

## THOMSON REUTERS FOUNDATION HONORS NXP

Award recognizes companies taking concrete initiatives to eradicate modern-day slavery from their supply chains

In November 2016, the Thomson Reuters Foundation; the philanthropic arm of the world's biggest news and information provider, awarded NXP with the Stop Slavery Award in the "Policy and Implementation" category. The award is the first global recognition for businesses that have excelled in efforts to eradicate forced labor from their supply chains.

NXP was chosen because of its deep commitment to the fight to end modern slavery. Since 2012, the company has made this a key corporate initiative through its own operations and across the supply chain. The company was first in its industry to adopt an "Employer Pays" policy and the first to require its foreign migrant workers not to release their government-issued documents to labor agents.

Today, NXP pays for all related recruitment fees, including transportation costs, and provides lockers to keep its workers' government-issued documents safe. The company also carefully selects its recruitment agencies, auditing them to verify they are not involved in any forms of bonded or forced labor.

In addition, NXP has a dedicated team in place to ensure compliance to these policies, going well beyond the firsttier supply chain. This team diligently conducts annual risk assessments and audits of its factories and suppliers, managing corrective and preventative actions while working closely with external stakeholders.

"Modern slavery and debt bondage are serious violations of rights and NXP is determined to do what we can to end this," said Richard Clemmer, CEO of NXP Semiconductors.

"As a technology provider working with hundreds of suppliers globally, we dug deeply into our supply chain to ensure our workers are not held hostage by labor suppliers, making sure that kickbacks and payment demands from employment agencies are eradicated. Working with our suppliers to do the right thing - train, audit, institute corrective action plans, re-audit and motivate - we've focused on cooperative improvement as a corporate strategy and I am very proud of what we have accomplished to date. We thank the Thomson Reuters Foundation for their work and for the opportunity to highlight the continuing efforts NXP is making to bring this abhorrent practice to an end once and for all."

"Modern slavery and debt bondage are serious violations of rights and NXP is determined to do what we can to end this."

Richard Clemmer, CEO
of NXP Semiconductors



Companies from ten global industries were assessed by independent reviewers according to their policies and practices with regard to anti-modern slavery. The assessment criteria were developed using a combination of existing standards, including the UK Modern Slavery Act and the California Transparency in Supply Chains Act, as well as other global best practice standards. Based on overall scores, NXP demonstrated leading practices with evidence of implementation.

Monique Villa, CEO of the Thomson Reuters Foundation and founder of Trustlaw and Trust Women, said: "NXP is a prime example of a large global company who is taking action, going above and beyond the current legal requirement to ensure their business is not tainted by slavery. Their commitment to transparency and the courage they have shown to speak openly of this issue sets the standard for others to ensure that the fight against slavery is perceived both as a rights priority and a business imperative."