NXP Embraces EU's IPCEI ME/CT to Expand Research and Development

September 19, 2023 at 3:00 AM EDT

- *Grants to be provided by the respective ministries of Austria, Germany, the Netherlands and Romania*
- *Planned investments reinforce NXP's commitment to strengthening innovation and supply chain resilience in Europe and follows the announcement of a joint venture partnership establishing TSMC's First European Fab*

EINDHOVEN, The Netherlands, Sept. 19, 2023 (GLOBE NEWSWIRE) -- NXP Semiconductors N.V. (NASDAQ: NXPI) today announced it is strengthening its European research and development (R&D) through grants to be provided via the 2nd Important Project of Common European Interest on Microelectronics and Communication Technologies (IPCEI ME/CT), with the final investment decision pending confirmation of the level of public funding. Dedicated NXP teams across Austria, Germany, the Netherlands and Romania will innovate in core technologies across automotive, industrial and cybersecurity. This includes 5nm, advanced driving assistance and battery management systems in automotive, 6G and Ultra-Wideband as well as artificial intelligence (AI), RISC-V and post-quantum cryptography.

"NXP's planned investments in our Austrian, German, Dutch, and Romanian operations signal our strong commitment to the EU's goal of enabling both digital and green transition," said Kurt Sievers, President and CEO of NXP. "Our activities through IPCEI ME/CT complement NXP's planned joint venture participation in TSMC's first European foundry. It also underscores our commitment to strengthening innovation and supply chain resilience in Europe. NXP believes expanding research, development, and manufacturing efforts in Europe is of vital importance, and each of these three critical elements must be successfully integrated to achieve greater European semiconductor ecosystem resilience."

Extensive research, development, and manufacturing presence across multiple sites in all four countries enable NXP to develop cutting-edge technology and products that contribute significantly to the achievement of EU industrial strategies. In close collaboration with a strong ecosystem of more than 50 partners from industry and academia across Europe, NXP will strengthen key technologies of microelectronics in Europe.

No other microelectronics company participating in IPCEI ME/CT is currently planning to invest in its operations across so many EU member states. NXP is also an active participant in three of the four IPCEI ME/CT workstreams: "Sense", "Think", and "Communicate", reflecting NXP's areas of leadership and strategic focus.

NXP's planned investments in Austria, Germany, the Netherlands, and Romania follow the announcement that the company is going to form a new joint venture, ESMC (European Semiconductor Manufacturing Company), with TSMC, Bosch, and Infineon with plans to establish TSMC's first semiconductor manufacturing site in Europe. The new 300mm fab, planned to be built in Dresden, Germany, is expected to have a monthly production capacity of 40,000 300mm (12-inch) wafers on TSMC's 28/22 nanometer planar CMOS and 16/12 nanometer FinFET process technology, further strengthening Europe's semiconductor manufacturing ecosystem with advanced FinFET transistor technology and creating about 2,000 direct high-tech professional jobs.

NXP in Austria
NXP Austria is a center of excellence for cryptography and security, advancing solutions that make lives easier, better and safer. NXP Austria innovates hardware and software solutions as well as services for the IoT, automotive, Industry 4.0 and mobile sectors. At NXP Austria, nearly 800 people from approximately 50 countries work on Innovations to research, design, develop, manage, and promote NXP's products.

For more information on NXP in Austria, visit nxp.com/austria.

NXP in Germany
With over 1,200 people, Germany is a very important R&D hub for NXP with a focus on semiconductor solutions for the automotive market as well as secure connected edge applications, such as industrial IoT, mobile, and wearables. Primary R&D competencies in Hamburg, Munich, and Dresden include cybersecurity, automotive processing, and RF. A collaborative quantum computing initiative was established in 2023 in Hamburg. IPCEI will help to further strengthen and expand these core competencies. In addition, the German sites are home to an experienced sales engineering team that completes NXP's global network of customer support.

For more information on NXP in Germany, visit nxp.com/germany.

NXP in the Netherlands
NXP has over 2,200 people and significant operations across three sites in the Netherlands. NXP's international headquarters is located on the High Tech Campus Eindhoven. R&D groups based in Eindhoven focus on security innovation, software and hardware IP development, chip design, system innovation and certification. NXP Nijmegen features manufacturing, R&D, testing, technology enablement and support functions. NXP's Delft site is home to hardware and software design teams focusing on secure wireless solutions including automotive electronics such as radio, GPS, car access systems, and sensor electronics.

For more information on NXP in the Netherlands, visit nxp.com/netherlands.

NXP in Romania
NXP Bucharest's over 1,000 people focus on software development for automotive, microcontrollers and connectivity products as well as IT service management and customer supply operations. Each year, NXP Romania hosts interns who learn the specifics of software development in automotive,

edge computing and IoT.

For more information on NXP in Romania, visit nxp.com/romania.

About NXP Semiconductors
NXP Semiconductors N.V. (NASDAQ: NXPI) brings together bright minds to create breakthrough technologies that make the connected world better, safer and more secure. As a world leader in secure connectivity solutions for embedded applications, NXP is pushing boundaries in the automotive, industrial & IoT, mobile, and communication infrastructure markets while delivering solutions that advance a more sustainable future. Built on more than 60 years of combined experience and expertise, the company has approximately 34,500 team members in more than 30 countries and posted revenue of $13.21 billion in 2022. Find out more at www.nxp.com.

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A photo accompanying this announcement is available at https://www.globenewswire.com/NewsRoom/AttachmentNg/85e22706-4246-42f9-836b-4e938a17a769

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Source: NXP USA, Inc.