

NXP Secures €1 Billion EIB Loan to Advance Semiconductor Innovation in Europe

January 15, 2025 at 9:00 AM EST

- €1 billion EIB loan will help fuel NXP's research, development, and innovation (RDI) efforts in Austria, France, Germany, The Netherlands and Romania
- Loan will accelerate NXP's RDI aimed at various end markets including automotive, Industrial, and Internet of Things (IoT)
- Supporting critical EU technology is a key EIB priority as outlined in its strategic roadmap and furthers EIB's commitment to the EU Chips Act

LUXEMBOURG and EINDHOVEN, The Netherlands, Jan. 15, 2025 (GLOBE NEWSWIRE) -- NXP Semiconductors N.V. (NASDAQ: NXPI) today announced that it has secured a €1 billion loan from the European Investment Bank (EIB) to advance the company's RDI investments across its broad portfolio of semiconductor solutions. The €1 billion loan facility carries an approximate interest rate of 4.75 percent when drawn in dollar denominated tranches, under the current market conditions and has a duration of six years. The financing will support NXP's research and development efforts in several EU Member States, implemented in its facilities in Austria, France, Germany, the Netherlands and Romania for the period up to 2026.

The financing of critical European technology aligns with the EIB's launch of a targeted "Strategic Tech-EU" investment programme to accelerate digitalisation and innovation in strategic technologies, such as artificial intelligence, microchips, life sciences and quantum computing. Semiconductors are the fundamental building blocks critical to the digitalisation of many different industries, making them instrumental in public and private efforts to advance decarbonisation and sustainability efforts.

"It is fundamental for Europe to remain an indispensable player in the value chain of critical technologies and build RDI and production capacity in those supply chains," stated EIB vice president Robert de Groot. "Luckily, the EU boasts some of the world's most advanced chip makers. As semiconductors are key to the digital and green transitions, their importance will only grow, and the EIB proudly supports such strategic technology."

NXP research and development teams across Europe are focused on creating the next generation of automotive processors, advanced automotive radar solutions, improved energy and driver systems, in-vehicle networking, and secure car access, in addition to other equally important intelligent edge technologies such as artificial intelligence (AI), secure edge identification, Near Field Communication (NFC) wallets for mobile phones and smart wearables, and other devices which improve quality of life and further sustainability efforts.

"NXP is committed to strengthening Europe's semiconductor ecosystem, and this significant loan from EIB aims at bolstering NXP's efforts in research and development across many of our EU sites," said Maarten Dirkzwager, Executive Vice President and Chief Strategy Officer at NXP. "NXP's collaboration with the EIB underscores our commitment to ensuring European technology leadership and sustainability in the global semiconductor market. This loan complements the various existing instruments supporting our industry, such as the Important Projects of Common European Interest (IPCEI) and other initiatives currently being set up by the European Commission and the Member States. It is also consistent with our investment in the ESMC joint venture fab currently being built in Germany, which will address Europe's automotive and industrial chip requirements."

The investment will contribute to building a state-of-the-art European chip ecosystem, in-line with the EU Chips Act, the Dutch Semicon Valley and the National Technology Strategy of the Netherlands' Government, whose scope is to strengthen the semiconductor market in the EU to ensure a secure and competitive supply of chips. Apart from the pure research and development of new power electronics devices, microprocessors and microcontrollers, NXP will also focus on the energy efficiency of its devices.

Background Information:

The **European Investment Bank (EIB)** is the long-term lending institution of the European Union, owned by its Member States. The Netherlands owns a 5,2% share of the EIB. It makes long-term finance available for sound investment in order to contribute towards EU policy goals and national priorities. More than 90% of its activity is in <u>Europe</u>. Over the last ten years, the EIB has made available more than €27 billion in financing for Dutch projects in various sectors, including research & development, sustainable mobility, drinking water, healthcare and SMEs.

NXP Semiconductors N.V. (NASDAQ: NXPI) is the trusted partner for innovative solutions in the automotive, industrial & IoT, mobile, and communications infrastructure markets. NXP's "Brighter Together" approach combines leading-edge technology with pioneering people to develop system solutions that make the connected world better, safer, and more secure. The company has operations in more than 30 countries and posted revenue of \$13.28 billion in 2023. Find out more at www.nxp.com.

Press contacts:

EIB: Tim Smit | +352 691 286423 | t.smit@eib.org

NXP: Martijn van der Linden | +31 610914896 | martijn.van.der.linden@nxp.com

NXP USA, Inc.