

Gareth Hughes  
Vice-President and General Manager  
Nexperia Philippines  
LISP 1 Bo. Diezmo Cabuyao City, Laguna  
Philippines  
Email: [gareth.hughes@nexperia.com](mailto:gareth.hughes@nexperia.com)

3 April 2024

## Calling on Nexperia Philippines to stop unfair layoffs and respect collective bargaining agreement

Dear Gareth Hughes,

I am writing to you as the General Secretary of [IndustriALL Global Union](https://www.industrial-all.org/), which has 550 affiliates in 130 countries, including in the Philippines, representing over 50 million workers, in the mining, energy, and manufacturing sectors, including workers at the Nexperia Sensors Dept. to express our deep concern and protest against the series of layoffs, which under the guise of a cost optimization program have not only disrupted lives but have also disregarded the current Collective Bargaining Agreement (CBA).

It is appalling to witness the termination of employees, especially those with long tenures and including active trade union members who have been at the forefront of advocating for workers' rights. The layoffs that commenced with the closure of the Sensors Department in February 2023 have led to an atmosphere of uncertainty and fear, which goes against the grain of any organization that values its employees.

The manner of execution, which involves multiple reopenings of the Voluntary Separation Package, seems to be a thinly veiled attempt at circumventing the terms of the CBA and the established Last In First Out (LIFO) principle. This is an affront to the concluded agreement and to the principles of fair labour practices.

Moreover, it is contradictory that despite claims of low volume necessitating these layoffs, the actual situation points to high output with workers struggling to obtain leave approvals, even being required to work on holidays. This not only questions the veracity of the management's justification for layoffs but also hints at an extreme exploitation of workers.

The termination of union officials and the filing for Preventive Mediation by the Nexperia union due to Unfair Labour Practice and Union Busting actions have not been given the serious attention they warrant. The dialogue at the NCMB and plant level hearings have failed to yield a retraction of the decision to terminate eight workers, which is a clear indication of the disregard for dialogues and mediation processes. It is also against Nexperia's own Code of Conduct, in particular chapter 3.4 Right of organization.

In light of the above, we urge you to comply fully with all the provisions of the Collective Bargaining Agreement and insist on a clear and transparent communication to the union regarding the company's financial and operational status to justify any layoffs.

We urge you to reinstate to their positions the three union officials who were given a Notice of Termination, as their termination is a direct violation of workers' rights to unionize and represents an act of union busting.

It is imperative that you halt the ongoing terminations of 54 workers and the planned second wave of 72 layoffs scheduled for October, reassess termination criteria and return to the agreed-upon LIFO principle as stipulated in the CBA, and cease the use of performance and disciplinary actions as primary criteria for terminations.

We call on you to consider the impact these layoffs have on the lives of individuals, who have dedicated years of service to Nexperia. Our demand is for fair treatment, respect for the terms of our CBA, and the cessation of actions that undermine job security.

We hope this matter is resolved through constructive dialogue and urge you to take immediate corrective action.

Sincerely,



Atle Høie, General Secretary