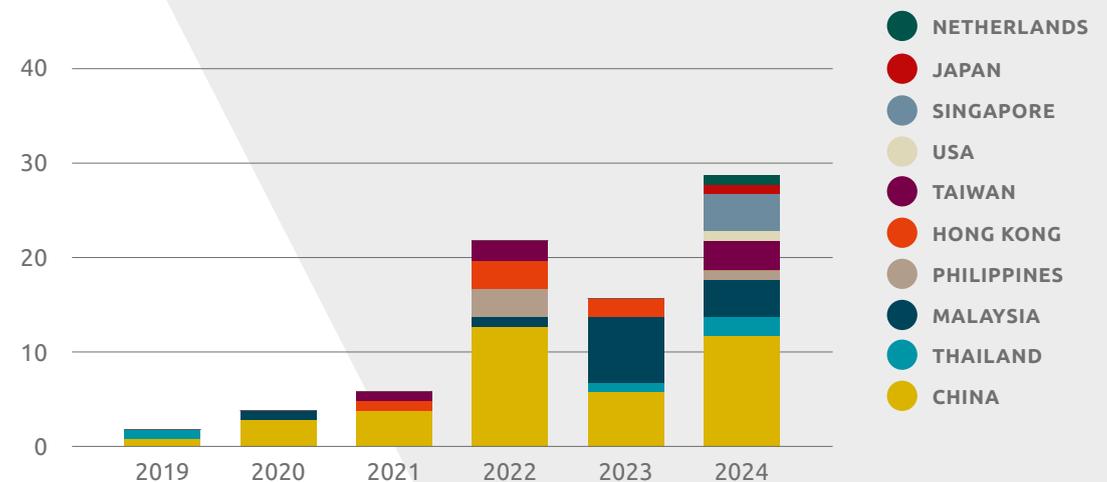
Nexperia's Supplier Social Responsibility Audit Program is a collaborative and consultative process that guides suppliers to meet our Supplier Code of Conduct and the Nexperia Auditable Standards on Social Responsibility. The audit scope covers labor and human rights, the

environment, health and safety, business ethics, management systems, and compliance with our Supplier Code of Conduct. We conduct these audits to help our suppliers improve their processes and procedures in these areas. Our Supplier Code of Conduct and Auditable Standards apply to all Nexperia suppliers, contractors, on-site service providers, labor agents, and external manufacturers.

In 2024, we performed 29 social responsibility supplier audits.

We work closely with suppliers that receive audit non-conformances (NCs) to ensure they understand our standards and have the necessary skills and knowledge to prevent reoccurrence. The results of these efforts also help us to evaluate the effectiveness of our

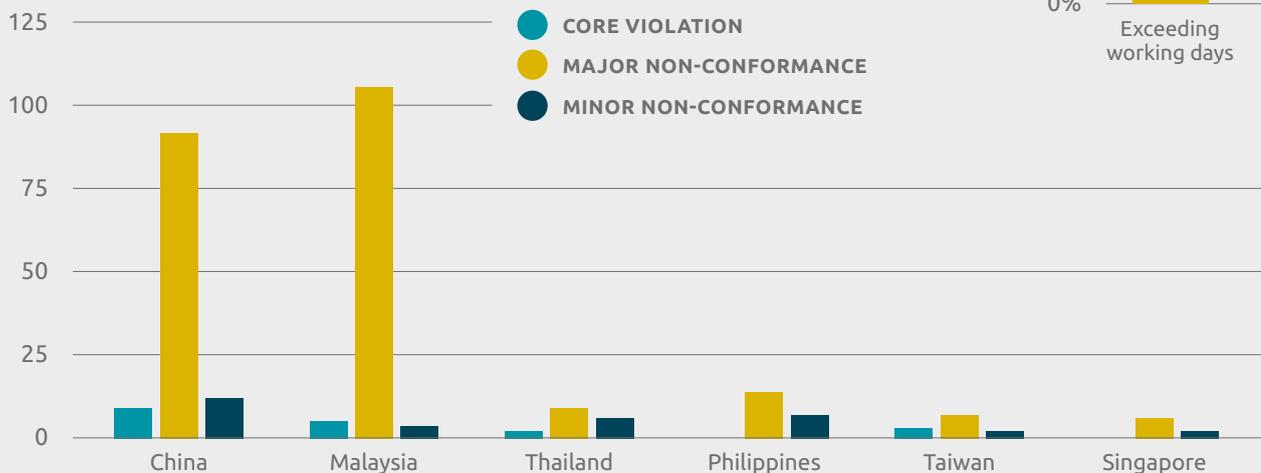
Social Responsibility Supplier Audits 2019–2024



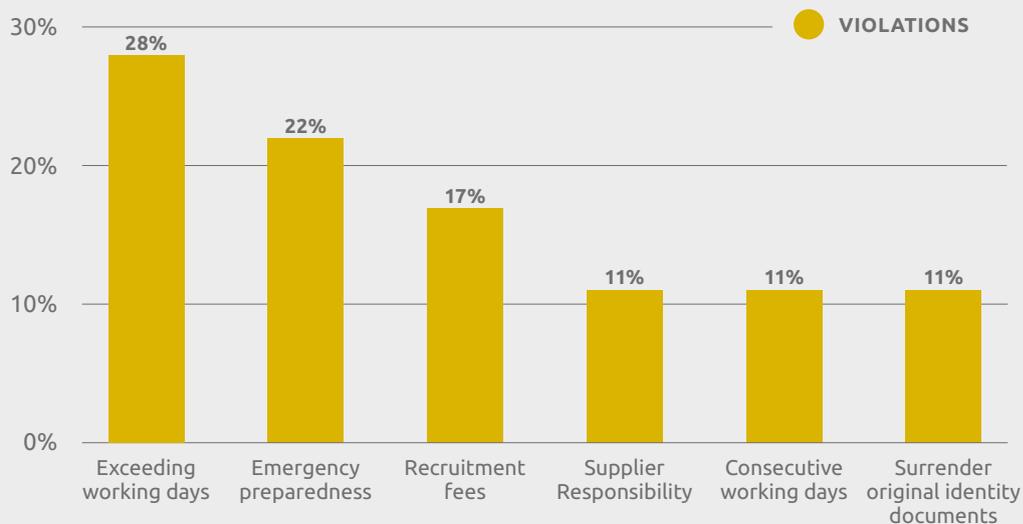
standards within the supply chain. In 2024, we recorded 314 supplier findings, including 19 core violations, 237 major NCs, and 58 minor NCs. Most suppliers were willing to rectify the findings within the specified timeframe and comply with Nexperia's requirements. We allow a minimum timeframe for our suppliers to close NCs, as corrective actions such as financial investments and labor interruptions may require more than 90 days to resolve. The most frequently reported NCs through our Supplier Social Responsibility Audit Program relate to working hours and emergency preparedness.

In addition to ongoing risk assessments and audits through our Supplier Social Responsibility Audit Program, our whistleblower SpeakUp Line highlights potential issues within our supply chains and provides valuable feedback to our management. The line, which is confidential and available 24/7 in a range of languages, can be used by our stakeholders to report any ESG issues they identify. More details about the SpeakUp Line can be found in the "Business Integrity and Ethics" chapter.

Social responsibility supplier audit findings per country in 2024



Top six core violations of SR supplier audits by category in 2024



In addition we recorded one major NC in Japan and one minor NC in the US.

## Our commitment to sourcing minerals responsibly

Producing semiconductor devices relies on metals like tin, tungsten, tantalum, and gold (known as 3TGs or Conflict Minerals), as well as cobalt. These metals often come from conflict-affected and high-risk areas (CAHRAs), where their extraction and trade may finance armed groups, fuel human rights abuses, and support corruption and money laundering. As a socially responsible company, Nexperia prioritizes ethical and sustainable sourcing practices to ensure our products do not create negative social or environmental impacts.

As part of these efforts, we work to minimize the use of 3TGs and cobalt in our products and supply chains and employ rigorous due diligence whenever their inclusion is necessary. Our continuous efforts to reduce the size and weight of our semiconductor components also decrease our reliance on these materials. As an active member of the Responsible Minerals Initiative (RMI), we promote responsible mineral sourcing and adhere to the RMI's risk assessment procedures and tools, which are regarded as industry standards. We also support independent third-party audits by the RMI through its Responsible Minerals Assurance Process (RMAP), along with assessment programs recognized by the RMI for their effectiveness. We design our processes to comply with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals and other relevant laws and regulations.

Our Procurement team uses a risk-based approach to screen suppliers of materials and finished goods for 3TGs and cobalt. This method is part of our internal Responsible Minerals Assurance Process, a set of comprehensive guidelines and procedures we have developed to meticulously document and specify all relevant information about these suppliers. Setting clear supplier expectations is vital to achieving our responsible sourcing goals, which are reflected in our Supplier Code of Conduct. We require all direct suppliers, contractors, and external manufacturers to adopt policies and conduct due diligence on the sources and chains of custody of minerals. Going a step further, they must also ensure their own suppliers adhere to Nexperia's principles and align with the OECD Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas.

While these responsible sourcing practices are vital to making our business more sustainable, they are also crucial to the welfare of communities and environments impacted by our operations. For these reasons, we are committed to leading by example and continuously innovating and improving our responsible mineral sourcing practices to create positive social and environmental outcomes.

We will continue working closely with our suppliers to increase transparency and develop joint initiatives and programs that reduce our environmental impact and improve social responsibility.

## Compliance with the German Supply Chain Due Diligence Act

### UPDATE Changes to EU reporting regulations

In February 2025, the European Commission published a so-called [Omnibus Simplification Package](#) to simplify and reduce the regulatory requirements of several sustainability-related directives. This package affects the implementation of the CSRD, EU Taxonomy, and Corporate Sustainability Due Diligence Directive (CSDDD). The CSDDD is now delayed until July 2028, and Nexperia will not be required to report under the CSRD and EU Taxonomy regulations until the 2027 financial year. In addition, the changes introduced by the Omnibus Package affect reporting obligations under the German Supply Chain Due Diligence Act. We are closely monitoring regulatory changes at relevant levels and will adapt our approach as needed.

As of January 2024, the German Supply Chain Due Diligence Act applies to Nexperia Germany GmbH. The act aims to identify, prevent, and minimize the risks of human rights violations and damage to the environment. To prepare for our compliance, we established the necessary standards and protocols supported by various measures and targets. We also formed an expert team responsible for all supply chain due diligence processes. Collectively, these efforts aim to ensure equal rights for everyone involved in our supply chain and internal operations.

As a function of our Human Rights Office, our Head of Sustainability is responsible for investigating internal and external human rights and environmental complaints, while our Ethics Committee is responsible for investigating internal and external ethics-related complaints. The Ethics Committee is supported by local Ethics Liaison Officers at several Nexperia sites. Our SpeakUp Line, Nexperia's whistleblower and complaint mechanism for internal and external cases, is accessible to employees and external parties via telephone and webform. Anyone working directly or indirectly for Nexperia or any external third party affected by activities in our value chain can use the SpeakUp Line. It can also be used by people not directly affected who wish to represent those affected. Reports can be made anonymously and are treated confidentially.

Across our company, we have adapted a range of existing processes and functions to the requirements of the new Due Diligence Act. In Q3 2024, our newly formed Procurement Sustainability and Risk Management team assumed responsibility for supply chain due diligence and social responsibility, strengthening our direct supplier engagement. During the reporting year, we also implemented a software solution for automated and comprehensive risk analyses. The outcomes of the risk analysis result are reviewed by the Procurement Sustainability and Risk Management team and integrated into our supplier social responsibility risk assessment, which we conduct at least once a year and more frequently if necessary. Our risk analysis found that the material risks in our supply chain include working hours, minimum wage, discrimination, and pollution of water, soil, and air. Consequently, we have prioritized these risks in our due diligence processes and measures. We also assigned supplier measures, such as completing on-site audits or self-assessment questionnaires, for the prioritized suppliers and risks.

To comply with the requirements of the German Supply Chain Due Diligence Act, we built our approach on the following additional measures and our company-wide experience:

- › Several sites are already within the scope of the UK Modern Slavery Act, contributing vital experience with human rights regulations.
- › We implemented a software solution for automated visibility and transparency of supply chain risks.
- › In Q1 2024, we published a policy statement on our approach to due diligence obligations regarding human rights and environmental topics.
- › In Q4 2024, we finalized our Sustainability Due Diligence Process, which describes the duties and implementation measures toward our supply chain and own sites.



Human Rights  
Office



National legislation –  
global outreach  
German Supply Chain  
Due Diligence Act

# Cybersecurity, Data Protection, and Privacy

Relevant GRI  
Standards:

3-3, 418

## Overview and management approach

The compliant handling of information is critical for leading innovation companies like Nexperia. Our cybersecurity responsibilities encompass product and process information as well as personal data. Respecting and protecting the privacy and rights of our customers, employees, business partners, and all other relevant parties is a key priority when using personal data.

We maintain global security infrastructure and a crisis management team led by our Chief Information Officer (CIO). They are supported by a diverse range of data protection systems, privacy policies, and associated standards that comply with applicable laws. We communicate these systems, policies, and standards to our employees through annual awareness training. Additionally, we regularly engage third parties to stress test our security systems to evaluate and reinforce their defenses.

## Our approach: data protection through responsible handling and high security standards

As a responsible company and employer, we adhere to regulations and legal agreements concerning data protection. By doing so, we protect the interests and rights of our customers, employees, and suppliers while safeguarding our critical information assets.

At the group level, cybersecurity is managed by the Office of the CIO and Information Security (InfoSec) Management within our IT department. A Data Protection Officer (DPO) within our global legal team oversees data protection procedures. Our global data protection and awareness training is organized by our InfoSec Management.

An external service provider maintains the security monitoring of our global IT infrastructure environment. Operating 24/7, it immediately reports any identified security incidents to InfoSec Management. Through our use of cyber threat intelligence, i.e., knowledge-, capability-, and experience-based information about the occurrence and assessment of threats and threat actors, we are well prepared against potential cyberattacks or data breaches that may compromise our systems.

### Continued monitoring of data breaches in 2024

All company-wide incidents and alerts are reported immediately to our global InfoSec team. Any potential data loss incidents are automatically labeled as “P1,” our highest level of IT security breach, as determined by the Security Operations Center. Should a P1 security breach occur at any site, all processes are managed by the global InfoSec team, including the CIO.

*In March 2024, Nexperia became aware that an unauthorized third party had accessed certain Nexperia IT servers. We promptly took action to terminate the unauthorized access, launched an investigation, and reported this incident to the relevant authorities and police.*

### Key policies

We define our company-wide principles for processing personal data using our various data protection and privacy policies, combined with relevant standards and procedures. Our approach to data protection is based on European legislation, particularly the EU’s General Data Protection Regulation (GDPR). To strengthen our systems, we also take measures to comply with local data protection regulations if they are stricter than our own applicable standards. For transparency, our employees can access all standards and procedures via the Nexperia Document Management System. Our stakeholders, customers, and suppliers can also learn how we use their data by reading our website’s **Privacy notice**.

### Awareness training

Our cybersecurity and data protection strategies, policies, standards, and procedures are cascaded globally in conjunction with local IT and business teams, coordinated by the global InfoSec manager. We conduct and monitor mandatory annual awareness training for all employees. To maintain awareness about data protection beyond these sessions, we also distribute regular articles in Nexperia’s e-magazine, X.Press. We also offer more in-depth training to the departments responsible for handling personal data on a daily basis, with a primary focus on HR. All employees must complete awareness training relating to quality and security every two years. Additionally, an annual Code of Conduct training, which includes cybersecurity and data protection, is mandatory for all employees. We ensure that the completion rate reaches at least 80% and that all new employees complete this training within 72 hours during their onboarding.

### Assessments and measures: third-party tests in 2024

We continually assess our protective measures to enhance the effectiveness of our security systems. As part of this approach, we engage third-party experts to evaluate our security infrastructure. In the category of security incident response, we received a “solid foundation” result. In 2022, we also complied with the provider’s recommendations to strengthen the communication between our IT and crisis management teams. Our cybersecurity roadmap is ongoing and evolving, covering both IT and operational technology (OT) landscapes. A Trusted Information Security Assessment Exchange (TISAX) assessment tailored to the requirements of the automotive industry and preparations for compliance with NIX2 are ongoing and expected in 2025.

A third-party penetration test during our technical cybersecurity assessments in 2022 confirmed we have all relevant security controls in place. Our next third-party penetration test is scheduled for 2025.



# Appendix

# GRI Content Index

Disclosure	Response
<b>GRI 1 - Foundation</b>	
	Nexperia Holding B.V. reporting in reference to the GRI Standards for the period January 1, 2024 - December 31, 2024.
<b>GRI - 1 used</b>	GRI - 1 Foundation 2021
<b>Applicable GRI sector standards</b>	Not currently available

Disclosure	Disclosure Number	Disclosure Description	References	Notes
<b>General Disclosures 2021</b>				
<b>GRI - 2</b>	<b>2-1</b>	Organizational details	Our Company and Business Our Entities Imprint	
<b>GRI - 2</b>	<b>2-2</b>	Entities included in the organization's sustainability reporting	Our Entities Financial Performance About our Sustainability Report	
<b>GRI - 2</b>	<b>2-3</b>	Reporting year, frequency, and contact point	Imprint About our Sustainability Report	
<b>GRI - 2</b>	<b>2-4</b>	Restatements of information	Imprint	
<b>GRI - 2</b>	<b>2-5</b>	External assurance		Some of the information contained in the Sustainability Report has been disclosed in the consolidated financial statements, which have been prepared in accordance with International Financial Reporting Standards as adopted by the European Union (EU-IFRS) and also in accordance with Section 2:362 (9) of the Dutch Civil Code. We perform extensive internal due diligence and data validation to ensure the accuracy of the information and data presented in this report. For further information, reference is made to the 2024 Annual Report, which is available at the Dutch Chamber of Commerce.

Disclosure	Disclosure Number	Disclosure Description	References	Notes
GRI - 2	2-6	Activities, value chain, and other business relationships	Our Company and Business Responsible Sourcing and Supplier Engagement	
GRI - 2	2-7	Employees	People Management at TeamNexperia	In chapter "People Management" we disclose a total of 12,521 (2023: 14,024) employees across Europe, Asia & Americas.  This can be further categorized as: Permanent: 11,673 (2023: 13,131) Temporary: 821 (2023: 837) Interns: 27 (2023: 57)
GRI - 2	2-8	Workers who are not employees		For the year ended December 31, 2024, we had the following contingent worker type as stipulated in HRIS:  External Temporary: 20 (2023: 433) Contractor: 91 (2023: 124)  Contingent employees are deployed throughout Nexperia in functions when needed.
GRI - 2	2-9	Governance structure and composition	Our Executive Management Team Our Approach to ESG Environmental Management at Nexperia Responsibility of Management Diversity, Non-discrimination, and Inclusion	
GRI - 2	2-10	Nomination and selection of the highest governance body	Responsibility of Management Diversity, Non-Discrimination, and Inclusion Our Approach to ESG	
GRI - 2	2-11	Chair of the highest governance body	Our Executive Management Team Responsibility of Management	
GRI - 2	2-12	Role of the highest governance body in overseeing the management of impacts	Responsibility of Management	
GRI - 2	2-13	Delegation of responsibility for managing impacts	Our Approach to ESG Environmental Management at Nexperia	
GRI - 2	2-14	Role of the highest governance body in sustainability reporting	Materiality Assessment	

Disclosure	Disclosure Number	Disclosure Description	References	Notes
GRI - 2	2-15	Conflicts of interest	Business Integrity and Ethics	
GRI - 2	2-16	Communication of critical concerns	Business Integrity and Ethics	There were no incidents during the reporting year. (2023: 0)
GRI - 2	2-17	Collective knowledge of the highest governance body	Our Executive Management Team Our Approach to ESG (Sustainable corporate governance structure)	
GRI - 2	2-18	Evaluation of the performance of the highest governance body	Responsibility of Management Our Approach to ESG	
GRI - 2	2-19	Remuneration policies		Due to confidentiality reasons we choose not to disclose remuneration information.
GRI - 2	2-20	Process to determine remuneration		Due to confidentiality reasons we choose not to disclose remuneration information.
GRI - 2	2-21	Annual total compensation ratio		Due to confidentiality reasons we choose not to disclose remuneration information.
GRI - 2	2-22	Statement on sustainable development strategy	Letter from the CEO Our Approach to ESG	
GRI - 2	2-23	Policy commitments	Our Approach to ESG Safeguarding Labor and Human Rights Business Integrity and Ethics	
GRI - 2	2-24	Embedding policy commitments	Our Approach to ESG Safeguarding Labor and Human Rights Responsibility of Management Business Integrity and Ethics	
GRI - 2	2-25	Processes to remediate negative impacts	Safeguarding Labor and Human Rights Responsibility of Management Business Integrity and Ethics	
GRI - 2	2-26	Mechanisms for seeking advice and raising concerns	Responsibility of Management Business Integrity and Ethics	
GRI - 2	2-27	Compliance with laws and regulations		There were no incidents during the reporting year. (2023: 0)

Disclosure	Disclosure Number	Disclosure Description	References	Notes
GRI - 2	2-28	Membership associations	Our Approach to ESG Environmental Management at Nexperia	Nexperia has a significant role at ZVEI (Germany). Senior Director EHS is chair of the semiconductor working group of ZVEI. Additional participation in other ZVEI working groups and committees. Nexperia participates in several ESIA work groups and as well in different local associations.
GRI - 2	2-29	Approach to stakeholder engagement	Our Approach to ESG	
GRI - 2	2-30	Collective bargaining agreements	People Management at TeamNexperia	Employees at our global locations have the freedom to associate and/or right to collective bargaining as provided by local statutes. There are collective bargaining agreements in place in Germany, the Netherlands, the Philippines, and the UK. We are compliant with all agreements required by laws. Our collective bargaining coverage reached approximately 34.1% of our global workforce.
<b>Material topics</b>				
GRI - 3	3-1	Process to determine material topics	Materiality Assessment	
GRI - 3	3-2	List of material topics	Materiality Assessment	
<b>Economic performance</b>				
GRI - 3	3-3	Management of material topics	Financial Performance	
GRI 201	201-1	Direct economic value generated and distributed	Financial Performance	See our Annual Report 2024, available at the Dutch Chamber of Commerce.
GRI 201	201-2	Financial implications and other risks and opportunities due to climate change	Risk Management Our Approach to ESG	
GRI 201	201-3	Defined benefit plan obligations and other retirement plans	Talent Attraction and Retention	
GRI 201	201-4	Financial assistance received from government		See our Annual Report 2024, available at the Dutch Chamber of Commerce.
<b>Market presence</b>				
GRI - 3	3-3	Management of material topics	Diversity, Non-Discrimination, and Inclusion	

Disclosure	Disclosure Number	Disclosure Description	References	Notes
GRI 202	202-2	Proportion of senior management hired from the local community	Diversity, Non-Discrimination, and Inclusion	
<b>Procurement practices</b>				
GRI - 3	3-3	Management of material topics	Responsible Sourcing and Supplier Engagement	
GRI 204	204-1	Proportion of spending on local suppliers	Responsible Sourcing and Supplier Engagement	
<b>Anti corruption</b>				
GRI - 3	3-3	Management of material topics	Business Integrity and Ethics	
GRI 205	205-1	Operations assessed for risks related to corruption		We assess corruption and risks globally for our organization. Current risks are included in the "Risk Management" chapter of this report. For more information, see our Code of Conduct.
GRI 205	205-2	Communication and training about anti-corruption policies and procedures	Business Integrity and Ethics	
GRI 205	205-3	Confirmed incidents of corruption and actions taken		There were no incidents during the reporting year. (2023: 0)
<b>Anti competition</b>				
GRI - 3	3-3	Management of material topics	Business Integrity and Ethics	
GRI 206	206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	Business Integrity and Ethics	
<b>Tax</b>				
GRI - 3	3-3	Management of material topics		In all its tax affairs, Nexperia is committed to complying with relevant laws, rules, regulations, and reporting and disclosure requirements wherever we operate. We are guided by recognized international standards, such as the OECD Guidelines. This overall approach to tax is reflected in our established Tax Policy, which is linked to our Code of Conduct.  Nexperia's Tax team is part of the Finance department and reports to the CFO, who updates the audit committee with support from the Tax department.

Disclosure	Disclosure Number	Disclosure Description	References	Notes
GRI 207	207-1	Approach to tax		Nexperia's tax approach aligns with its business strategy, risk management, and core values. It ensures consistent adoption, clear responsibility, and accountability. Nexperia pays the correct amount of tax required by the laws and regulations of the countries in which it operates.
GRI 207	207-2	Tax governance, control, and risk management		Our centralized Tax department is organized to ensure compliance with tax laws and regulations in the countries where we operate, managing both regional and functional requirements. It regularly engages with external tax advisors and local authorities to ensure tax obligations are correctly handled and disclosed in our quarterly and annual reports. Nexperia uses a tax risk management framework to identify, mitigate, manage, and report tax risks globally. Our Tax department maintains ongoing dialogue with senior management and business groups to keep them engaged in relevant tax matters.
GRI 207	207-3	Stakeholder engagement and management of concerns related to tax		Nexperia fosters transparent and professional relationships with tax authorities based on integrity and mutual trust. We commit to openness and timely collaboration, aiming to secure early agreements and avoid disputes.
GRI 207	207-4	Country-by-country reporting		Nexperia pays all taxes in compliance with the tax laws applicable in the relevant jurisdiction in the countries in which we operate. In response to Pillar 2 requirements, we have assessed our global tax footprint to determine the impact of the new minimum tax rules. As of 2024, we have identified one jurisdiction where our effective tax rate is below 15%, triggering potential top-up tax obligations. We continue to assess the impact of Pillar 2 and will provide further disclosures in subsequent reports as implementation evolves. Further information and legally required disclosures on the subject of tax are provided in the Annual Report, available at the Dutch Chamber of Commerce.
<b>Materials</b>				
GRI - 3	3-3	Management of material topics	Environmental Management at Nexperia Resources and Energy	
GRI 301	301-1	Materials used by weight or volume	Resources and Energy	We do not track materials to report at a corporate level.

Disclosure	Disclosure Number	Disclosure Description	References	Notes
GRI 301	301-2	Recycled input materials used	Resources and Energy	As a semiconductor company, we need to be cautious with the high quality specification and purity grade of production materials. Where possible, we will reuse materials.
GRI 301	301-3	Reclaimed products and their packaging materials	Resources and Energy	We utilize reclaimed products as stated in the "Resources and Energy" chapter of this report, but we are unable to provide quantifiable data.
<b>Energy</b>				
GRI - 3	3-3	Management of material topics	Environmental Management at Nexperia Resources and Energy	
GRI 302	302-1	Energy consumption within the organization	Resources and Energy	
GRI 302	302-2	Energy consumption outside the organization		We are currently not tracking consumption outside our organization.
GRI 302	302-3	Energy intensity	Resources and Energy	
GRI 302	302-4	Reduction of energy consumption	Resources and Energy	
GRI 302	302-5	Reductions in energy requirements of products and services	Resources and Energy	
<b>Water</b>				
GRI - 3	3-3	Management of material topics	Environmental Management at Nexperia Water and Wastewater Management	
GRI 303	303-1	Interactions with water as a shared resource	Water and Wastewater Management Responsible Sourcing and Supplier Engagement	We require all our suppliers to be compliant with the Nexperia Supplier Code of Conduct: wastewater generated from operations, industrial processes, and sanitation facilities are to be characterized, monitored, controlled, and treated as required prior to discharge or disposal. We ask our suppliers to conduct routine monitoring of the performance of their wastewater treatment systems.
GRI 303	303-2	Management of water discharge related impacts	Water and Wastewater Management	
GRI 303	303-3	Water withdrawal	Water and Wastewater Management	We will continue to monitor areas of water stress and provide feedback in the future.

Disclosure	Disclosure Number	Disclosure Description	References	Notes
GRI 303	303-4	Water discharge	Water and Wastewater Management	We will continue to monitor water discharge data and provide feedback in the future.
GRI 303	303-5	Water consumption	Water and Wastewater Management	We will continue to monitor areas of water stress and report in the future.
<b>Emissions</b>				
GRI - 3	3-3	Management of material topics	Environmental Management at Nexperia Emissions	
GRI 305	305-1	Direct (Scope 1) GHG emissions	Emissions Selected Sustainability Performance Indicators	
GRI 305	305-2	Energy indirect (Scope 2) GHG emissions	Emissions Selected Sustainability Performance Indicators	
GRI 305	305-3	Other indirect (Scope 3) GHG emissions		We currently have no data for disclosure purposes. Reporting is planned to be prepared in 2025.
GRI 305	305-4	GHG emissions intensity	Emissions	
GRI 305	305-5	Reduction of GHG emissions	Emissions	
GRI 305	305-6	Emissions of ozone depleting substances (ODS)	Emissions	
GRI 305	305-7	Nitrogen oxides (NOx), sulfur oxides (SOx), and other significant air emissions	Emissions	
<b>Waste</b>				
GRI - 3	3-3	Management of material topics	Environmental Management at Nexperia Waste Management	
GRI 306	306-1	Waste generation and significant waste-related impacts	Waste Management	
GRI 306	306-2	Management of significant waste-related impacts	Waste Management	
GRI 306	306-3	Waste generated	Waste Management	

Disclosure	Disclosure Number	Disclosure Description	References	Notes
GRI 306	306-4	Waste diverted from disposal	Waste Management	We are continuously improving our data monitoring on waste management and include more data in the future.
GRI 306	306-5	Waste directed to disposal	Waste Management	We are continuously improving our data monitoring on waste management and include more data in the future.
<b>Supplier environmental assessment</b>				
GRI - 3	3-3	Management of material topics	Responsible Sourcing and Supplier Engagement	
GRI 308	308-1	New suppliers that were screened using environmental criteria	Responsible Sourcing and Supplier Engagement	
GRI 308	308-2	Negative environmental impacts in the supply chain and actions taken	Responsible Sourcing and Supplier Engagement	
<b>Employees</b>				
GRI - 3	3-3	Management of material topics	People Management at TeamNexperia	
GRI 401	401-1	New employee hires and employee turnover	Talent Attraction and Retention	In addition to the breakdown of new hired employees according to age and gender, please see below by region: Asia: 1,601 (2023: 1,194), Europe: 177 (2023: 423), Americas: 24 (2023: 55).
GRI 401	401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Talent Attraction and Retention	For benefits, Nexperia does not distinguish between full-time, temporary, and part-time employees.
GRI 401	401-3	Parental leave		We provide our employees with parental leave that meets or exceeds local regulatory requirements. Our offerings vary from country to country.
<b>Labor relations</b>				
GRI - 3	3-3	Management of material topics	People Management at TeamNexperia	
GRI 402	402-1	Minimum notice periods regarding operational changes	People Management at TeamNexperia	
<b>Occupational Health and Safety</b>				
GRI - 3	3-3	Management of material topics	Health & Safety	

Disclosure	Disclosure Number	Disclosure Description	References	Notes
GRI 403	403-1	Occupational health and safety management system	Health & Safety	
GRI 403	403-2	Hazard identification, risk assessment, and incident investigation	Health & Safety	
GRI 403	403-3	Occupational health services	Health & Safety	
GRI 403	403-4	Worker participation, consultation, and communication on occupational health and safety	Health & Safety	
GRI 403	403-5	Worker training on occupational health and safety	Health & Safety	
GRI 403	403-6	Promotion of worker health	Health & Safety	
GRI 403	403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Health & Safety Responsible Sourcing and Supplier Engagement	
GRI 403	403-8	Workers covered by an occupational health and safety management system	Health & Safety	
GRI 403	403-9	Work-related injuries	Health & Safety	
GRI 403	403-10	Work-related ill health		No cases reported in 2024. (2023: 0)
<b>Training and education</b>				
GRI - 3	3-3	Management of material topics	People Management at TeamNexperia Talent Development	
GRI 404	404-1	Average hours of training per year per employee	Talent Development	
GRI 404	404-2	Programs for upgrading employee skills and transition assistance programs	Talent Development	
GRI 404	404-3	Percentage of employees receiving regular performance and career development reviews	Talent Development	92% of female employees out of year-end female population and 81% male employees out of year-end male population. 87% of direct labor (DL) and 83% of indirect labor received performance and career development reviews in 2024.  This data includes all eligible indirect labor (IDL) and direct labor (DL) employees; new hires and union/tariff employees are not covered.

Disclosure	Disclosure Number	Disclosure Description	References	Notes
<b>Diversity and equal opportunity</b>				
GRI - 3	3-3	Management of material topics	People Management at TeamNexperia Diversity, Non-Discrimination, and Inclusion	
GRI 405	405-1	Diversity of governance bodies and employees	Diversity, Non-Discrimination, and Inclusion Selected Sustainability Performance Indicators	
GRI 405	405-2	Ratio of basic salary and remuneration of women to men	Diversity, Non-Discrimination, and Inclusion	
<b>Non-discrimination</b>				
GRI - 3	3-3	Management of material topics	People Management at TeamNexperia Diversity, Non-Discrimination, and Inclusion	
GRI 406	406-1	Incidents of discrimination and corrective actions taken	Business Integrity and Ethics	
<b>Freedom of association and collective bargaining</b>				
GRI - 3	3-3	Management of material topics	People Management at TeamNexperia	
GRI 407	407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	People Management at TeamNexperia Safeguarding Labor and Human Rights	
<b>Child labor</b>				
GRI - 3	3-3	Management of material topics	Responsible Sourcing and Supplier Engagement	
GRI 408	408-1	Operations and suppliers at significant risk for incidents of child labor	Safeguarding Labor and Human Rights Responsible Sourcing and Supplier Engagement	For further information reference is made to: <a href="#">Code of Conduct</a> <a href="#">Supplier Code of Conduct</a>
<b>Forced or compulsory labor</b>				
GRI - 3	3-3	Management of material topics	Responsible Sourcing and Supplier Engagement	
GRI 409	409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	Safeguarding Labor and Human Rights Responsible Sourcing and Supplier Engagement	For further information reference is made to: <a href="#">Code of Conduct</a> <a href="#">Supplier Code of Conduct</a>

Disclosure	Disclosure Number	Disclosure Description	References	Notes
<b>Supplier Social Assessment</b>				
GRI - 3	3-3	Management of material topics	Responsible Sourcing and Supplier Engagement	
GRI 414	414-1	New suppliers that were screened using social criteria	Responsible Sourcing and Supplier Engagement	
GRI 414	414-2	Negative social impacts in the supply chain and actions taken	Responsible Sourcing and Supplier Engagement	
<b>Public Policy</b>				
GRI - 3	3-3	Management of material topics	Business Integrity and Ethics	
GRI 415	415-1	Political contributions	Business Integrity and Ethics	
<b>Customer Health and Safety</b>				
GRI - 3	3-3	Management of material topics	Responsibility of Management	
GRI 416	416-1	Assessment of the health and safety impacts of product and service categories	New Product Design	We currently do not disclose any data on assessments of our products but will do so in the future.
GRI 416	416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		There were no incidents during the reporting year. (2023: 0)
<b>Customer Privacy</b>				
GRI - 3	3-3	Management of material topics	Cybersecurity, Data Protection, and Privacy	
GRI 418	418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Cybersecurity, Data Protection, and Privacy	In March 2024, an unauthorized third party accessed certain Nexperia IT servers (2023: 0). For further information see <a href="#">Press statement Nexperia IT Breach</a>

# Glossary

Abbreviations	
<b>BCM</b>	Business Continuity Management
<b>BE</b>	Back-end
<b>BG</b>	Business Group
<b>CAHRAs</b>	Conflict-affected and high-risk areas
<b>CBAM</b>	Carbon Border Adjustment Mechanism
<b>CDC</b>	China Design Center
<b>CEO</b>	Chief Executive Officer
<b>CFO</b>	Chief Financial Officer
<b>CH<sub>4</sub></b>	Methane
<b>CHP</b>	Combined heat and power
<b>CHRO</b>	Chief Human Resources Officer
<b>CIO</b>	Chief Information Officer
<b>CO<sub>2</sub></b>	Carbon dioxide
<b>CO<sub>2</sub>e</b>	Carbon dioxide equivalents
<b>CoC</b>	Code of Conduct
<b>CODM</b>	Chief Operating Decision Maker
<b>CoE</b>	Centers of Expertise
<b>COO</b>	Chief Operating Officer
<b>COSO</b>	Committee of Sponsoring Organizations of the Treadway Commission
<b>CPO</b>	Chief Purchasing Officer
<b>CRA</b>	Climate Risk Assessment

Abbreviations	
<b>C-SOX-Standards</b>	China SOX – China’s version of the Sarbanes-Oxley-Act
<b>CSDDD</b>	Corporate Sustainability Due Diligence Directive
<b>CSR</b>	Corporate Social Responsibility
<b>CSRD</b>	Corporate Sustainability Reporting Directive
<b>D&amp;I</b>	Diversity and Inclusion
<b>DPO</b>	Data Protection Officer
<b>E&amp;A</b>	Equipment and Automation
<b>EAC</b>	Energy Attribute Certificates
<b>EAP</b>	Employee Assistance Program
<b>EC</b>	Ethics Committee
<b>EFRAG</b>	European Financial Reporting Advisory Group
<b>EHS</b>	Environment, Health and Safety
<b>EMBA</b>	Executive Master of Business Administration
<b>EMEA</b>	Europe, Middle East & Africa
<b>EMS</b>	Electronics manufacturing service
<b>EMT</b>	Executive Management Team
<b>ERG</b>	Employee Resource Group
<b>ERM</b>	Enterprise Risk Management
<b>ESD</b>	Electrostatic Discharge
<b>ESG</b>	Environmental, Social and Governance
<b>ESIA</b>	European Semiconductor Industry Association

Abbreviations	
<b>ESRS</b>	European Sustainability Reporting Standards
<b>ETI</b>	Ethical Trading Initiative
<b>EU</b>	European Union
<b>Fab</b>	Front-end manufacturing, i.e., wafer fab
<b>FE</b>	Front-end
<b>FET</b>	Field-Effect Transistor
<b>FMM</b>	Federation of Malaysian Manufacturers
<b>FTE</b>	Full-time Equivalent
<b>GaN</b>	Gallium Nitride
<b>GDPR</b>	General Data Protection Regulation
<b>GHG</b>	Greenhouse Gas
<b>GJ</b>	Gigajoule
<b>GRI</b>	Global Reporting Initiative
<b>H&amp;S</b>	Health and Safety
<b>HFCs</b>	Hydrofluorocarbons
<b>HG</b>	Highest Governance
<b>HR</b>	Human Resources
<b>HRIS</b>	Human resources information system
<b>HRLT</b>	HR Leadership Team
<b>HTF</b>	Heat-Transfer Fluid
<b>IATF</b>	International Automotive Task Force

Abbreviations	
<b>IC</b>	Integrated Circuit
<b>IGBT</b>	Insulated Gate Bipolar Transistor
<b>IFRS</b>	International Financial Reporting Standards
<b>ILO</b>	International Labor Organization
<b>InfoSec</b>	Information Security
<b>IP</b>	Intellectual Property
<b>IPCC</b>	International Panel on Climate Change
<b>ISO</b>	International Standards Organization / International Organization for Standardization
<b>IT</b>	Information Technology
<b>ITEC</b>	Industrial Technology and Engineering Centre
<b>kg</b>	Kilograms
<b>KPI</b>	Key Performance Indicators
<b>kWh</b>	Kilowatt-hour
<b>LkSG</b>	Lieferkettensorgfaltspflichtengesetz (Supply Chain Due Diligence Act)
<b>LPG</b>	Liquefied petroleum gas
<b>LWC</b>	Lost Workday Cases
<b>M&amp;A</b>	Mergers and Acquisitions
<b>MDM</b>	Master Data Management
<b>MM</b>	Mass Market
<b>MOSFETs</b>	Metal Oxide Semiconductor Field-Effect Transistors
<b>MRAT</b>	Manufacturing Risk Assessment Tool
<b>N<sub>2</sub>O</b>	Nitrous oxide

Abbreviations	
<b>NCs</b>	Non-conformances
<b>NF<sub>3</sub></b>	Nitrogen Trifluoride
<b>NGO</b>	Non Governmental Organization
<b>NIST</b>	National Institute of Standards and Technology
<b>NOx</b>	Nitrogen oxides
<b>OECD</b>	Organisation for Economic Co-operation and Development
<b>OEM</b>	Original equipment manufacturer
<b>OHS</b>	Occupational Health and Safety
<b>OT</b>	Operational Technology
<b>PCF</b>	Product Carbon Footprint
<b>PDCA</b>	Plan-Do-Check-Act process
<b>PFC</b>	Perfluorinated compounds
<b>POS</b>	Point of sale
<b>PPA</b>	Power Purchase Agreement
<b>R&amp;D</b>	Research and Development
<b>RBA</b>	Responsible Business Alliance
<b>RE</b>	Renewable Energy
<b>RFF</b>	Rolling Financial Forecast
<b>RMI</b>	Responsible Minerals Initiative
<b>SAI</b>	Social Accountability International
<b>SDGs</b>	Sustainable Development Goals
<b>SF<sub>6</sub></b>	Sulfur hexafluoride

Abbreviations	
<b>Si</b>	Silicon
<b>SiC</b>	Silicon Carbide
<b>SLL</b>	Sustainability-Linked Loan
<b>SR</b>	Severity rate
<b>SVP</b>	Senior Vice President
<b>TA</b>	Talent Acquisition
<b>TCIR</b>	Total Case Incident Rate
<b>TISAX</b>	Trusted Information Security Assessment Exchange
<b>3TGs</b>	Tin, tungsten, tantalum, gold (collectively referred to as 3TGs or Conflict Minerals)
<b>TLD</b>	Three Lines of Defense Model
<b>TWh</b>	Terawatt hours
<b>UDHR</b>	Universal Declaration of Human Rights
<b>UN</b>	United Nations
<b>USD</b>	US Dollar
<b>VAP</b>	Validated Assessment Program
<b>VDA</b>	Verband der Automobilindustrie (German Association of the Automotive Industry)
<b>VOCs</b>	Volatile organic compounds
<b>VP</b>	Vice President
<b>WBG</b>	Wide-bandgap material
<b>ZVEI</b>	Verband der Elektro- und Digitalindustrie, German Electro and Digital Industry Association

# Selected Sustainability Performance Indicators

Relevant GRI Standards:

305, 405

Indicator	Unit	2022*	2023	2024
<b>Scope 1 and 2 GHG emissions</b>				
<b>Scope 1: Direct CO<sub>2</sub> emissions</b>				
Fossil fuel emissions	tCO <sub>2</sub> e	29,953	34,547	36,906
PFCs (incl. SF <sub>6</sub> )	tCO <sub>2</sub> e	53,074	54,455	58,210
N <sub>2</sub> O	tCO <sub>2</sub> e	2,972	3,614	3,998
HTFs	tCO <sub>2</sub> e	6,907	2,772	7,543
Non ozone depletion potential (ODP) refrigerants	tCO <sub>2</sub> e	0	0	214
Subtotal Scope 1 Direct CO <sub>2</sub> emissions	tCO <sub>2</sub> e	92,905	95,388	106,871
<b>Scope 2: Indirect CO<sub>2</sub> emissions</b>				
Purchased electricity	tCO <sub>2</sub> e	182,481	178,217	124,166
Subtotal Scope 2 Indirect CO <sub>2</sub> emissions	tCO <sub>2</sub> e	182,481	178,217	124,166
<b>Sum Scope 1 and Scope 2 GHG emissions</b>	<b>tCO<sub>2</sub>e</b>	<b>275,387</b>	<b>273,606</b>	<b>231,037</b>

\*) Restated baseline 2022. New calculation 2022 and 2023 due to divestment of Newport.

Indicator	2023	2024
<b>Share of women in management positions (%);</b>	25.1%; Total number of management positions (male and female) in 2023: 1,365.	26.1%; Total number of management positions (male and female) in 2024: 1,184.

Term	Definition
<b>Reporting period</b>	January 1, 2024 – December 31, 2024.
<b>Scope</b>	All indicators are calculated based on all Nexperia entities.
<b>Scope 1 and 2 GHG emissions</b>	Scope 1 emissions: direct greenhouse (GHG) emissions that occur from sources that are controlled or owned by our organization (e.g., emissions associated with fuel combustion in boilers, furnaces, vehicles). Scope 2 emissions: indirect GHG emissions associated with the purchase of electricity, steam, heat, or cooling, reported on market-based approach. Calculation of our Scope 1 and 2 GHG emissions includes our front-end and back-end sites, Hamburg (Germany), Manchester (UK), Cabuyao (the Philippines), Seremban (Malaysia) and Dongguan (China).
<b>Management position</b>	Employee with people management responsibility.  A manager has direct reports.
<b>Senior management position</b>	Employee on job grade 70 and above.
<b>Share of Women in Management positions (%)</b>	The percentage of women in management positions, is calculated by dividing the number of women in management positions by the total number of management positions at year end. Nexperia defines management position as a position that has a minimum of one person directly reporting. Direct reports (subordinates) are classified as other employees who directly report to an employee in a manager/management position.

# Imprint

## Relevant GRI Standards:

2-1, 2-3, 2-4

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