

NXP POLICY ON AUDITOR INDEPENDENCE

1. Policy on Auditor Independence

NXP Semiconductors N.V., including all its consolidated subsidiaries (collectively, the “Company”), will use the appointed external auditor (“External Auditor”) to provide services only in cases where these services do not conflict with the auditor’s independence. The audit committee of the Company (“Audit Committee”) is responsible for the engagement, compensation and oversight of the work of the External Auditor. This Policy on Auditor Independence has been adopted by the Audit Committee to assist it in discharging its oversight responsibility.

The External Auditor must be independent of the Company both in fact and appearance to ensure that the External Auditor is capable of exercising objective and impartial judgment on all issues encompassed within its engagement. The External Auditor is not independent if the External Auditor, directly or indirectly, maintains a financial, employment or business relationship with the Company or provides services which:

- create a mutual or conflicting interest between the External Auditor and the Company;
- result in the External Auditor acting as a manager or an employee of the Company;
- place the External Auditor in the position of auditing its own work; or
- place the External Auditor in the position of being an advocate for the Company.

2. Permitted Services

Consistent with the Company’s Policy on Auditor Independence, the External Auditor may provide the services specified below as audit services, audit related services, tax services and other services (“Permitted Services”) if the service does not otherwise impair the independence of the External Auditor, having regard to the principles set forth in paragraph 1 and the applicable rules on auditor independence of the United States Securities and Exchange Commission (“SEC”) and the United States Public Company Accounting Oversight Board (“PCAOB”). The External Auditor is prohibited from providing the non-audit services specified in paragraph 4 or any other non-audit service that the External Auditor is or will be prohibited from providing under the applicable rules of the SEC or the PCAOB. The total annual fees for Tax Services and Other Services provided by the External Auditor to the Company shall not exceed the total annual fees for Audit Services and Audit Related Services provided by the External Auditor to the Company.

2.1 Audit Services

Audit services (“Audit Services”) are:

- (a) performing an audit and issuing audit opinions on the Company’s consolidated annual financial statements;
- (b) performing an audit and issuing audit opinions on the statutory financial statements of the holding company and the subsidiaries of the Company;
- (c) reviews of the Company’s interim financial statements;
- (d) audit and other attest services required by statute or regulation, including attestations of management’s reports on internal control;
- (e) issuing audit opinions and consents and assistance with and review of documents filed for regulatory and supervisory purposes, including documents and forms filed with the SEC; and
- (f) issuing comfort letters in connection with financing transactions by the Company. The External Auditor can be engaged to perform these Audit Services without the requirement of a separate tender process. Such services will be pre-approved by the Audit Committee on the basis of the annual audit services engagement agreed with the External Auditor.

2.2 Audit Related Services

Audit related services (“Audit Related Services”) are assurance services or other work customarily provided to the Company by the External Auditor in its role as external auditor. The Audit Related Services usually result in a certification or specific opinion on an investigation. The Audit Related Services include:

- (a) accounting consultations, audits and due diligence services in connection with acquisitions, mergers and divestments;
- (b) employee benefit plan audits;
- (c) opinions, audit reports or attest services not required by statute or regulation;
- (d) forensic audits;
- (e) review of and advice on internal control over financial reporting and accounting policies and procedures;
- (f) review of and advice on electronic data processing (EDP), IT systems and IT security.

The External Auditor can be engaged to perform these Audit Related Services without the requirement of a separate tender process.

2.3 Tax Services

Tax services (“Tax Services”) may include tax compliance, advice on tax planning and advice on transfer pricing issues, including all services performed by the External Auditor’s professional staff in its tax department, except those rendered in connection with the audit and the tax services listed in paragraph 4(k).

For Tax Services a tender process is required for work anticipated to generate fees of above EUR 200,000.

2.4 Other Services

Other services (“Other Services”) are services provided by the External Auditor that are not directly related to the audit of the financial statements of the Company. These include sustainability audits/reviews, royalty audits and advisory services.

For Other Services a tender process is required for work anticipated to generate fees of above EUR 200,000.

3. Pre-approval of Permitted Services

Engagements to render any Permitted Services to the Company may only be entered into (i) pursuant to the pre-approval policies and procedures annually established by the Audit Committee in its first meeting of each calendar year; or (ii) pursuant to a specific preapproval by the Audit Committee on an engagement-by-engagement basis. Pre-approval policies and procedures established by the Audit Committee annually must be detailed as to the particular service and may not include delegation of any Audit Committee responsibility to management. The Audit Committee must be informed of each service provided pursuant to the pre-approval policies and procedures. For each general or specific pre-approval for proposed Permitted Services, the Audit Committee will assess whether the Permitted Service will impair the independence of the External Auditor.

The External Auditor is prohibited from providing any service or product to the Company for a contingent fee or commission. The Audit Committee may delegate specific pre-approval authority to individual members of the Audit Committee provided that any decision by the delegated member shall be reported to the full Audit Committee in its next meeting.

4. Prohibited Services

Consistent with the Company's Policy on Auditor Independence, the External Auditor is prohibited from providing the following categories of services ("Prohibited Services") to the Company:

- (a) bookkeeping or other services related to the accounting records or financial statements of the Company;
- (b) financial information systems design and implementation;
- (c) appraisal or valuation services, fairness opinions or contribution- in-kind reports;
- (d) actuarial services;
- (e) internal audit outsourcing services;
- (f) management functions;
- (g) human resources;
- (h) broker-dealer, investment advisor or investment banking services;
- (i) legal services;
- (j) expert services unrelated to the audit in connection with litigation or regulatory or administrative proceedings or investigations; or
- (k) tax services in connection with certain types of potentially abusive tax transactions or to individual employees of the Company in a financial reporting oversight role.

5. Appointment of External Auditor

The External Auditor will be appointed for a period of three years.

Every three years, the board of the Company will submit a proposal to the general meeting of shareholders on the (re-)appointment of the External Auditor. The External Auditor is (re-)appointed by the general meeting of shareholders. In case the existing External Auditor is not re-appointed, a tender process will be applied to select a new external auditor.

6. Rotation of key audit partners

The Company requires its External Auditor to adhere to a rotation policy that provides an appropriate balance between going concern considerations (effectiveness and efficiency), risk management, independence and credibility. Rotation of the lead audit partner, concurring or reviewing partner and, if applicable, "relationship" partner is required after a maximum period of five consecutive years. After expiration of this five-year period, these partners will not be allowed to provide the services of a lead partner, concurring or reviewing partner or "relationship" partner, or a combination thereof, for the next five years. Other audit partners (as defined in the SEC's rules) who are members of the audit engagement team are required to rotate after a maximum period of seven consecutive years and will not be allowed to provide any audit partner service within the two years following the expiration of the seven-year period. In determining when rotation is required, time served prior to the effective date of this policy is included.

7. Restrictions on audit partner compensation

The independence of the External Auditor will be impaired if, at any point during the audit and professional engagement period, any audit partner earns or receives compensation based on the audit partner procuring engagements with the Company to provide any services other than audit, review or attest services.

8. Hiring arrangements

The Company will not hire partners or professional employees of the External Auditor who have been involved in the Company's audit or in the audit of any subsidiary of the Company within the preceding two years. The External Auditor will agree not to hire any officer, director or employee of the Company for involvement in the Company's audit within two years after the termination of the employment of such person with the Company.

9. Responsibility of the Audit Committee

Each year, the Audit Committee will review and evaluate the independence of the External Auditor and address any changes to the Company's Policy on Auditor Independence, including the list of Permitted Services, as needed. Furthermore, the Audit Committee will evaluate the quality of the audit service provided by the External Auditor and address any changes if deemed necessary. Finally, the Audit Committee will evaluate the appropriateness of the annual audit budget in relation to perceived audit risk, market conditions and the results of recent audits. The Audit Committee will document the outcome of its annual evaluation and inform the Supervisory Board of the outcome.

10. Responsibility of the External Auditor

The External Auditor will maintain a quality control system that provides reasonable assurance that its independence will not be impaired. The External Auditor will report annually to the Audit Committee on all aspects concerning independence, including possible conflicts with the Company's Policy on Auditor Independence or the SEC's auditor independence rules, if any. The External Auditor will annually confirm its independence in writing.

11. External Auditor reports to Audit Committee

The External Auditor shall ensure that the Audit Committee is kept informed of material matters relating to the Company's audit, in particular:

- (a) all critical accounting policies and practices used;
- (b) all alternative accounting treatments within Generally Accepted Accounting Principles for policies and practices related to material items that have been discussed with the management of the Company, including:
 - (1) ramifications of the use of such alternative disclosures and treatments; and
 - (2) the treatment preferred by the External Auditor; and
- (c) other material written communications between the External Auditor and management of the Company, such as any management representation letter, observations and recommendations on internal controls, or any schedule of unadjusted audit differences.

The External Auditor will report to the Audit Committee regarding these matters as necessary or advisable during the engagement period and, in any event, shall provide an update within 90 days prior to the publication or filing of the Company's annual report.

12. Communication

The Company will communicate its policy on auditor independence to stakeholders and disclose audit and non-audit fees incurred for professional services provided by the

External Auditor during each of the last two fiscal years. In this disclosure, the total fees billed by the External Auditor will be disclosed by category as total fees billed for Audit Services (“Audit Fees”), Audit Related Services (“Audit Related Fees”), Tax Services (“Tax Fees”) and Other Services (“All Other Fees”).