

# Connecting Our World

2018 CORPORATE  
RESPONSIBILITY REPORT



# Q&A with CEO Terrence Curtin

**Q** Over the last year, TE has continued progressing on its corporate responsibility journey. Where have you seen significant achievements and what have you been most proud of recently?

One of our core behaviors at TE is Mind What Matters—in essence, knowing what to focus on and doing what it takes to drive positive results. This year, we took that commitment a step further by undertaking extensive research and in-depth dialogue with stakeholders to determine which corporate responsibility initiatives to scale up for impact and to enable our growth as an industrial technology leader.

I have also seen the continued embedding of sustainability in our operations and culture. For example, teams at our manufacturing sites suggest new programs to save energy to

reduce their footprint, and our employees have amplified their participation in charitable activities to deepen engagement in our communities. We can see the results in being named to the Dow Jones Sustainability Indices for the seventh year in a row and in other recognitions such as being an Ethisphere® Institute World's Most Ethical Company® for the fifth year and a FORTUNE's World Most Admired Company for the second year. The next step in our corporate responsibility journey is to further harness this energy by establishing next-level goals for our company.

**Q** Growth is a top priority for TE. How does corporate responsibility support TE's continued growth, and what really drives that growth in the first place?

Our customers and their customers demand technology that is safer, sustainable, productive and connected. You can see that in the world-changing technology our engineering teams are creating, where our global footprint brings together thousands of the best and brightest. But we can only attract and retain that talent through an environment that supports people bringing their whole selves to work so that they feel engaged and can unleash their potential. It's our culture of inclusion and engagement that sustains our drive and innovation to deliver that growth. Naturally, we're also nurturing our talent pipeline through investments in science, technology, engineering and math (STEM) programs and scholarships for women and students from a variety of backgrounds. For example, I am proud we are seeing the impact of our investments through the TE Connectivity Foundation under our new mission of supporting access to technology and engineering for all, with a focus on women and underserved populations.

**Q** It's been two years since we publicly declared our purpose to create a safer, sustainable, productive and connected future. What are you most excited about for TE's future in the next few years?

Well, first off, while we "went public" with our purpose in 2017, TE employees have been creating a safer, sustainable, productive and connected future for more than 75 years. I'm really encouraged by the affinity

our global teams have shown for the purpose. I'm most excited about a couple of things. First, there are all the ways we're using digitization, from creating a better online customer experience to increasing the safety and resource efficiency in our factories. It is also fulfilling to see how our enterprise strategy and purpose are aligning to sustainable long-term global growth trends such as the future of mobility, automation, life-saving medical devices, renewable energy solutions and connected everything.

**Q** What are the greatest challenges for global industrial technology companies like TE in terms of sustainability?

The global landscape in which we operate is incredibly dynamic and we are committed to being innovative and accountable, as we highlight in our core values. In typical TE fashion, we've developed several leading processes through the TE Operating Advantage (TEOA)—our continuous improvement system—to be agile for ourselves and our customers. Our cybersecurity team, for example, is an incredible business enabler, going beyond just keeping our proprietary information safe to helping safeguard our customers' information and driving our uptake of smart factories. Our next big challenge is leveraging all of the data we gather from our digitalization and optimization efforts to bring new ideas to our customers.

**Q** What do you want customers, employees and shareholders around the world to take away from this report?

TE employees care about corporate responsibility and it is expected from our customers. Everywhere I go, employees want to know how they can be more sustainable. Our employees genuinely want to feel like they are leaving the world a better place for the next generation and helping our customers do the same. I'm proud to be able to show our growing commitment through this report and how our focus on continuous improvement applies to our corporate responsibility efforts as well. Corporate responsibility is not an extra "nice to have"; it's a mindset of continued positive evolution and an essential part of growing our business.





# About TE Connectivity

Welcome to TE Connectivity's fiscal year 2018 Corporate Responsibility Report. As an industrial technology leader, our purpose is to create a safer, sustainable, productive and connected future. That means continually innovating, enabling customers in profound ways to offer smarter, more integrated solutions through a customer-first culture and commitment to deliver first-time-right success.

For over 75 years, we have worked with world leaders and market-changing entrepreneurs, solving complex challenges through advanced sensing and integrated connector technologies.

Now, in the "connected everything" era, our engineers around the world design to provide a better future for everyone. With our customers, we're co-creating a better future through innovations in transportation, industrial applications, medical technology, energy, data communications and the home.

In these areas and more, we innovate through our 80,000 employees — including more than 8,000 engineers — who work alongside our customers in approximately 140 countries. We believe our leading talent makes us a premier partner to companies around the world.

We are TE Connectivity, here for today's engineers and makers, transforming industry with a shared pursuit to push the boundaries of what's possible and to make every connection count.

For more information about TE Connectivity, please read our [annual report](#).

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This report demonstrates the approach we've taken to corporate responsibility and the achievements we've made in TE Connectivity's fiscal year 2018. It has been prepared in accordance with the Global Reporting Initiative (GRI) Standards. Please see more in the [About This Report](#) section.



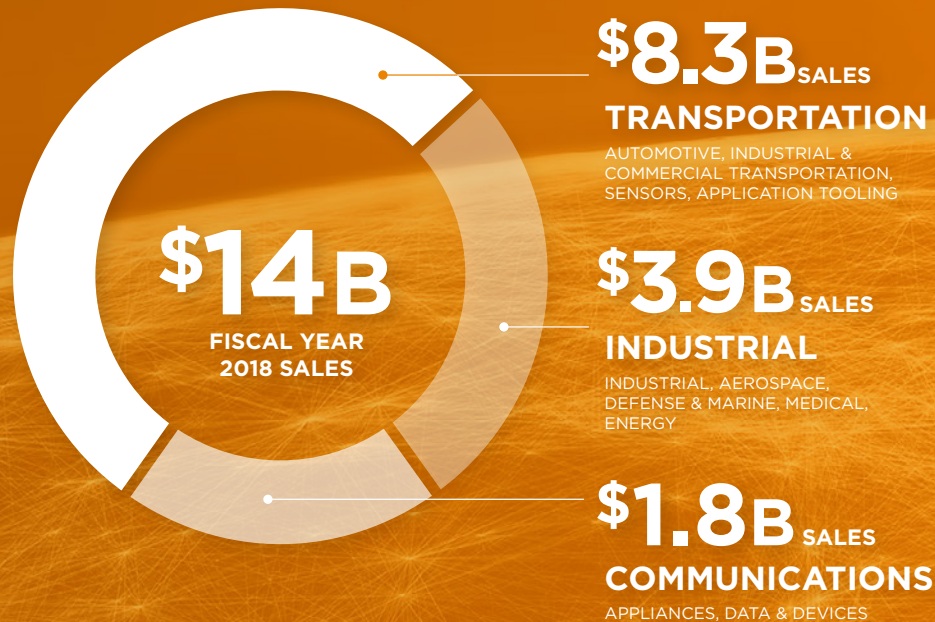
TE has committed itself over the past decade to addressing its environmental and social impact. TE's focus on inclusion and diversity, climate stewardship and philanthropy — to name a few — demonstrates that TE is a purpose-driven company living its values every day. For investors, customers and employees, TE's focus on sustainability is an engine of business growth and positions TE as an industrial technology leader."

**Dr. Pierre R. Brondeau**, Lead Independent Director of the TE Board of Directors | President and Chief Executive Officer, FMC Corporation





# About TE Connectivity



**80,000**  
EMPLOYEES

**15,000+** PATENTS GRANTED OR PENDING

**220B**  
PRODUCTS MANUFACTURED ANNUALLY

**8,000+** ENGINEERS

**20% SALES**  
FROM NEW PRODUCTS AND PRODUCT EXTENSIONS INTRODUCED IN THE LAST THREE YEARS

**\$680M** INVESTMENT  
IN RESEARCH, DEVELOPMENT AND ENGINEERING IN FISCAL YEAR 2018



# About TE Connectivity

**\$5.2B**

SALES FISCAL  
YEAR 2018

EMEA†

**44** manufacturing sites

**30,000** employees



**\$4.0B**

SALES FISCAL  
YEAR 2018

AMERICAS

**38** manufacturing sites

**25,000** employees



**\$4.8B**

SALES FISCAL  
YEAR 2018

APAC

**22** manufacturing sites

**25,000** employees





# Our Impact



## ENERGY

USE IS OUR NUMBER  
ONE ENVIRONMENTAL  
IMPACT

**30%**

reduction in energy use  
intensity since FY2010

**38%**

reduction in  
greenhouse gas  
intensity since FY2010



## SUPPLY CHAIN

IS OUR COMPETITIVE  
ADVANTAGE

**\$4.2B+**

paid to suppliers through our  
localized supply chain

**5,344**

additional certifications  
to our Guide to Supplier  
Social Responsibility



## ENGAGEMENT

AND TALENT ARE  
OUR LIFELINES

**100% STEM**

TE Connectivity Foundation  
is focused entirely on  
inspiring future generations  
of innovators, particularly  
women and underserved  
communities

**5**

Employee Resource  
Groups with chapters in  
42 countries

**243,000+**

hours of compliance training  
and LEARN@TE training  
completed by employees



## INNOVATION

IS OUR ENGINE FOR  
GROWTH

**15,000+**

patents

**20**

Tech Days

**8**

Distinguished  
Innovators

(50-99 inventions)

**65**

Master Innovators  
(25-49 inventions)

**184**

Expert Innovators  
(10-24 inventions)



## OUR PURPOSE

AND VALUES  
DRIVE US

**1,500**

charities in 100+  
communities supported  
around the world by TE  
and our employees

**36,000+**

volunteer hours

**99%+**

of employees certified their  
commitment to our Guide  
to Ethical Conduct

## AWARDS & RECOGNITION





# Minding What Matters

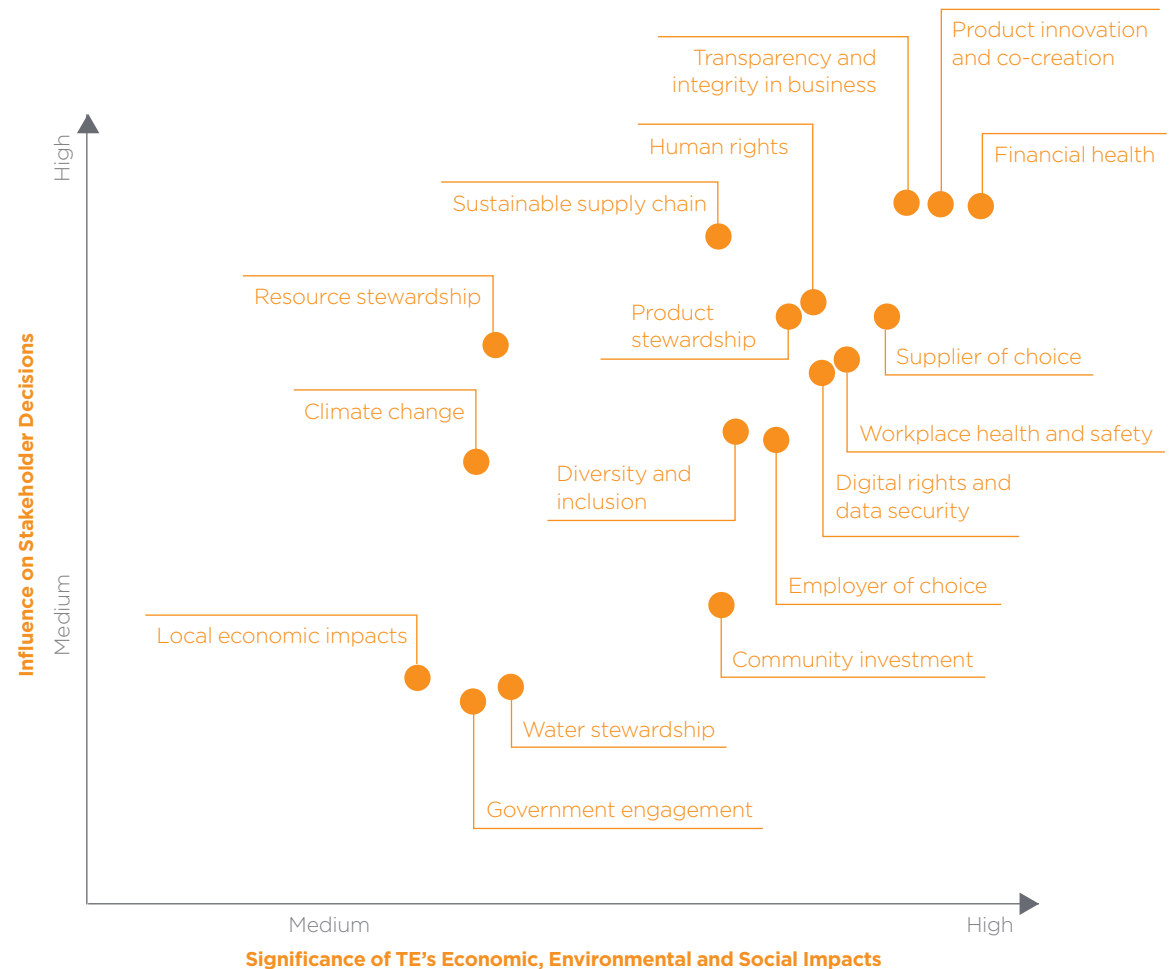
Our work impacts the world around us. As a company with a complex global value chain, knowing where to focus our corporate responsibility efforts for optimum positive impact is crucial to industrial technology leadership. To make sure we're truly minding what matters, in fiscal year 2018 we completed our most robust materiality assessment to date.

We partnered with third-party experts and included desk-based research covering reviews of industry standards and peer benchmarking. We also conducted more than 20 internal and external stakeholder interviews, including with TE managers across different functions as well as representatives from nongovernmental organizations, investors, government and customers. As a result of the analysis, we identified a total of 17 potential material issues for TE.

While some of these issues are more urgent or more challenging, we have developed or are developing internal initiatives and programs to address them all.

Determining our materiality provided yet another value opportunity to listen to our customers, investors, employees and other stakeholders. That input has been crucial as we continue to develop our enterprise-level corporate responsibility strategy and the ambitious targets that will embed corporate responsibility more deeply into TE than ever.

Corporate responsibility at TE is a journey, but with a clearer understanding of our material issues and how they will help us develop subsequent goals, we believe that we haven't just taken another step — we've made a leap forward.



Please see page 49 for complete definitions of material issues.



# Supporting Safer Lives

## Revolutionizing Medical Technology

Approximately 15 million people<sup>1</sup> worldwide suffer from stroke each year. With an aging global population, this already alarming number is increasing by 3 percent each year. In the U.S., one person has a stroke every 40 seconds,<sup>2</sup> costing the healthcare system around \$33 billion<sup>3</sup> every year to cover initial treatment and long-term disability.

Typically, treatments have relied on systemic drugs to dissolve the stroke clot and prevent further clotting in the brain. However, since five landmark trials in 2015, 15 percent of patients are receiving device-first treatments over drug therapies, resulting in better patient outcomes over their treatment cycles. Device-first treatments involve localized and mechanical removal of blood clots from the patient's brain through a thrombectomy.

During the treatment, an aspiration catheter or tiny metal device physically removes the clot, restores blood flow and minimizes the risk of further strokes.

These minimally invasive and minute devices need to be extremely precise. That's where TE comes in. Our precision engineered access and delivery devices are essential tools to navigate the body's complex arterial systems, reach the patient's brain and remove the clot. Working in partnership with our customers — medical device companies — we are their premier partner for the critical guide wire, microcatheters and delivery systems that save — and improve — lives when strokes occur. As we continue to collaborate with our customers, we keep pushing the boundaries of what's possible.

“

At TE, we are proud partners to leading medical device companies enabling superior treatments for stroke patients. Our expertise in access and delivery devices for neurovascular therapies saves lives and gives hope to millions of families.”

**Paraic Curtis**, Senior Vice President  
and General Manager, Medical, TE  
Connectivity



<sup>1</sup><http://www.emro.who.int/health-topics/stroke-cerebrovascular-accident/index.html>

<sup>2</sup><https://www.cdc.gov/stroke/facts.htm>

<sup>3</sup><https://www.innovationinmedtech.com/issue/vol-4-no-10-july-5-2017/>



# Driving a Safer Future

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Future mobility will center around electric and autonomous vehicles (EVs and AVs). The question is: How do you make a self-driving car reliable, repeatable and better than a human driver? TE Connectivity is helping original equipment manufacturers answer this question with our next-generation, high-speed data networks and on-board EV power distribution and sensor technology.”

**Alan Amici**, Vice President and Chief Technology Officer, Transportation Solutions, TE Connectivity

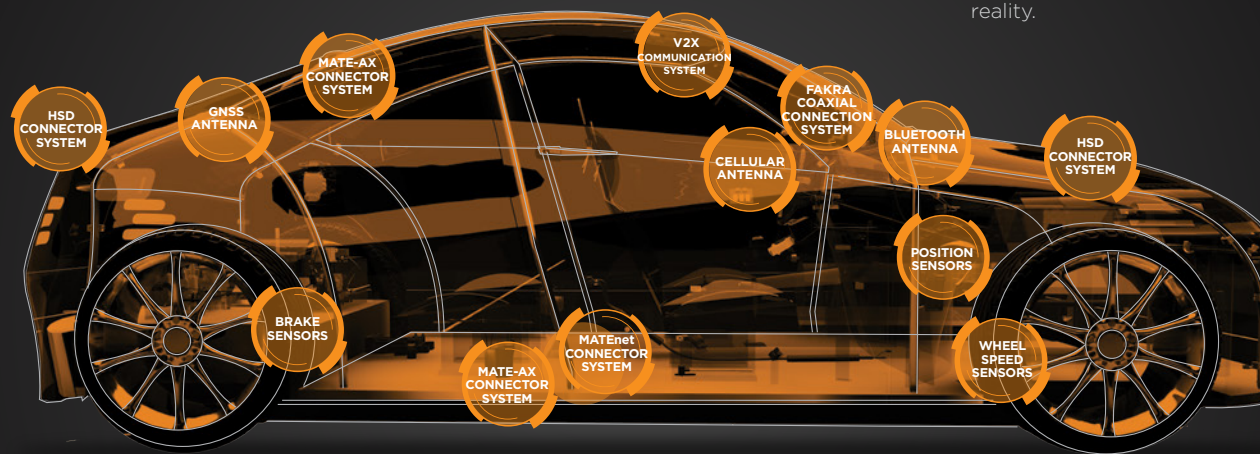


In cities, homes, transportation and devices, millions of TE sensors and connectors are impacting lives in countless unseen ways. Our products might look relatively small, but they're built to thrive in harsh environments, enhancing and even saving human life. That's why our solutions go beyond creating a more convenient and connected world—they make it safer too.

One of the things we're helping to make safer is the way people move. The car of tomorrow is connected. Trends such as connecting in-vehicle systems, car-to-car and car-to-infrastructure applications, autonomous driving and stricter emissions legislation are redefining what vehicles can be. These changes require more networking and a higher level of process control than ever before—and TE products are stepping in to provide it.

Our solutions are driving the connected car trend to support the growth of safer, autonomous vehicles. Autonomous driving is fast becoming a reality. By 2030, up to 10 percent of vehicles sold will be fully autonomous. Features such as adaptive cruise control and lane departure warnings are already common. Now predictive ride technology is being introduced, allowing cars to sense the state of the road ahead and, for example, adjust the ride settings to avoid objects in the road and maximize safety.

It's our expertise in data connectivity, antenna capability and sensors that is the foundation of tomorrow's autonomous driving. Our technology in driverless cars is helping to revolutionize mobility, paving the way to a future of transportation where driver fatigue and error are vastly reduced and helping turn the vision of safe, connected self-driving vehicles into reality.



## TE CONNECTIVITY'S ROLE IN AUTONOMOUS VEHICLES

<sup>1</sup> Source: Gartner <sup>2</sup> <https://www.wardsauto.com/technology/autonomous-vehicle-sales-reach-10-million-annually-2030>

# 72.5

million connected cars will be sold worldwide by 2023<sup>1</sup>

# 10%

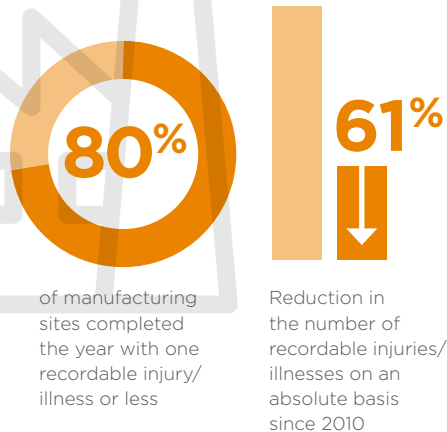
of all vehicles will be completely autonomous by 2030<sup>2</sup>

# 94%

of crashes are caused by human error

# Safety in Our Operations

## PERFORMANCE DATA



Our manufacturing footprint has changed since fiscal year 2010 due to acquisitions, divestitures and changes to product mix. The above reflects our safety performance as it existed for the fiscal year measured. For more information, please consult the Performance Summary on page 35.

As well as helping make the world safer with our products, we also make sure our workplace is safe for our people. Our Safety Assessment for Effectiveness (SAFE) program, in place since 2010, focuses our efforts on reducing both risks in our working environment and the number of safety incidents. We've continued to make steady progress, and during fiscal year 2018 we had a 12 percent improvement in our safety incident rate. Additionally, 80 percent of our sites had 0 or 1 recordable incidents throughout the fiscal year. For the incidents in which injuries did occur, we undertook a comprehensive review of machine guarding and we are in the process of further reducing machine hazard exposures. As most of our injuries are to people's hands, we are now in the process of making glove use compulsory wherever possible and eliminating open blades in favor of safer cutting tools.



Zero accidents are more a way of thinking rather than a numerical goal for us. Employee safety is the highest priority, with employee behavior and accountability playing a significant role to achieve this."

**Tongchai Chuenchujit**, Director of Operations, Thailand, TE Connectivity

## Recognition of Our Safety Efforts Around the World

In November 2018, three TE Connectivity sites in Germany — Energy's Ottobrunn plant and Automotive's Wört and Dinkelsbühl plants — received the "Golden Hand Award." This leading award is given by the German safety insurance company BGHW to companies taking exemplary measures in occupational health and safety. The teams were recognized for preventing hand and finger injuries through solutions such as lathe jaw chucks and crane hooks.

The TE Connectivity Gateway manufacturing plant in Thailand was honored with a prestigious "Zero Accident Award" from the Ministry of Labor in June 2018. The plant received the silver level of the award in recognition of having zero accidents during its 3.2 million hours of operation since it opened in 2015.

Our Greensboro Automotive campus in the U.S. was given two distinctive awards from the North Carolina Department of Labor (NCDOL). Both its facilities were presented with Gold Safety Awards for exceptionally low days away, restricted or transferred rates, and were recertified as Carolina Star sites in 2018. The Carolina Star certification is a voluntary partnership with the NCDOL that recognizes and promotes effective safety and health management. The recertification is valid until 2023.



# Safety Behind Our Innovation

A series of documentaries, articles and regulations have recently put the consequences of materials and chemicals use in the spotlight. At TE, we use various materials that need to be properly handled at every phase—from their manufacture and working life to disposal. That's where circular economy thinking comes in.

Our product stewardship efforts cover environmental protection relating to our materials. This helps ensure our materials and products comply with standard-setting environmental legislation, including European and Chinese legislation such as the European Union's (EU) Regulation for Registration, Evaluation, Authorization and Restriction of Chemicals and Restriction of Hazardous Substances Directive; end-of-life vehicle legislation; the Waste Electrical and Electronic Equipment Regulations (WEEE); and industry standards on halogen content.

In Europe, for example, to comply with WEEE regulations, TE provides arrangements for the collection, treatment, recycling and recovery of new and old electrical and electronic equipment. To responsibly manage disposal, we have established a recycling contract with the European Advanced Recycling Network (EARN) and to cover any costs of treatment, recycling and recovery of the equipment on arrival at the EARN recycling facility.

One tool we use at the beginning of our product life cycle is our Product Compliance Checklist. The checklist helps product management teams document conformity to necessary environmental compliance requirements. By collecting this information during design reviews for standardized materials found in our materials database, our engineers and procurement teams are better able to search for materials—such as resins and metals—that satisfy both design and compliance needs for a given product.

Another resource we have for our customers is our product safety data sheets and Statements of Compliance in a database on our company website. The database includes key search filters, such as cost, supply chain and integrated product environmental criteria, to assist engineers in the materials selection process, while working to mitigate the risk of various global substance restrictions.

Product stewardship and compliance is key to operating safely as a company. Staying on top of product regulations means working towards best practices globally and coordinating across our operations and supply chain. It also means leveraging practices that keep workers and facilities safe. Our product compliance [webpage](#) covers information about our e-waste initiatives, safety data sheets, conflict minerals and more.

## PERFORMANCE DATA

47,000+

active full material product  
declarations

43,000+

part-specific Statements of  
Compliance on TE.com

# Prioritizing Data Protection and Privacy

In an era of multiplying cybersecurity threats, we remain vigilant to the evolving demands of data privacy and security. At the same time, cybersecurity threats can cause downtime that impedes us from realizing our potential. That's why our attention is not only on protecting our information assets but also on helping to ensure business stability by minimizing the impact of cybersecurity incidents.

## Securing What Matters

From ransomware designed to extort funds to information theft, cybersecurity threats are increasingly disruptive to businesses. The modern security team is designed to be a business enabler that maintains stability and, in the event of an incident, supports resiliency.

TE's Information Security team uses a balanced approach to protect the company by focusing on people, process and technology. Starting with our people, we extensively train and test users on how to avoid common mistakes that lead to security events, such as phishing emails. Our results show that our users now click on the test phish at half the rate of the industry average.

The team also analyzes business processes and data flows to focus on our most critical information and systems in order to make them more secure, helping to put our resources in the right place at the right time and with the right focus. Additionally, we have made significant investments in modern technologies that protect our networks and systems from malware and intrusions.



Our Information Security team also follows our culture of continuous improvement. The team has joined forces with our business partners on multiple occasions to help TE dive deeper into the digital world while keeping an eye on the risks. As our products get smarter, our customers will expect them to be more secure. Recognizing that, we have built partnerships across the company to securely develop software embedded in our products. Our security division also enables the digitalization of over 100 of our manufacturing facilities, allowing them to be connected through the cloud and apply data analytics to drive quality, efficiency and innovation.



I'm proud to work for a company that considers its cybersecurity program a vital function of our business — not just as an added expense but as a business enabler.”

**Todd Bearman**, Vice President  
and Chief Information Security  
Officer, TE Connectivity





## Protecting Privacy

Equal in importance to protecting our own data is helping to ensure the privacy of those who interact with TE. We assessed our privacy compliance processes to align with data protection regulations. We have also revised our website privacy policy, reviewed system access policies and updated the data processing clauses in our standard service agreements with vendors in line with new requirements—in particular, the new EU General Data Protection Regulation (GDPR) that came into force on May 25, 2018. The legal landscape relating to data protection is ever changing and TE continuously works to comply with new laws where we do business.

An online training course on the GDPR has been rolled out to more than 5,600 employees with relevant work responsibilities and will also be rolled out to all other non-production employees. To protect business and personal information, our Data Privacy and Information Security teams consistently assess the data security and data privacy compliance of new vendors. We also, for the first time, completed a self-assessment of all TE legal entities in China on TE's compliance with new Chinese regulations on how we collect, store, maintain and transfer personal identifiable information and important data during business activities. This required a thorough investigation of our data processing activities, to which almost all business functions contributed. We also reviewed the different data protection measures we have in place, helping to ensure they provide appropriate protection to meet the Chinese requirements.

Each of these initiatives is designed to further safeguard the company. One of our pillars for compliance is our [certification](#) for the Privacy Shield. This is the program that allows TE affiliates in the EU and in Switzerland to transfer personal information to TE in the US by complying with the Privacy Shield privacy principles. An outside agency, [TrustArc](#), reviews our compliance in this area.



## Enterprise Risk Management at TE

As the theme of continuous improvement is central to everything we do at TE, we enhanced our approach to Enterprise Risk Management with the vision to boost our proactive risk preparedness and risk-decision quality across the company.

To accomplish this, we evolved our risk model related to risk identification, assessment and mitigation and have introduced an improved approach to risk ownership within TE. This shift has improved risk analysis to a more cyclical and iterative process throughout the year.

Using a customized governance, risk and compliance platform, we track external and internal risk topics across TE over time, enabling us to spot and address emerging risk trends quicker. This has also facilitated a more action-focused framework, with each risk being assigned a specific risk category:

- **Improve:** Risks that are high-likelihood and high-impact, and that require frequent touchpoints and reassessment.
- **Monitor:** High-likelihood but low-impact risks which need ongoing monitoring but might not require additional mitigation.
- **Test:** Risks that are high-impact but low-likelihood, and that require adequate and efficient controls and testing.
- **Optimize/Accept:** Low-impact, low-likelihood risks that are appropriately mitigated or controlled.

Combined with the prevention and mitigation methodology, this framework allows TE to maintain a clearer view into evolving risks and drives a more sustainable and actionable risk model for the company. Working closely with functional and business partners, we continue leveraging these improvements to help enable proactive preparedness and continuing to advance risk-awareness across the company.



# Enabling a Sustainable Tomorrow

## A World in Motion

Reducing the energy everyday technology products use to connect. Helping planes use less fuel. Finding ways to use less water and energy in our manufacturing. These are just some of the ways that TE is helping make our processes — and our communities — more sustainable.

Nowhere is the sustainability of our value chain clearer than in how we're enabling safe, reliable and energy-efficient ways to keep people moving. We deliver solutions that support efficient new products in aerospace, automotive, rail, space and commercial vehicles, and host our own research and development resources to promote innovation in electric vehicle connectivity.

As the possibilities for transport grow, however, so do the challenges. Automakers in particular are faced with regulatory requirements to reduce vehicle weight. For TE, the trend for smaller and more efficient engines means increased vibrations. In addition, increasing electronic content means more connectors but with no extra space.

To handle these challenges and enable transport to grow and innovate sustainably, we focus extensively on miniaturization. We're developing increasingly lighter products and putting them through their paces at leading-edge global automotive testing facilities and driving global standards for increased robustness from fewer materials.

We furthered our commitment to being part of the future of mobility by breaking ground on our new manufacturing plant in Germany. This facility — to be constructed close to TE's existing factories in Wört and Dinkelsbühl — will be dedicated to the production of battery cell connectivity solutions for electric and plug-in hybrid vehicles.

From batteries to charging stations, our technology can be found across the spectrum of infrastructure needed to enable a seamless transition to more efficient vehicles. It's how we're helping to keep the world moving forward.

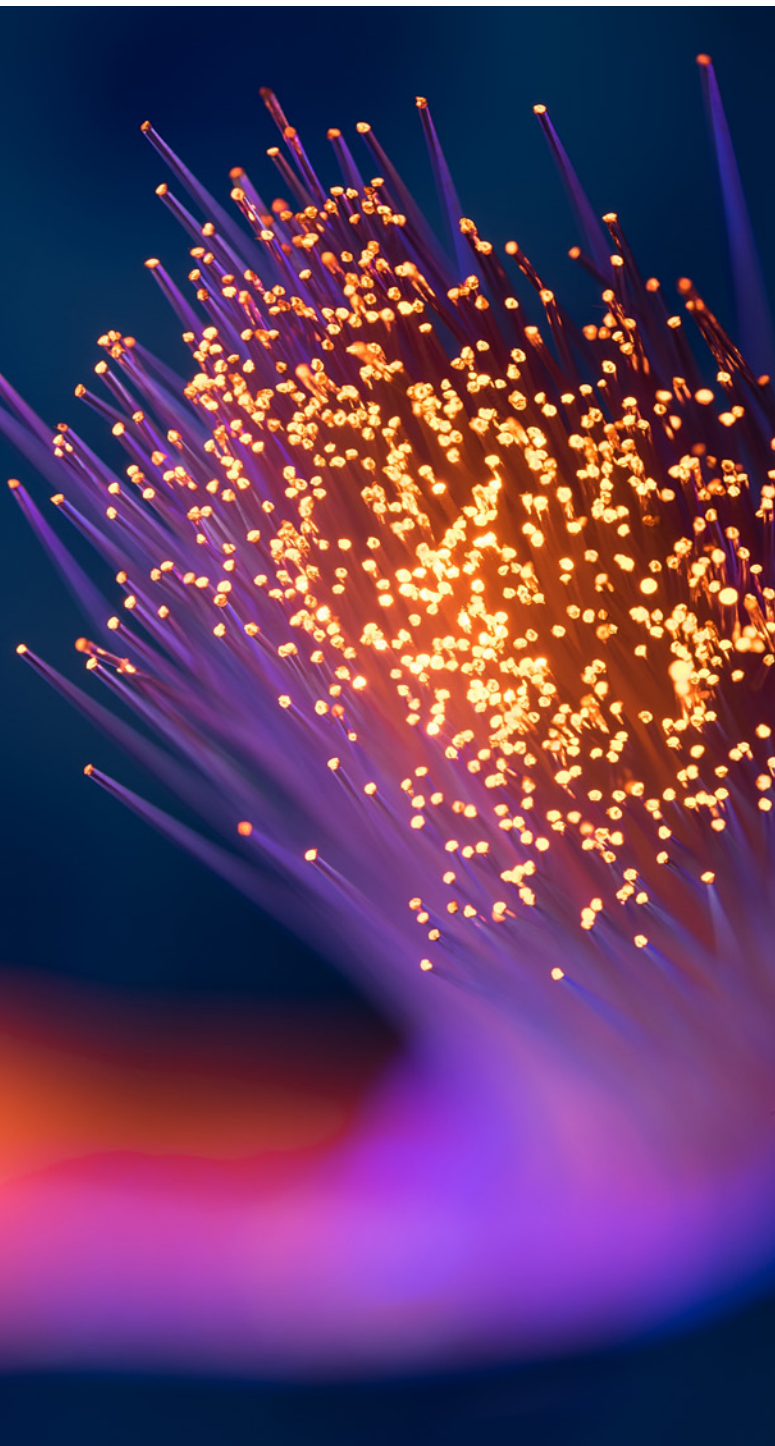
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TE has been working alongside our customers for more than 10 years on a product portfolio that is bringing e-mobility in climate-neutral vehicles to the road and making sustainable innovations more accessible to all consumers. In addition to our product development, we have worked rigorously to gradually reduce CO<sub>2</sub> emissions from our own plants and optimize our logistics by manufacturing close to our customers.”

**Eric Kueppers**, President, Global Automotive, TE Connectivity





# Designing a Sustainable World

Without energy, life as we know it would simply not be possible. Behind every life-saving or life-enhancing innovation is power, but today, with climate change demanding action, we also need that power to be clean. Offshore wind farms, in particular, need specialized personnel, ships and helicopters. TE produces some of the world's most advanced connectivity and sensory components for offshore wind farms. One of the unique features of our robust connectivity products is how they help speed up installation, significantly cutting costs and driving sustainable power sources for everyone. Our innovation also extends to the production line where our products enable manufacturers to achieve new efficiencies in logistics, maintenance, tool management, and predictive analysis through advancements in digital factory.

Another way we're making our societies more sustainable is by progressively shrinking the environmental footprint of our products and their production before they get to customers. We're committed to keeping our own resource use sustainable by reducing the water, energy and material inputs in our manufacturing plants and reducing our emissions and waste.

Making products and engineering solutions that make the world better is what we do. Part of upholding our purpose includes making them in a way that doesn't stretch the resources that we all share.

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We design and manufacture solutions that connect and protect the flow of power, data and signal in every aspect of our lives. In the industrial environment, we focus on creating innovative solutions for enhanced connectivity. From printed circuit boards to the production line, and in the toughest production conditions anywhere in the world."

**Lars Brickenkamp**, Senior Vice President and General Manager, Industrial, TE Connectivity





# Collaborating for Environmental Management

Core to TE's purpose is creating a sustainable future—both through our products and the way that we make them. We regularly review the impacts of our operations, with a focus on water, waste, materials use and our greenhouse gas (GHG) emissions. We've found GHG emissions are our most significant impact on the environment. That's why, for over a decade, we have been on a journey to reduce our carbon footprint.

Our Scope 1 and 2 GHG emissions result almost entirely from our energy use. Previously, releases of the gas sulfur hexafluoride (SF<sub>6</sub>) from our electron-beaming operations were a significant contributor to our emissions, but thanks to our focus on cutting these releases, emissions from SF<sub>6</sub> from electron beams have dropped 89 percent since fiscal year 2010.

Over the years, we've increasingly embedded energy conservation into how we do business, rather than treating it as a special program. As a result, we've reduced energy use intensity by 30 percent since fiscal year 2010.

One of the methods we've used to find efficiency opportunities is the Energy Treasure Hunt (ETH) initiative, through which small cross-functional teams search for low-cost and no-cost energy reduction opportunities. We held 10 ETHs in our pilot year in fiscal year 2017. These hunts found, on average, opportunities to reduce energy spend by 6 percent. In fiscal year 2018, we completed 51 ETHs globally and found an average opportunity for a more than 6 percent usage reduction, including in assembly operations, molding, plating and other common

manufacturing processes. Our success at broadly deploying ETHs—introduced to TE by the U.S. Department of Energy (DOE)—was recognized this year by the DOE's "Better Practice" award. TE is also a Better Plants Challenge Partner that met the program goal of 25 percent energy intensity improvement at TE U.S. sites in six years.

## Using less, recycling more

Reducing waste is not only an environmental imperative, it's a business imperative as well. Through our centers of excellence, we develop and promote leading practices for material usage and waste reduction for all our key manufacturing processes.

For example, to reduce water and chemical usage at our plant in Évreux, France, the site added flow restrictors, reducing water usage from 7,000 liters per day to 5,000 liters per day—a total saving of 520,000 liters per year. At the same time, the site found a way to recycle a chemical used in the plating process, which reduced material consumption by 66 percent and also cut the associated waste by 66 percent.

Another example is the scrap produced by the molding process for plastic. We collect and grind these scrap pieces for material to reuse. However, our customers typically limit the amount of this we can use, and a change in the plastics recycling industry in 2018 meant vendors (including those who had been recycling plastic for us) were sending scrap plastic for disposal, rather than recycling.

We actively sought vendors that used a higher-tech solution, not only keeping the material from landfill, but increasing the amount of material we could recycle. In fiscal year 2018 alone, TE plants in North America recycled over 7.2 million pounds of plastic scrap.



## Finding Smart Solutions

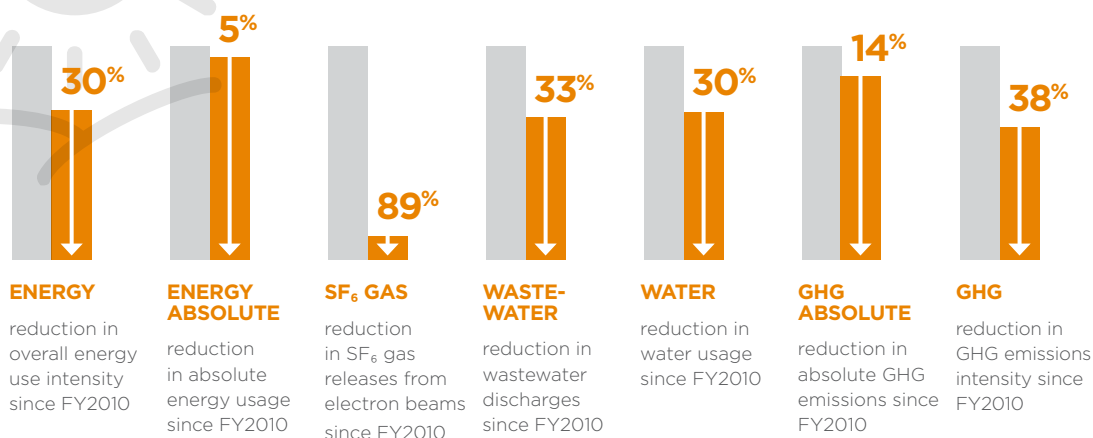
It's thanks to the commitment of people across TE that we continue to implement and integrate leading environmental management processes. One such employee is Eric Gantz, from our Application Tooling business unit in Waynesboro, Pennsylvania. During fiscal year 2018, Eric spearheaded the development and training of crimper and anvil cutting on TE's new wire electrical discharge machining (EDM) system. Working jointly with manufacturing engineering and the EDM supplier, Eric conducted multiple

trials with the new machines, fixtures and software to formulate the optimal cutting process. His dedication resulted in a 60 percent reduction of EDM scrap and overall scrap savings of over \$500,000.

Our best ideas for environmental management come from employee-led sustainability initiatives. In our facility in Tullahoma, Tennessee, a team explored ways to replace non-recyclable polystyrene packaging that was causing crystallization on our products. The team reviewed materials and processes

and, with the support of a packaging engineer, evaluated numerous alternatives to develop entirely new ways of packaging products. The result was a box that exceeds all industry standards and specifications. The Smart Box team not only replaced polystyrene with recyclable material, it reduced the number of boxes required at the plant by 12,000 annually. Thanks to greater pack density, the new box also reduced freight costs on products by 40 percent, ultimately reducing emissions in our value chain.

## PERFORMANCE DATA



Our manufacturing footprint has changed since fiscal year 2010 due to acquisitions, divestitures and changes to product mix. The above reflects our environmental performance as it existed for the fiscal year measured. For more information, please consult the Performance Summary on page 35.

## Improving Our Local Environments

Our focus on a healthy environment doesn't stop at our own sites. Our employees frequently volunteer for projects to enhance their own communities. Colleagues at our two Medical plants in Costa Rica conducted a beach cleanup in Guacacillo, where the Rio Grande meets the Pacific Ocean. Truckloads of trash—more than 70 percent of which was plastic refuse—were collected and transported for proper recycling and disposal.

Employees at our Sensors plant in Chengdu, China, obtained local government approval to plant 26 ginkgo trees in a nearby open space, while colleagues at our Automotive plant in Thailand partnered with a customer and local community authority to plant trees at their own homes. Other tree planting projects were launched with employees at our sites in Bangalore, India; North Carolina, United States; and Évora, Portugal.



# Starting with Responsible Sourcing



Our supply chain is the backbone of our business. By continually engaging our suppliers and building local supply networks where we operate, I am proud of the progress we are making toward greater supply chain resilience and responsibility.”

**Jimmy McDonald**, Vice President and Chief Supply Chain Officer, TE Connectivity



Our vast and complex supply chain is the lifeblood of our business, enabling our production and operations around the world. Building and maintaining a resilient supply chain requires a keen focus on supplier engagement, human rights, environmental compliance and conflict minerals.

We communicate our approach to responsible sourcing through [TE's Guide to Supplier Social Responsibility](#) (the SSR Guide). The SSR Guide establishes TE's expectations and ethical principles for our suppliers and reflects best practice standards for human rights and corporate responsibility, such as those advocated by the Organisation of Economic Co-operation and Development and the UN Global Compact. Aligned with the SSR Guide is our Supplier Social Responsibility (SSR) program, which is guided by principles in the Universal Declaration of Human Rights, the International Labour Organization's Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the United Nations Convention against Corruption.

This year, we further enhanced our supplier engagement in several ways, including:

- Our supplier scorecard more explicitly stresses the importance of suppliers providing product compliance information, SSR data and other metrics.
- Our business units conducted their own audits of their most strategic suppliers. TE engineers assessed how our orders are being produced and checked systems compliance with supplier ISO 9001 certifications. Our supplier reviews are constructive, promoting increased capacity building in suppliers' operations.
- Our Legal and Procurement teams in China added environmental compliance into the SSR system that requires suppliers to upload their critical environmental licenses and certificates.

At TE, we also recognize the changing conflict minerals due diligence landscape. TE maintains a [conflict minerals policy](#) and has established a management system dedicated to performing due

diligence across our supply chain. A cross-functional Steering Committee, composed of our Global Supply Chain Counsel and a team of subject matter experts covering procurement and engineering, among others, helps lead TE's due diligence efforts. The team is responsible for implementing our policy, organizational strategy and execution.

Additionally, with advances in electric vehicles and consumer electronics, concerns over cobalt sourcing have prompted a growing effort to conduct conflict mineral-style due diligence of the cobalt supply chain. As a member of the Responsible Minerals Initiative (RMI), we monitored the development of the RMI's cobalt reporting template (CRT) and RMI's other cobalt-related responsible sourcing efforts. In fiscal year 2018, we conducted a preliminary scoping exercise and identified a pilot population of parts with intentionally added cobalt. In fiscal year 2019, we plan to conduct a pilot supplier survey of this part population using the CRT so that we can respond to customer cobalt-related requests as cross-industry cobalt diligence processes develop and mature.



**Member of  
Responsible  
Minerals  
Initiative**

We rely on 26,385 direct and indirect suppliers to provide necessary data to help us make responsible sourcing decisions. In 2018, we worked with our third-party supply chain information gathering partner to introduce a new data collection solution to improve the way we survey our supply base for conflict minerals information.

Our enhanced supplier data collection solution gives our suppliers an easy-to-use interface to respond to TE's requests. The response rate for our 2018 transition conflict minerals campaign was 71 percent. As we continue our work to build awareness with our suppliers going forward, we expect higher response rates in coming years.

We also work with suppliers to help ensure base compliance for all regulations. Compliance requires collaboration — from monitoring for regulatory change to gathering information from suppliers and conveying the necessary compliance information to our customers. Today, we have more than 47,000

material declarations for TE's parts, all using the [IPC-1752](#) global standard for material declaration. Maintaining this list depends on our suppliers constantly feeding us data about what they're using.

Achieving this level of quality compliance data depends on continuously validated supplier inputs on their materials and sources. We work closely with third-party auditors to help ensure suppliers operate to standards designed and set by TE to eliminate any foreseeable threats to people and our planet.

Finally, having a strong relationship with our suppliers is fundamental to being able to source responsibly. During fiscal year 2018, TE brought together our top 250 suppliers by spend and held our first supplier conference, with one of our aims being to strengthen our supplier engagement. The focus of the fiscal year 2018 inaugural conference was educating suppliers on TE's business units and our products. Next year's meeting will have an expanded agenda that will include content on compliance.

## PERFORMANCE DATA

# 26,385

total direct and  
indirect suppliers



**\$4.2B+**   **5,344**   **124,965**   **75**

paid to suppliers  
through our  
localized supply  
chain

additional  
certifications to  
TE's Guide to  
Supplier Social  
Responsibility

conflict mineral survey  
responses received  
for our annual conflict  
minerals report

supplier  
audits  
conducted

## Powering Brighter Solutions

As technology has developed, solar has become an increasingly viable and competitive source of alternative energy. TE is helping to drive the future of solar energy with our SOLARLOK products, which are designed to solve connectivity challenges and create an intelligent link between the panel and the grid.

SOLARLOK interconnects provide a simple and reliable solution for solar systems that enable photovoltaic systems to more easily realize economies of scale. Our junction boxes and connectors have all been manufactured to withstand harsh outdoor environments while creating a resilient and reliable connection for solar panels through direct wires or separable connectors. The junction

box can be preconfigured, offers a wide temperature range and meets worldwide standards for photovoltaic connection systems.

These precision designs are easier to install and help solar systems achieve the lowest contact resistance, ultimately reducing the cost of power and making clean and renewable energy more affordable and accessible.



# Growing Verdical

When entrepreneur Andrew Deitz started Verdical, he had a very clear mission: to make seed-to-table produce in 100 feet or less. The startup sought to create a hyper-efficient and compact growing system that would make fresh, healthy produce more accessible and that would let food take its place at the center of community and environment. Verdical was still in the early stages of design when they had a chance meeting with TE's Appliances Director of Business Development, Terry Murphy.

aligned with TE's," said Terry. "Listening to their story, we were intrigued by the problem they were aiming to solve — increasing access to quality, variety and taste of produce — and we knew we could help Verdical achieve their goals and build a better connected, smarter device."

Terry and his team met with Verdical, discussed their needs and provided expertise, not just components. Verdical had real decisions to make on what sensors they needed. A key part of their product revolves around sensing technology to monitor light, heat and water levels to maximize yield in a small space. The expertise from TE's engineers and product knowledge with every sensor in the market enabled them to optimize the design of the product at a low cost and accelerate time to market. TE offered solutions for Verdical's power supply, sensing, algorithm and software needs, as well as providing information on lighting and how to use TE's existing portfolio of sensors and connectivity solutions to make the product come together. With TE's customized solutions, Verdical

has an elegant product that runs with no wiring and that offers more functionality at a competitive cost. The collaboration with Verdical enabled TE to demonstrate leadership and thoughtful risk-taking on an innovative product that aligns with the customer's needs and with TE's purpose and values.

“

When you're building something that's never been built before, you have to have a lot of trust, and shared purpose is a foundation that works for that. I very much appreciated that TE has real purpose of sustainability and it's not just a slogan on their website. It's been felt from my initial interaction across the organization.”

**Andrew Deitz**, CEO, Verdical



The conversation led to a discussion about TE's purpose and about Verdical's idea. Immediately, Terry realized there was an opportunity to help Andrew with his product. "Right off the bat, based upon what their product was and its purpose being around connecting people directly with their food and where it comes from, we knew that Verdical's mission





# Creating a Productive World

## Pushing Productivity with Smart Factories

Smart technology isn't just for our cities and homes. Internet of Things applications are also revolutionizing manufacturing. Smart factories make sense as they become safer and more productive. By integrating critical processes, factories gain insight and reduce production cycles through tools such as predictive maintenance, flexible machine utilization and tracking of goods in production.

At TE, we're taking the power of digital a step further by combining digital tools with lean cultures to unleash enhanced productivity and innovation. In Europe, our Automotive team hosted TE's first Digital Value Creation workshop at Germany's Wört/Dinkelsbühl facility. The objective was to capitalize on new digital tools, which provide large volumes of data through connectivity and operator interfaces, and expose continuous improvement opportunities.

The workshop brought together a cross-functional team, which leveraged visualization and analytics tools such as PowerBI and Minitab, to zero in on potential value

drivers. The heart of our digital factory is knowledge and expertise—optimizing services and devices for data transfer and translation, database structure and communication with all plant operations staff.

In the U.S., the TEOA team in Greensboro, North Carolina, continues to set the pace for TE's digital transformation. In December 2016, the Greensboro campus deployed a Digital Andon system—a simple but potent concept. Initially deployed as a rapid escalation system for production problems, Digital Andon allows operators to notify the correct personnel of an issue with the touch of a button. Rapid response supports production needs and drives employee engagement. As response times decrease, productivity increases. Furthermore, when Digital Andon system data was combined with data from other digital tools, the team gained additional insights across multiple value streams, allowing TE to unleash potential, drive a culture of digital-enabled improvements and deliver a better customer experience.

“

TE's smart factories are focused on building a solid foundation of advanced technical capacity in our operations and in the skills of our employees. We're leveraging advances in manufacturing technology to lead the way in new and innovative practices in order to meet our customers' growing expectations of smart technology in every aspect of our products.”

**Roberto Lu**, Vice President of  
Technology, TE Connectivity





# Extraordinary Innovation and Experience

Rapid development in connectivity is embedding the Internet of Things into our daily lives. Cities are adopting smart technology to deliver better services; home connectivity apps allow us to control our most cherished spaces, wherever we are; and we can track and store invaluable data on our health without ever stepping foot inside a doctor's office. Such developments enable huge leaps in productivity that once seemed impossible.

Behind it all are TE's sensors and connectivity solutions, creating the bridge between hardware and software. Our products are used by innovative global companies in a range of life-enhancing products. That makes us part of the supply chain for multiple industries. To be a preferred partner, we work to fully understand our customers' markets and needs so that we design superior products and

deliver an Extraordinary Customer Experience (ECE). ECE is our commitment to exceeding customer expectations. Our work begins with their voice so that we stay focused on innovation, delivery, quality, support and service.

In early fiscal year 2019, we introduced the ECE Accelerator: a new companywide competition to foster innovation, process improvement and problem solving. The ECE Accelerator is about providing employees opportunities to design for the future. The competition seeks out process improvements that will enhance performance for internal or external customers. The ECE Accelerator is every employee's chance to pitch their big idea to TE's executive team and get sponsorship and resources for their proposal. It's a new way for TE to identify and nurture employees' ideas from the ground up.



We're constantly tapping our employees' potential to improve efficiency and build customer satisfaction. Striving for ECE brings out the best in our employees—and brings TE's best to our customers."

**Claudia Anderson**, Vice President,  
Customer Experience, TE Connectivity



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- 21** Extraordinary Innovation and Experience
- 21** Supporting Productivity: 30 Years in China
- 22** Taking TEOA Everywhere
- 23** Developing the Future Through Research

## Supporting Productivity: 30 Years in China

We don't simply encourage productivity and innovation internally—we expect it in our global operations. In 1988, TE first entered a “new market” in China. Since that time, TE Connectivity in China has grown from one small sales office to a dynamic business with a full spectrum of capabilities, including R&D, engineering, manufacturing, supply chain and sales.

Today, TE's Asia-Pacific operations account for about a third of TE's total business revenue. In China alone, we employ approximately 20,000 individuals across 16 manufacturing sites. Our yearly revenue in China has grown to \$2.7 billion through local and global partnerships as well as strategic sales efforts.

We are also building a strong talent pool in China that specializes in management, engineering and operations. A part of this is helping to ensure our local leaders have the opportunity to support businesses in other regions and share leading practices.

TE is supporting China's transition from “Made-in-China” to “Created-in-China,” leveraging innovation and leading productivity processes to stay ahead of worldwide industrial trends. Our China operations are growing from a manufacturing base into a leading development location for industrial and commercial transportation solutions. Our multi-pronged approach focuses on growing with the China market, enabling local industrial development and productivity, and making a positive impact in the communities where we operate.

# Taking TEOA Everywhere

Productivity goes beyond efficiency — it means using energy and creativity to create value. That's why we're taking TEOA everywhere—from more productive facilities to more productive business functions. TEOA is the business system that defines how we convert strategy into value creation. Focusing on both customer and business needs, TEOA enables us to move fast, keep our customers' priorities at the forefront of what we do and drive daily accountability of key activities.

TEOA began in our manufacturing operations and has helped us drive continuous improvement in safety, quality, delivery, efficiency and sustainability.

We have expanded TEOA into our business functions as well — "TEOA Everywhere" — where it is being used to transform end-to-end processes. TEOA transformation begins with our customers' voice helping us define strategic priorities and accountability through metrics and measurements that matter most to our customers. Using TEOA as our system for operational excellence, we're taking TE and making it better.

Recently in Qingdao, China, two facilities achieved star level five certification, joining 12 other manufacturing facilities that have reached the highest level of performance within TEOA. With a 20-year history in China, our Data and Devices (D&D) and Appliances facilities made star level five a priority.

To achieve this goal, the Appliances facility focused on gathering direct customer feedback and invited customers to the plant to share expectations. The Appliances team established a "quality wall" to keep employees updated on product applications and customer feedback regularly. Today, the "quality wall" is the center for continuous improvement at the site and how teams respond to feedback quickly and deliver extraordinary customer experiences.

D&D used similar tactics by engaging all employees in TEOA, driving operational efficiency through all processes and connecting our operations to customer feedback. As a result, D&D made significant improvements in key areas for our customers, including on-time delivery (ship-to-

customer requests) and quality (measured through defective parts per million). The site has created end-to-end value streams that begin during the design process and are mapped and streamlined through delivery. This transformation touches all functions, from product managers sharing their insights on market demand and trends to supply chain and procurement improving inbound and outbound logistics and level-loading tactics.

With the success of TEOA in Qingdao, the global D&D product management function for interconnect products followed suit. By transforming and improving strategic product management processes, they became the first star level four product management organization at TE. At the beginning of their TEOA journey, the D&D product management team defined four pillars, focusing on strategic alignment, product management knowledge, process improvement and exceptional work standards. This structure set up the team for success while holding leaders and product managers accountable for results at every level.

The team also committed extensively to talent development, contributing to TE's global program to develop world-class product management expertise. Graduates of the program learn new skills and practices and are required to integrate new business building plans into their strategies. The team is already focused on achieving their next milestone in their journey to world-class product management.

The success of TEOA in the D&D business, both in operations and product management, and our Appliances site are powerful examples of the value of TEOA. The potential of the TEOA is realized when everyone at TE, from employees to senior leaders, is deeply engaged, aligned to a customer-driven strategy and is committed to realizing a more productive future.



The Appliances Qingdao team built a continuous improvement model to keep everyone within the plant engaged in meeting our customers' requirements. This model helped our team deliver an ECE model and successfully achieve star level 5."

**John Pryce**, Senior Vice President and General Manager, Appliances, TE Connectivity





## Tech Days

We recognize the importance of collaboration among our 8,000+ engineers in different businesses and regions.

In an effort to share best practices and scale their results enterprisewide, we host a number of events targeted toward our engineering community:

**20**  
EVENTS



held in

**10**  
COUNTRIES



featuring

**8**

TOPICS

including Additive  
Manufacturing, Assembly  
& Automation and Digital  
Factory

Tech Days are regional three-day events where participants engage with other business units and experts to share lessons learned, ideas and best practices.

In addition to our regional Tech Days, we hold an annual technical conference for 300+ of our global engineers. Throughout the week they share our latest technologies and innovations and leverage the collective brainpower of our engineering community.

# Developing the Future Through Research

TE's engineers design for everyone's needs: from global Fortune 500 brands to small startups. Increased connectivity has made it essential that we interact with and understand the people and markets that our customers serve. Engineers have access to technology that helps them design, prototype, perfect and produce solutions rapidly to respond to changing needs.

We also collaborate closely with our customers to explore efficiencies they may not have considered. For example, TE works directly with our aerospace customers to develop solutions to limit fuel costs. The main engine of an aircraft can use 20 pounds of fuel per minute just when taxiing. While electric-powered taxiing may seem a simple idea, getting the necessary level of power to the wheels poses a major challenge—but one with potential fuel savings of up to \$200,000 per aircraft per year. Our engineers work with aerospace customers to design the lightest-possible components for electric motors, such as power-switching relays and protection products for the aircraft's interconnect scheme.

As an industrial technology leader, we believe it's our purpose to create a safer, sustainable, productive and connected future. This includes continually innovating and enabling customers in profound ways. It means offering smarter, more integrated solutions and providing complete value through components, advanced design methods and at-scale

global production—all with a customer-first culture and commitment to deliver first-time-right success. We will continue to collaborate with our customers to support leading research and development that brings innovations to market.



In my role as Chief Technology Officer for Communications Solutions, I see how we continually improve our materials science research in order to have the greatest performance for our customers. For example, we've worked on new, very high-speed cable materials that serve artificial intelligence (AI) applications in leading data centers, resulting in significant business gains. Our commercialized science delivers better performance for our customers and their consumers who benefit from AI-enabled services; another simple way we are creating a more productive world.”

**Phil Gilchrist**, Vice President and Chief Technology Officer, Communications Solutions, TE Connectivity





# Amplifying the Connected Life

## From Point A to Point Everywhere

We live in the “connected everything” era. Communications networks are the nervous systems of our societies and the more connected we become, the more a world of possibilities opens.

Thanks to dropping technology costs, smart cities are enabling advances in transportation, utilities and buildings. Supported by TE's own connected strategy, residents can receive better services, using smartphones to track public transportation schedules or report utility failures in real time. This constant stream of data — from connected cameras to car sensors — could help municipalities quickly detect and respond to issues.

Car sensors alone enable smarter cities with safer vehicles making faster-than-human driving decisions. Together with automotive manufacturers, we're designing the reliable and secure components that will move data wherever it needs to be.

As more people continue moving to cities and increasing traffic, high-speed rail solutions offer a crucially important means to keep people moving efficiently. TE's high-speed rail sensors enhance the sophistication of control systems to reduce the time between trains. More trains safely serving more people are critical in major cities where rail infrastructure is already at capacity.

With the demand of a connected home, TE explores innovative solutions with greater functionality and

connectivity to help build smarter and sustainable consumer products. We're designing sensors for smart appliances that detect and manage water use, and providing sustainable products to meet the global energy consumption requirements for appliances. We're also expanding internet access through supporting the development of 5G, which we believe will help bridge the gap of connectivity and help economically disadvantaged communities gain access to services they need.

Thanks to TE, the connected future is closer than ever.



The world is getting more connected and we at TE create the mission-critical foundational connector and sensor solutions in this journey. We are enabling our customers to deliver exponential growth in bandwidth demand by dramatically improving speed, density and thermal performance. Our solutions are making innovations possible in multiple areas, creating a more connected and sustainable future.”

**Sudhakar Sabada**, Senior Vice President and General Manager, Data and Devices, TE Connectivity





# Promoting Employee Potential

One of the key ways we deliver our purpose to create a safer, sustainable, productive and connected future is through our highly engaged employees. We invest in a blend of development programs and opportunities that help employees reach their full potential and build a rewarding career with TE.

At TE, we strive to build capabilities and a culture that drive business growth, high performance and engagement. We are committed to developing a leadership culture where leaders at all levels of the organization have clarity on their role and the behaviors and skills needed to be successful. We are focused on building talent pipelines for key talent and critical roles in order to strengthen our organization's capabilities for the future. Ultimately, we aim to create an exceptional talent experience that attracts, develops and retains the employees and leaders we need to win today and in the future.

Our primary training tool is the LEARN@TE platform. This online portal allows employees to access instructor-led live training that they can take in a classroom or virtually, alongside web-based courses. In fiscal year 2018, our employees completed over 111,000 hours of training through over 18,000 courses on LEARN@TE. We also created comprehensive career roadmaps in order to further set a development trajectory for talent in our organization.

There are also programs to develop specialized skills, including our in-house MBA program, Leadership Foundations, the Plant Manager Transformation Challenge, the Quality Leadership Program and the Sales Acceleration Learning Experience. Engineers can

expand their skills through the Technical Leadership Development Program and the Manufacturing Engineering Leadership Development Program, which are a series of workshops and seminars that build leadership capacity.

In fiscal year 2018, the Engineering Council launched a mentorship program for TE's technical community. The first six-month round featured over 40 mentors from director level and above, and over 80 mentees from the technical community. At the close, 82 percent of participants were satisfied with the experience and 95 percent were willing to join future programs.

TE nurtures a workforce that combines a wealth of perspectives and backgrounds. We foster a culture where everyone can bring their whole selves to the workplace. One way we do this is through our rapidly expanding Employee Resource Groups (ERGs), which provide a space where employees can foster powerful connections and develop in a supportive environment. We launched the ERGs in 2014 and today there are five groups with chapters in more than 40 countries, totaling nearly 5,000 members.

We also maintain several valuable partnerships that help us increase diversity at TE. For example, we collaborate on recruitment initiatives with the National Society of Black Engineers, the Society of Women Engineers and oSTEM. We support the career progression of women at TE. Currently, women occupy 19 percent of leadership positions overall and 28 percent of middle management positions.

TE also upholds the right to collective bargaining and freedom of association and works with trade unions in order to maintain employee rights.

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28 Spotlight on TE's Work in India

28 Creating Community Connections

29 TE Connectivity Foundation

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31 Our Governance



I am excited and encouraged by the work we are doing at TE to intentionally create a culture where we all want to work. Our goal is for employees of all backgrounds to feel like they can bring their whole selves to work and thrive in a workplace where they belong."

**Megan Bilson**, Vice President,  
Global Talent Management, TE  
Connectivity



Building the pipeline of talent through partnerships with FIRST, DiscoverE, Enactus, Formula SAE and hundreds of universities and schools around the world



Increasing access to engineering for all with the TE Connectivity Foundation



Creating engaged and inclusive communities within TE, now in more than 40 countries



Outreach and recruiting through different communities like SWE and NSBE

# #LifeatTE

## 243,000+

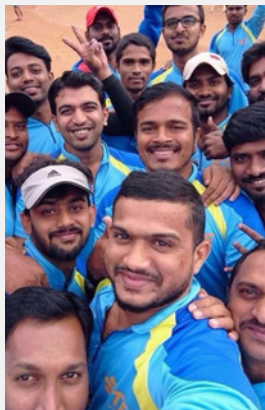
hours of compliance training and LEARN@TE training courses completed by employees

employees have the opportunity to receive performance reviews to grow in their careers

## 40+

apprenticeships and internships around the world for on-the-job training

Celebrating our engineering and technical employees worldwide for TECHcon, Tech Days and TE Engineers & Technologists Week



## 30,000+

employees around the world participated in 600 Inclusion and Diversity Month events and activities at over 151 locations



## 36,000

volunteer hours recorded and community engagement around the world



# Engaging the Leaders of Tomorrow

Staying ahead of changing technology and rapid innovation means always thinking about tomorrow. One way we focus on the future is by growing a sustainable supply of future qualified and engaged technical talent. We promote the uptake of STEM-based subjects at all levels of education, collaborating with high schools, community colleges and universities in and around the communities where TE operates. We also support nonprofit organizations and initiatives focused on growing STEM skills among young people. We have continued a key partnership with DiscoverE, celebrating Engineers Week and Girl Day at more than 30 TE locations around the world. With *FIRST*®, we supported over 100 robotics teams, and through Enactus we are promoting entrepreneurial skills among university students in China.

In China, we partner with several universities, including the East China, Nianjing and South China Universities of Science and Technology. We fund research laboratories, and sponsor lectures and engineering competitions. We also offer scholarships with Shanghai University of International Business and Economics. Similarly, in Europe we partner with universities in Germany, Czech Republic, Hungary, Austria and Spain to support research, curriculum building and student racing teams, to name just a few examples.

In October 2017, we made a \$100,000 contribution to the Society of Women Engineers to provide scholarships for women and girls pursuing engineering degrees. TE followed up with 13 winners in 2018, finding

them actively pursuing degrees in various engineering fields, ranging from mechanical and biomedical to aeronautical engineering.

Our apprenticeship programs vary across the globe. Some of our programs focus on developing students at local universities or technical schools, while others involve sending current TE employees for advanced training and development. Many of the apprenticeship programs are the result of strong relationships built over time with local universities and technical schools. In total, TE operates more than 40 apprenticeship programs worldwide, with even more to come as we continue our effort to grow our programs and share best practices across the enterprise. Currently, TE supports accredited apprenticeship programs in the United States, Germany, Switzerland, China, Mexico and more.

TE proudly maintains a robust culture of employee volunteerism. Our employees are committed to making a difference to their communities and we empower them to support causes they care about through our Community Ambassador Program, where more than 100 ambassadors and thousands of local councils make decisions about TE's philanthropic spending and where TE employees can volunteer. Approximately 90 percent of our corporate philanthropy is employee-driven through our Community Ambassador Program or employee matching gift and volunteer grants programs, allowing employees to be actively engaged and see the direct impact of their efforts.

## PERFORMANCE DATA

**36,000**

employee volunteer hours

**\$5M+**

donated by TE and the TE Connectivity Foundation

**1,500**

charities across 100+ communities supported worldwide by TE and its employees

## Grants breakdown by category

- 35% Education and Technology
- 65% Health and Human Services

# Spotlight on TE's work in India



Giving back to society is deeply ingrained in the fabric of Indian culture. Our highly engaged Community Council in India spans 10 offices and plants across the country, building relationships with local nonprofit organizations in their respective communities to monitor the implementation of TE-funded charitable programs and their impact. We are particularly proud to have many long-standing and multi-year partners in India. The following are but a few examples of our impact in India in fiscal year 2018:

- **Samarthanam Trust for the Disabled** – TE supported inclusive residential education to 40 disabled and underprivileged children from grades 1-7 in Bangalore.

- **HelpAge India** – TE helped elderly residents by providing 60 portable wheelchairs at railways stations for the use of elderly people around Bangalore and 247 relief kits to tribal and agrarian communities affected by severe flooding. TE also supported free medical treatment to 1,852 people impacted by floods.
- **Seva Sahayog Foundation** – TE provided 1,250 school kits to underprivileged school children and supported construction of a compound wall for a government school.
- **Mala Smriti Home** – TE provided a refrigerator to an orphanage for destitute and underprivileged children.
- **Shishu Mandir** – TE supported midday meals at school for 245 children for a year, and provided classroom furniture including chairs and tables.

TE's employees in India also give back to their communities through direct employee contribution campaigns. In fiscal year 2018, 996 employees contributed a total of \$56,792 out of their own pockets to support various social causes important to them. TE employees in India also have the option to donate a limited number of paid leave days to support underprivileged communities. TE employees in India are exceptionally generous with their time, volunteering 1,000 hours in fiscal year 2018.

## Creating Community Connections

TE encourages our employees to get involved with their local communities, both through their own personal passions and through TE. TE's Community Ambassador Program allows employees at more than 100 TE facilities around the world to organize volunteer events, build community partnerships and make donations to charitable organizations. In fiscal year 2018, TE's community ambassadors and local councils donated more than \$2 million to local causes in our focus areas of education and technology, and health and human services.

Each year, TE recognizes exceptional individuals and councils for their contributions to their communities. Our winners for fiscal year 2018 are:

### Community Volunteer of the Year

- Abril Santa Ana (Guaymas, Mexico)
- Billy Meeks (Tulahoma, United States)
- Felix Greiner (Bensheim, Germany)
- Michelle Wang (Qindao, China)
- Senthil Kumar Ramakrishnan (Bangalore, India)

### Community Council of the Year

- Berwyn, United States
- Bangalore, India
- Swindon, United Kingdom
- Ottobrunn, Germany
- TE AMP Qingdao, China
- TESS Chengdu, China
- Gyeongsan, Korea

### Community Excellence Awards

- Gustavo Giovanetti (Bragança-Paulista, Brazil, Collaboration Category)
- Wenying He (Shanghai, China, Collaboration Category)
- Angela Bernal (Bensheim, Germany, Partnerships Category)
- Jana Krivankova (Kuřim, Czech Republic, Partnerships Category)
- Virginie Wester (Pontoise, France, Communications Category)
- Jane Nicole (Shunde, China, Communications Category)



# TE Connectivity Foundation

Our mission to connect goes beyond the products we create and the workplace we provide. We want to strengthen global communities by enabling greater access to technology and engineering for people everywhere — especially women and minorities. In 2018, we were able to witness the impact of our first year of grants to our partners, with a focus on enhancing the way each connects current students to past participants as a way to build an even a stronger community as we continue our partnerships through 2019.

## FIRST® Global



FIRST® Global runs high-profile, international robotics competitions focused on solving major global challenges. The diverse participants are all high school students from around the world. The TE Connectivity Foundation grant helps extend the competition to nations where girls do not typically have the opportunity to take part in equal education or extracurricular STEM opportunities. It also helps provide the kits and materials needed for teams to participate. Through TE's support, there was an increase of 133 percent in participating teams (175 in 2018 vs. 75 in 2017). Our funds supported teams from Brazil, Cambodia, Comoros, Jordan, Mali, Morocco, Seychelles and Vanuatu, many of which were all or predominantly female. There was even on-site participation by TE Connectivity employees from the Mexico and corporate offices.

## Girl Up™



Girl Up™ is a global network of approximately 2,000 clubs in 100 countries, focused on equipping nearly 28,000 young women with economically valuable skills to help close the gender gap. The initiative was launched by the UN Foundation and hosts GIRLHERO Solution Labs and STEM boot camps that provide one-day “hackathon” style events. These events enable girls to create STEM solutions for social issues that impact gender equality, such as access to education and health information. The TE Connectivity Foundation's grant supported the creation of five GIRLHERO Solution Labs and STEM boot camps, resulting in three U.S. and two international events.

## SMASH



SMASH (Summer Math and Science Honors), the signature education program of the Kapor Center, is committed to eliminating the barriers faced by underrepresented people of color in STEM and fostering their untapped talent for the advancement of our nation. The program includes a free, multi-year college prep program and currently operates in several regions in the U.S. The TE Connectivity Foundation grant helped fund a SMASH program at the Wharton School, enabling a cohort of 35 rising high school sophomores from the greater Philadelphia area to live on campus for five weeks over the summer. The selected cohort was 80 percent African American, 52 percent female and 98 percent low-income. These students will receive additional support in the form of a computer science curriculum, a hackathon and help preparing for their Standard Assessment Tests. The grant also supported the creation of a robust alumni network to help provide ongoing support for those who have gone through the program throughout their college careers and into their working lives.

# Embedding Our Ethics

We operate ethically and in alignment with our core values of Integrity, Accountability, Teamwork and Innovation. Our work is guided by our global playbook, TE's [Guide to Ethical Conduct](#) (The Guide). The Guide has been translated into 21 languages and includes topics such as anti-corruption, fair treatment, legal compliance, environmental health and safety, and whistleblowing procedures. Employees are trained annually on The Guide and are required to recommit to its principles, helping our company to promote sound risk management and help employees view compliance as a competitive advantage and business enabler.

## Workplace Environment Survey

In fiscal year 2018, the Ethics and Compliance team conducted a survey to gauge our current workplace environment. The survey was open to all employees online and over 15,890 employees participated.

The results show substantial positive findings and commitment to ethics and compliance; 97 percent of respondents feel that TE's culture promotes ethics and integrity. Respondents are also widely aware of the ethics and compliance personnel, policies and resources available to voice their concerns, or to field confidential reports, including the independent Office of Ombudsman. Additionally, 93 percent reported that their managers communicate with them on compliance topics, including The Guide, and use TE's core values in their daily decisions on behalf of the company.

In response to the findings, the Ethics and Compliance team is working with leaders across the company to address areas for continuous improvement and maintain commitment to the highest ethical standards.



Our commitment to ethics and compliance goes beyond just our business practices — it's part of our values and our workplace. I'm proud to serve as Chief Compliance Officer at a company where employees are expected to act with integrity not only within the bounds of TE but also toward our customers, suppliers and all stakeholders."

**Jen Murphy**, Vice President and Chief Compliance Officer, TE Connectivity



## PERFORMANCE DATA

**132,410**

ethics and compliance trainings completed in fiscal year 2018



**99+%**

of employees certified their compliance to our Guide to Ethical Conduct in fiscal year 2018



# Our Governance

## Accountability Across Our Operations

TE's Office of Ombudsman is an independent, impartial and confidential resource for employees, suppliers, investors, customers and other third parties to report concerns or violations of law, TE policy, process or procedures, or our Guide to Ethical Conduct. The Ombudsman reports directly to the Chair of the Audit Committee of the TE Board of Directors and meets regularly with our executive leadership to discuss key reporting themes and trends. Through identification of these themes, trends and related root causes or contributing factors, management can respond proactively to matters that could otherwise disrupt operations or hinder employee morale and confidence.

TE's Employee Relations Center of Excellence (the ER function) is a newly created organization reporting to the Office of Ombudsman. The ER function is responsible for handling workplace-related concerns reported to the Office of Ombudsman so that cases can be addressed efficiently, confidentially and consistently across TE. The ER function also analyzes workplace-related case data for themes, trends and root causes, and shares findings with key human resources stakeholders. Together with the Office of Ombudsman, the ER function works with HR and other partners to identify ER-related priorities and implement global and regional ER-related policies and projects.

TE's ConcernLINE and Investigations Program is overseen by the Office of Ombudsman and helps to ensure that TE employees live our values and conduct business ethically. In addition to publicizing the program by using physical posters in all TE facilities and convenient links on TE's internal and external websites, the Office of Ombudsman also conducts town halls and employee outreach sessions

at multiple TE sites every year. Due to the promotion of the speak-up culture and the company's strong non-retaliation policy, we have seen an increase during the last several years in reports received through our reporting channels.

In fiscal year 2018, the Office of Ombudsman received approximately 900 cases. Of cases closed during fiscal year 2018, approximately 42 percent were substantiated and appropriate actions were taken to address those matters. Of the unsubstantiated allegations, approximately 12 percent led to additional corrective actions even though unsubstantiated, enabling TE to change a business process, rectify an inefficiency or clarify a policy.

## Engaging with Governments

As a global corporation, we have a responsibility to use our economic power, reach and assets to create a positive impact for our communities, which we do through our Global Government Affairs (GGA) team. The team engages with local business, community and government partners to build positive community programs and enact public policy that serves not only the company, its shareholders and its employees, but also the larger good.

The GGA team works strategically with government officials to shape public policies and political decisions that affect TE's business objectives and the global marketplace. These networks enable TE to respond rapidly to a dynamic changing regulatory landscape and help us foresee and mitigate risk globally. Around the world, TE is actively involved in policies that maximize our ability to innovate, contribute to the company's growth strategy, strengthen the global economy and support competitiveness.

TE does not make political contributions to candidates, causes or parties. In the United States, TE's Employee Political Action Committee (TEPAC) makes political contributions in compliance with applicable federal and state laws and details can be found at [www.fec.gov](http://www.fec.gov).

## Our Board

Our Board of Directors continues to set the tone for the company's commitment to personal and professional integrity. The Board is responsible for aligning our management with the best interests of shareholders in a manner that is consistent with being a responsible company. In addition to providing oversight of, and guidance for, the financial aspects of the business, the Board oversees the implementation of governance policies that ensure our values are embedded throughout our operations. Biographies for our Board members and corporate officers can be found at <http://investors.te.com>.

## Executive Compensation

TE's executive compensation philosophy is designed to achieve two objectives: (1) reward executives meeting individual and corporate performance objectives, and (2) attract, motivate and retain leaders who increase shareholder value and play an integral role in advancing our strategic priorities. Our Board's Management Development and Compensation Committee oversees the compensation and benefits programs for TE executives. A comprehensive discussion of executive compensation can be found in TE Connectivity's definitive proxy statement at <http://investors.te.com>.

# About This Report

At TE Connectivity, we believe that sustainable success demands adherence to a strong set of core values and ethics. Our four core values — Integrity, Accountability, Teamwork and Innovation — define how we lead and grow our business, and our company performance is wholly dependent on leveraging responsibility and sustainability across our operations.

This corporate responsibility report describes our progress in managing the issues of greatest importance to our company, our shareholders, our employees and other stakeholders. Unless otherwise stated, the data and information provided in this report reflect our performance in TE Connectivity's fiscal year 2018 which ended September 28, 2018.

The TE Connectivity Foundation operates on a calendar year basis. References in this report to the TE Connectivity Foundation are to its 2018 calendar year.

Please note that all references to currency and valuations in this report are expressed in United States Dollars (USD).

This is our ninth corporate responsibility report and has been prepared in accordance with the GRI Standards at the Core level. Our full GRI Index is available beginning on page 40.

Deloitte & Touche LLP provided a review of our Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal. Their assurance statement is available [via this link](#).

Since 2011, TE has been a proud signatory of the United Nations (UN) Global Compact. Through our commitment we have developed our thinking around our broader impact and how our operations, products and engagement can help to meet the UN Sustainable Development Goals.

We welcome feedback from our stakeholders on both our reporting and our performance. Please visit [www.te.com/responsibility](http://www.te.com/responsibility) or write to us at:

[TECorporateResponsibility@te.com](mailto:TECorporateResponsibility@te.com).



# Engaging with Stakeholders

We engage with our stakeholders—including customers, community leaders, employees, commercial partners and investors—to gather their views and interests about TE, our performance, our culture and our community engagement. This is particularly valuable in understanding and addressing the issues that are most material for our stakeholders and therefore, to our business. It also informs our corporate responsibility strategy and reporting. We also hold memberships in formal and informal groups to advance common stakeholder interests.

## Communities

- Community investments through corporate giving and through the TE Connectivity Foundation
- Partnerships with nonprofits, governments and nongovernmental organizations
- Employee volunteering and participation in their local communities

## Customers

- Annual customer satisfaction survey
- Customer audits
- TE.com website
- Distribution partners
- Customer service

## Employees

- Regular informal engagement through team meetings
- Internal communications
- Quarterly town hall meetings within business units and functions
- Annual leadership and sales meetings
- Employee pulse survey
- Annual ethics training and certification to Code of Business Conduct

## Governments

- Contributing to policy development through our Global Government Affairs team
- Working with government officials and regulators for proper oversight of issues of importance

## Investors

- Regular meetings with investors
- Annual Meeting of Shareholders
- Annual Report
- Proxy Statement
- Corporate Responsibility Report
- Sustainability investment indices
- Investor Relations website

## Nonprofits

- Working with partners to deliver community and corporate responsibility programs
- Providing technology skills and expertise through employee volunteering
- Driving nongovernmental organizations' efficiency and effectiveness through technology grants

## Suppliers

- Close collaboration to incorporate corporate responsibility into all aspects of the supply chain
- Supplier Guide to Social Responsibility
- Conduct audits to help ensure our suppliers are adhering to the Supplier Guide to Social Responsibility

# Forward-Looking Statements

This Corporate Responsibility Report contains certain “forward-looking statements” within the meaning of the U.S. Private Securities Litigation Reform Act of 1995.

These statements are based on management’s current expectations and are subject to risks, uncertainty and changes in circumstances, which may cause actual results, performance, financial condition or achievements to differ materially from anticipated results, performance, financial condition or achievements.

All statements contained herein that are not clearly historical in nature are forward-looking and the words “anticipate,” “believe,” “expect,” “estimate,” “plan” and similar expressions are generally intended to identify forward-looking statements. We have no intention and are under no obligation to update or alter (and expressly disclaim any such intention or obligation to do so) our forward-looking statements, whether as a result of new information, future events or otherwise, except to the extent required by law.

The forward-looking statements in this report include statements addressing our future financial condition and operating results and our environmental and sustainability goals. In addition, the actual conduct of our activities, including the development,

implementation or continuation of any program, policy or initiative discussed or forecast in this report, may differ materially in the future.

Examples of factors that could cause actual results to differ materially from those described in the forward-looking statements include, among others, business, economic, competitive and regulatory risks, such as conditions affecting demand for products, particularly in the automotive and data and devices industries; competition and pricing pressure; fluctuations in foreign currency exchange rates and commodity prices; natural disasters and political, economic and military instability in countries in which we operate; developments in the credit markets; future goodwill impairment; compliance with current and future environmental and other laws and regulations; and the possible effects on us of changes in tax laws, tax treaties and other legislation.

More detailed information about these and other factors is set forth in TE Connectivity Ltd.’s Annual Report on Form 10-K for the fiscal year ended September 28, 2018, as well as in our Quarterly Reports on Form 10-Q, Current Reports on Form 8-K and other reports we have filed with the U.S. Securities and Exchange Commission.



“TE Connectivity” and “TE connectivity (logo)” are trademarks. This report further contains other trademarks of ours and additional trade names and trademarks of other companies that are not owned by TE Connectivity. We do not intend our use or display of other companies’ trade names or trademarks to imply an endorsement or sponsorship of us by such companies, or any relationship with any of these companies.

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# Performance Summary

	Unit of Measure	FY2016	FY2017	FY2018
<b>Community</b>				
Charitable Giving: Corporate	USD \$ (Millions)	2.70	2.30	3.18
Charitable Giving: Education and Technology Focus <sup>1</sup>	%	35	32	35
Charitable Giving: Environment Focus <sup>1</sup>	%	2	3	N/A
Charitable Giving: Health and Wellness Focus <sup>1</sup>	%	3	34	N/A
Charitable Giving: Human Services Focus <sup>1</sup>	%	60	31	65
Charitable Giving: TE Connectivity Foundation	USD \$ (Millions)	0.20	1.25	0.95
Charitable Giving: TE Matches of Employee Donations and Volunteer Hours <sup>2</sup>	USD \$ (Millions)	1.10	1.20	0.92
Charitable Giving: Total Giving (Foundation, Corporate, TE Matches)	USD \$ (Millions)	4.00	4.75	5.05
Volunteer Hours by TE Employees	#	21,000	26,000	36,000
<b>Economic<sup>3</sup></b>				
Americas Region: Employees	#	22,000	23,000	25,000
Americas Region: Principal Manufacturing Sites	#	43	39	38
APAC Region: Employees	#	24,000	25,000	25,000
APAC Region: Principal Manufacturing Sites	#	21	21	22
EMEA Region: Employees	#	28,000	29,000	30,000
EMEA Region: Principal Manufacturing Sites	#	39	43	44
Manufacturing Employees Worldwide	#	46,000	49,000	51,000
Net Sales	USD \$ (Millions)	11,352	12,185	13,988
Net Sales by Segment: Transportation	USD \$ (Millions)	6,503	7,039	8,290

	Unit of Measure	FY2016	FY2017	FY2018
Net Sales by Segment: Industrial	USD \$ (Millions)	3,215	3,507	3,856
Net Sales by Segment: Communications	USD \$ (Millions)	1,634	1,639	1,842
Net Sales: Americas	USD \$ (Millions)	3,315	3,474	3,971
Net Sales: Americas	% of Total Net Sales	29	29	28
Net Sales: EMEA	USD \$ (Millions)	4,114	4,399	5,255
Net Sales: EMEA	% of Total Net Sales	36	36	38
Net Sales: Asia-Pacific	USD \$ (Millions)	3,923	4,312	4,762
Net Sales: Asia-Pacific	% of Total Net Sales	35	35	34
Patents Granted or Pending	#	14,000	14,000+	15,000+
Research, Development and Engineering	USD \$ (Millions)	603	611	680
Total Employees	#	74,000	77,000	80,000
Total Engineers	#	7,000+	7,000+	8,000+

## Environment

Energy Usage Absolute (with SubCom) <sup>4</sup>	Mwh	1,495,584	1,632,166	1,610,469
Energy Usage Absolute (without SubCom) <sup>5</sup>		1,145,145	1,254,271	1,266,497
Energy Usage Intensity (with SubCom) <sup>4</sup>	Mwh/Net Sales in Millions	122	124	110
Energy Usage Intensity (without SubCom) <sup>5</sup>		101	103	91
GHG Emissions Absolute (with SubCom) <sup>4</sup>	Metric Tons CO <sub>2</sub> Equivalent	598,755	629,484	653,199
GHG Emissions Absolute (without SubCom) <sup>5</sup>		509,551	535,574	567,831
GHG Emissions Intensity (with SubCom) <sup>4</sup>	Metric Tons of CO <sub>2</sub> /Net Sales in Millions	49	48	44
GHG Emissions Intensity (without SubCom) <sup>5</sup>		45	44	41
Direct GHG Emissions Scope 1 (with SubCom) <sup>4</sup>	Metric Tons CO <sub>2</sub> Equivalent	149,396	162,833	148,227
Direct GHG Emissions Scope 1 (without SubCom) <sup>5</sup>		70,958	77,494	71,312
SF <sub>6</sub> Gas Releases from Electron Beams <sup>4</sup>	% Reduction Since FY2010	77	85	89
Indirect GHG Emissions Scope 2 (with SubCom) <sup>4</sup>	Metric Tons CO <sub>2</sub> Equivalent	449,359	466,651	504,972
Indirect GHG Emissions Scope 2 (without SubCom) <sup>5</sup>		438,593	458,080	496,519



	Unit of Measure	FY2016	FY2017	FY2018
Other Indirect (Scope 3) GHG Emissions <sup>4</sup>	Metric Tons CO <sub>2</sub> Equivalent	18,677	21,523	23,520
Waste Disposed Absolute (with SubCom) <sup>4</sup>	Metric Tons	14,783	25,079	17,586
Waste Disposed Absolute (without SubCom) <sup>5</sup>		14,599	24,509	17,518
Hazardous Waste Generated Absolute (with SubCom) <sup>4</sup>	Metric Tons	5,568	16,004	8,802
Hazardous Waste Generated Absolute (without SubCom) <sup>5</sup>		5,567	15,972	8,800
Materials Recycled/Reused Absolute (with SubCom) <sup>4</sup>	Metric Tons	72,511	83,663	74,980
Materials Recycled/Reused Absolute (without SubCom) <sup>5</sup>		72,142	80,884	74,532
Water Usage Absolute (with SubCom) <sup>4</sup>	Millions of Gallons	863	884	862
Water Usage Absolute (without SubCom) <sup>5</sup>		833	852	830
Water Withdrawal – Utility Municipal (with SubCom) <sup>4</sup>	Millions of Gallons	742	784	751
Water Withdrawal – Utility Municipal (without SubCom) <sup>5</sup>		726	752	719
Water Withdrawal – Groundwater (with SubCom) <sup>4</sup>	Millions of Gallons	106	99	104
Water Withdrawal – Groundwater (without SubCom) <sup>5</sup>		106	99	104
Water Withdrawal – Reuse/Recycle (with SubCom) <sup>4</sup>	Millions of Gallons	1	1	7
Water Withdrawal – Reuse/Recycle (without SubCom) <sup>5</sup>		1	1	7
Wastewater Absolute (with SubCom) <sup>4</sup>	Millions of Gallons	762	713	693
Wastewater Absolute (without SubCom) <sup>5</sup>		739	689	664

## Ethics and Compliance

Certifying Compliance with TE Guide to Ethical Conduct	%	99	99	99+
Ethics and Compliance Trainings Completed Companywide	#	148,745	130,128	132,410
Total Number of Matters Reported to the Ombudsman Office <sup>6</sup>	#	780	764	895

## People

Average Hours of Training: Band 0 <sup>7</sup>	# Hours	N/A	0.83	0.83
Average Hours of Training: Band 1 <sup>7</sup>	# Hours	N/A	1.61	1.18
Average Hours of Training: Band 2 <sup>7</sup>	# Hours	N/A	2.18	1.39

	Unit of Measure	FY2016	FY2017	FY2018
Average Hours of Training: Band 3 <sup>7</sup>	# Hours	N/A	3.06	1.68
Average Hours of Training: Band 4 <sup>7</sup>	# Hours	N/A	3.80	1.98
Average Hours of Training: Band 5 <sup>7</sup>	# Hours	N/A	3.75	2.10
Average Hours of Training: Band 6 <sup>7</sup>	# Hours	N/A	3.19	1.57
Employee Safety: Lost Time Recordable Incident Rate (Per 100 Employees) <sup>8</sup>	#	0.13	0.14	0.11
Employee Safety: Total Recordable Incident Rate (Per 100 Employees) <sup>8</sup>	#	0.26	0.22	0.21
Manufacturing Plants Completed the Year with One Recordable Injury/Illness or Less <sup>8</sup>	%	70	73	80
Employees by Gender: Female (All)	%	40	41	41
Employees by Gender: Female (Leadership)	%	20	19	19
Employees by Gender: Male (All)	%	60	59	59
Employees by Gender: Male (Leadership)	%	80	81	81
ERG Membership	#	2,182	5,000	4,860
Courses Offered on LEARN@TE	#	N/A	15,397	18,523
Hours of Non-Specialized Training Completed by Employees on LEARN@TE	# Hours	32,500	73,022	61,717
Hours of Specialized Engineering/Leadership/Strategic Program Training on LEARN@TE	# Hours	N/A	65,001	49,473
Total Hours of Training on LEARN@TE	# Hours	32,500	138,023	111,190
Women by Management Level: Top Management (Bands 0 – 2)	%	N/A	14	15
Women by Management Level: Middle Management (Bands 3 – 5)	%	N/A	27	28
Women in Leadership Positions Worldwide (Employee Bands 0 – 3)	#	126	121	128
Women in Revenue-Generating Positions (Sales, Operations Managers, Customer Services Or Engineering)	%	N/A	13	12



## Supply Chain

	Unit of Measure	FY2016	FY2017	FY2018
Additional Certifications to TE's Guide to Supplier Social Responsibility <sup>9</sup>	#	4,202	5,085	5,344
Conflict Mineral Survey Responses Used in Connection with Conflict Minerals Report <sup>10</sup>	#	175,000	294,316	161,760
Contributed to Local Economies Through Localization Efforts	USD \$ (Millions)	3,100	3,600	4,244
Corrective Actions	#	452	432	593
Direct Material Suppliers	#	6,674	7,999	7,928
Indirect Material Suppliers	#	15,092	17,327	18,457
Total Direct and Indirect Suppliers	#	21,766	25,326	26,385
Screenings	#	192	45	178
Site Audits	#	63	46	75

1. In FY2018, we revised our focus areas to only 1) Education and Technology and 2) Human Services.

2. FY2016 data includes matches of employee donations and volunteer hours in the U.S. only. In FY2017 we expanded the matches of volunteer hours to most countries outside the U.S.

3. In the fourth quarter of FY2018, our Subsea Communications ("SubCom") business met the held for sale and discontinued operations criteria and was reported as such in our Annual Report on Form 10-K for the fiscal year ended September 28, 2018 as filed with the United States Securities and Exchange Commission on November 13, 2018 ("Form 10-K"). As a result, we reclassified previously reported amounts reported in this section to reflect the SubCom business as a discontinued operation to be consistent with our Form 10-K. The sale of the SubCom business was completed during the first quarter of FY2019 on November 2, 2018.

4. Data for each of the three years presented includes facilities associated with our divested SubCom business.

Data for all periods presented excludes facilities associated with our acquisitions of ABB Entlelec and Heat Shrink Innovations during FY2018. Data

for FY2017 presented excludes facilities associated with our acquisitions of Intercontec (completed in September 2016) and MicroGroup and Hirschmann Car Communication (completed in April 2017 and August 2017 respectively). Data for FY2016 presented excludes facilities associated with our acquisitions of AdvancedCath in FY2015 and Creganna Medical Group in FY2016.

Our water withdrawal by source includes groundwater and municipal/other vendor water supplies. We do not have material surface water withdrawals. We do not use wastewater from another organization as a water withdrawal source. Rainwater and other sources are not material.

SubCom does not have any emissions of SF<sub>6</sub> gas.

Scope 3 emissions only include business travel and we are unable to remove SubCom from the third-party data.

Primary reason for increase in waste is an upgrade to a wastewater treatment system at one facility and all hazardous wastewater at that facility during the upgrade process being treated off site.

5. Data for each of the three years presented excludes facilities associated with our divested SubCom business.

Data for all periods presented excludes facilities associated with our acquisitions of ABB Entlelec and Heat Shrink Innovations during FY2018. Data for FY2017 presented excludes facilities associated with our acquisitions of Intercontec (completed in September 2016) and MicroGroup and Hirschmann Car Communication (completed in April 2017 and August 2017 respectively). Data for FY2016 presented excludes facilities associated with our acquisitions of AdvancedCath in FY2015 and Creganna Medical Group in FY2016.

Our water withdrawal by source includes groundwater and municipal/other vendor water supplies. We do not have material surface water withdrawals. We do not use wastewater from another organization as a water withdrawal source. Rainwater and other sources are not material.

6. We have updated our FY2016 number due to a typo in our previous reporting.

7. Only includes training for those employees that have logged on and completed a course.

8. FY2016 and FY2017 data includes SubCom. FY2018 does not include SubCom. Manufacturing sites of one recordable or less statistics includes 119 manufacturing and global logistics sites.

9. Includes new and legacy suppliers (1,536 new/3,808 legacy for FY2018).

10. Part count result of parts responded for 2018 campaign; 2018 included total of 184,397 requested part numbers. Previous year's numbers included accumulated responses over the conflict minerals program duration. Previous year's numbers included the resurvey of TE parts that were previously reported by our suppliers as not containing conflict minerals.

11. We were not able to capture all data on courses offered and hours of specialized and non-specialized trainings on LEARN@TE for FY2016 as we transitioned to the LEARN@TE platform. For FY2017, we previously only reported non-specialized training on LEARN@TE. We are now able to capture both non-specialized and specialized training, hence the increase in total hours of training on LEARN@TE from our 2017 Corporate Responsibility Report.

Training hours do not capture local or offline trainings. These training hours do not reflect our ethics and compliance training which is reported separately in this performance summary.

# GRI Index

This report is aligned with the GRI Standards at the Core level.

Disclosure	Description	Location of Information	Page No.	Omission
General Disclosures				
Organizational Profile				
102-1	Name of the organization	TE Connectivity Ltd.		
102-2	Activities, brands, products, and services	<a href="#">TE Connectivity Ltd. Annual Report to Shareholders FY2018</a>	1-6	
102-3	Location of headquarters	<a href="#">TE Connectivity Ltd. Annual Report to Shareholders FY2018</a>	Inside front cover	
102-4	Location of operations	<a href="#">TE Connectivity Ltd. Annual Report to Shareholders FY2018</a>	87	
102-5	Ownership and legal form	<a href="#">TE Connectivity Ltd. Annual General Meeting Proxy Statement</a>	all	
		<a href="#">Articles of Association - TE Connectivity Ltd.</a>	all	
102-6	Markets served	<a href="#">TE Connectivity Ltd. Annual Report to Shareholders FY2018</a>	1-6, 87	
102-7	Scale of the organization	<a href="#">TE Connectivity Ltd. Annual Report to Shareholders FY2018</a>	1-5, 9, 23-24	
		<a href="#">About TE Connectivity</a>	3-4	
102-8	Information on employees and other workers	<a href="#">About TE Connectivity</a>	3-4	We do not currently report gender breakdown by employment contract, employment type, region or for supervised workers.
		<a href="#">TE Connectivity Ltd. Annual Report to Shareholders FY2018</a>	5	
102-9	Supply chain	<a href="#">Enabling a Sustainable Tomorrow</a>	17-18	
102-10	Significant changes to the organization and its supply chain	<a href="#">TE Connectivity Ltd. Annual Report to Shareholders FY2018</a>	3-5	

Disclosure	Description	Location of Information	Page No.	Omission
102-11	Precautionary principle or approach	<a href="#">Supporting Safer Lives</a>	10-11	We do not formally apply the precautionary principle to decision-making across all of our activities. However, it has influenced our thinking regarding issues such as climate change. In addition, we assess and manage environmental, safety, supply chain, operational and other risks as described throughout this report and our Form 10-K.
102-12	External initiatives	<a href="#">TE Connectivity Ltd. UN Global Compact</a>		
102-13	Membership of associations	<a href="#">Engaging with Stakeholders</a>	34	
		<a href="#">Amplifying the Connected Life</a>	32	
		<a href="#">List of Associations</a>		
Strategy				
102-14	Statement from senior decision-maker	<a href="#">CEO Message</a>	1	
Ethics and Integrity				
102-16	Values, principles, standards, and norms of behavior	<a href="#">About TE Connectivity</a>	2	
Governance				
102-18	Governance structure	<a href="#">TE Connectivity Ltd. Annual General Meeting Proxy Statement</a>	15-25	
Stakeholder Engagement				
102-40	List of stakeholder groups	<a href="#">Engaging with Stakeholders</a>	33	
102-41	Collective bargaining agreements	<a href="#">Amplifying the Connected Life</a>	25	The Company does not track freedom of association metrics holistically on a global basis. While the Company tracks union membership and collective bargaining agreement coverage in some countries, it is not permitted to do so in other countries.
102-42	Identifying and selecting stakeholders	<a href="#">Engaging with Stakeholders</a>	33	
102-43	Approach to stakeholder engagement	<a href="#">Engaging with Stakeholders</a>	33	
102-44	Key topics and concerns raised	<a href="#">Minding What Matters</a>	6	
		<a href="#">Engaging with Stakeholders</a>	33	



Disclosure	Description	Location of Information	Page No.	Omission
Reporting Practice				
102-45	Entities included in the consolidated financial statements	<a href="#">Form 10-K</a>	all	
102-46	Defining report content and topic boundaries	<a href="#">About This Report</a> <a href="#">Minding What Matters</a>	32 6	
102-47	List of material topics	<a href="#">Minding What Matters</a>	6	
102-48	Restatements of information	GRI Index		
102-49	Changes in reporting	<a href="#">About This Report</a> <a href="#">Minding What Matters</a>	32 6	
102-50	Reporting period	<a href="#">About This Report</a>	32	
102-51	Date of most recent report	<a href="#">About This Report</a>	32	
102-52	Reporting cycle	<a href="#">About This Report</a>	32	
102-53	Contact point for questions regarding the report	<a href="#">About This Report</a>	32	
102-54	Claims of reporting in accordance with the GRI Standards	<a href="#">About This Report</a>	32	
102-55	GRI content index	GRI Index		
102-56	External assurance	<a href="#">About This Report</a>	32	
Economic				
Economic Performance				
103-1	Explanation of the material topic and its boundaries	<a href="#">About TE Connectivity</a> GRI Index	3-4	
103-2	The management approach and its components	<a href="#">About TE Connectivity</a>	3-4	
103-3	Evaluation of the management approach	<a href="#">About TE Connectivity</a>	3-4	
201-2	Financial implications and other risks and opportunities due to climate change	<a href="#">Enabling a Sustainable Tomorrow</a> <a href="#">TE Connectivity Ltd. Annual Report to Shareholders FY2018</a> <a href="#">TE Connectivity Ltd. CDP Response</a>	15 6, 61	

Disclosure	Description	Location of Information	Page No.	Omission
<b>Environmental</b>				
<b>Materials</b>				
103-1	Explanation of the material topic and its boundaries	<a href="#">Minding What Matters</a>	6	
103-2	The management approach and its components	<a href="#">Enabling a Sustainable Tomorrow</a>	14–19	
103-3	Evaluation of the management approach	<a href="#">Enabling a Sustainable Tomorrow</a>	14–19	
301-1	Materials used by weight or volume	<a href="#">Enabling a Sustainable Tomorrow</a> Performance summary	14–19	All part of a life cycle assessment. We do not currently have a structure to evaluate, find or capture this information at this time. There are certain business units that use recycled materials. We may have examples from CTOs or product managers.
<b>Energy</b>				
103-1	Explanation of the material topic and its boundaries	<a href="#">Minding What Matters</a> <a href="#">Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal</a>	6	
103-2	The management approach and its components	<a href="#">Enabling a Sustainable Tomorrow</a>	15–16	
103-3	Evaluation of the management approach	<a href="#">Enabling a Sustainable Tomorrow</a>	15–16	
302-1	Energy consumption within the organization	Performance Summary <a href="#">Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal</a> <a href="#">Enabling a Sustainable Tomorrow</a>	15–16	With our various fuels, we generally do not have separate metering for heating versus cooling. This is why we do not breakdown this energy usage.
302-3	Energy intensity	Performance Summary <a href="#">Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal</a> <a href="#">Enabling a Sustainable Tomorrow</a>	15–16	

Disclosure	Description	Location of Information	Page No.	Omission
Water				
103-1	Explanation of the material topic and its boundaries	<a href="#">TE Connectivity Ltd. CDP Response</a> <a href="#">Enabling a Sustainable Tomorrow</a> <a href="#">Minding What Matters</a>	15–16 6	
103-2	The management approach and its components	<a href="#">Enabling a Sustainable Tomorrow</a>	15–16	
103-3	Evaluation of the management approach	<a href="#">Enabling a Sustainable Tomorrow</a>	15–16	
303-1	Water withdrawal by source	<a href="#">Enabling a Sustainable Tomorrow</a> Performance Summary	15–16	
Emissions				
103-1	Explanation of the material topic and its boundaries	<a href="#">TE Connectivity Ltd. CDP Response</a> <a href="#">Enabling a Sustainable Tomorrow</a> <a href="#">Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal</a> <a href="#">Minding What Matters</a>	15–16 6	
103-2	The management approach and its components	<a href="#">Enabling a Sustainable Tomorrow</a>	15–16	
103-3	Evaluation of the management approach	<a href="#">Enabling a Sustainable Tomorrow</a>	15–16	
305-1	Direct (Scope 1) GHG emissions	<a href="#">Enabling a Sustainable Tomorrow</a> Performance Summary <a href="#">Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal</a>	15–16	
305-2	Energy indirect (Scope 2) GHG emissions	<a href="#">Enabling a Sustainable Tomorrow</a> Performance Summary <a href="#">Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal</a>	15–16	We do not track gross market-based energy indirect (Scope 2) GHG emissions in metric tons of CO <sub>2</sub> equivalent.



Disclosure	Description	Location of Information	Page No.	Omission
305-3	Other indirect (Scope 3) GHG emissions	Performance Summary		We only track indirect (Scope 3) GHG emissions for flights at this time.
305-4	GHG emissions intensity	<a href="#">Enabling a Sustainable Tomorrow</a> Performance Summary <a href="#">Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal</a>	15–16	CH <sub>4</sub> and N <sub>2</sub> O are not included in this calculation.
Effluents and Waste				
103-1	Explanation of the material topic and its boundaries	<a href="#">Minding What Matters</a> <a href="#">Enabling a Sustainable Tomorrow</a>	6 15–16	
103-2	The management approach and its components	<a href="#">Enabling a Sustainable Tomorrow</a>	15–16	
103-3	Evaluation of the management approach	<a href="#">Enabling a Sustainable Tomorrow</a>	15–16	
306-1	Water discharge by quality and destination	<a href="#">Enabling a Sustainable Tomorrow</a> Performance Summary	15–16	We do not track the quality of water discharged or whether the water was reused by another organization.
306-2	Waste by type and disposal method	<a href="#">Enabling a Sustainable Tomorrow</a> Performance Summary	15–16	We track hazardous waste generated, but we do not track the disposal categories.
Environmental Compliance				
103-1	Explanation of the material topic and its boundaries	<a href="#">Enabling a Sustainable Tomorrow</a>	14–19	
103-2	The management approach and its components	<a href="#">Enabling a Sustainable Tomorrow</a>	14–19	
103-3	Evaluation of the management approach	<a href="#">Enabling a Sustainable Tomorrow</a>	14–19	
307-1	Non-compliance with environmental laws and regulations	<a href="#">Form 10-K</a>	20	

Disclosure	Description	Location of Information	Page No.	Omission
Supplier Environmental				
103-1	Explanation of the material topic and its boundaries	<a href="#">Minding What Matters</a>	6	
		<a href="#">Enabling a Sustainable Tomorrow</a>	17-18	
103-2	The management approach and its components	<a href="#">Enabling a Sustainable Tomorrow</a>	17-18	
103-3	Evaluation of the management approach	<a href="#">Enabling a Sustainable Tomorrow</a>	17-18	
308-1	New suppliers that were screened using environmental criteria	<a href="#">Enabling a Sustainable Tomorrow</a> Performance Summary	17-18	When a supplier is being set up in our system, we require them to acknowledge our Guide to Supplier Social Responsibility, which includes environmental criteria.
Social				
Occupational Health and Safety				
103-1	Explanation of the material topic and its boundaries	<a href="#">Supporting Safer Lives</a>	9	
103-2	The management approach and its components	<a href="#">Supporting Safer Lives</a>	9	
103-3	Evaluation of the management approach	<a href="#">Supporting Safer Lives</a>	9	
403-2	Types of injury and rates of injury, occupational diseases, lost days, and absenteeism, and number of work-related fatalities	<a href="#">Supporting Safer Lives</a> Performance Summary	9	We do not currently break down data for injury and rates of injury, occupational diseases, lost days and absenteeism, and number of work-related fatalities by gender and region.
Training and Education				
103-1	Explanation of the material topic and its boundaries	<a href="#">Minding What Matters</a>	6	
		<a href="#">Amplifying the Connected Life</a>	25-27	
103-2	The management approach and its components	<a href="#">Amplifying the Connected Life</a>	25-27	
103-3	Evaluation of the management approach	<a href="#">Amplifying the Connected Life</a>	25-27	

Disclosure	Description	Location of Information	Page No.	Omission
404-1	Average hours of training per year per employee	<a href="#">Amplifying the Connected Life</a> Performance Summary	25-27	We do not report training hours by gender.
404-2	Programs for upgrading employee skills and transition assistance programs	<a href="#">Amplifying the Connected Life</a>	25-27	
Diversity and Equal Opportunity				
103-1	Explanation of the material topic and its boundaries	<a href="#">Minding What Matters</a> <a href="#">Amplifying the Connected Life</a>	6 25, 26, 29	
103-2	The management approach and its components	<a href="#">Amplifying the Connected Life</a>	25, 26, 29	
103-3	Evaluation of the management approach	<a href="#">Amplifying the Connected Life</a>	25, 26, 29	
405-1	Diversity of governance bodies and employees	<a href="#">Amplifying the Connected Life</a> Performance Summary <a href="#">TE Connectivity Ltd. Annual Report to Shareholders FY2018</a>	25, 26, 29	We do report on our workforce by gender and geographic diversity. While we have a breakdown of workforce by ethnicity in the U.S. (U.S. ethnic diversity categories are based on EEO-1 Ethnicity definitions), we are a global company and it is illegal to track ethnicity in all of EMEA and most of Asia with the exception of Singapore. We recognize we have opportunities to increase underrepresentation and are actively working toward increasing diversity within the organization to create a culture that is representative of all the many differences we share as one TE. Therefore, at this time, we have no plans to report our workforce by ethnicity publicly.
Human Rights Assessment				
103-1	Explanation of the material topic and its boundaries	<a href="#">Minding What Matters</a>	6	
103-2	The management approach and its components	<a href="#">Amplifying the Connected Life</a>	25, 30, 31	
103-3	Evaluation of the management approach	<a href="#">Amplifying the Connected Life</a>	25, 30, 31	
412-2	Employee training on human rights policies or procedures	<a href="#">Amplifying the Connected Life</a> Performance Summary <a href="#">Enabling a Sustainable Tomorrow</a>	25, 30, 31 18	All employees take training on and certify to the TE Guide to Ethical Conduct each fiscal year, which includes information on human rights.



Disclosure	Description	Location of Information	Page No.	Omission
Supplier Social Assessment				
103-1	Explanation of the material topic and its boundaries	<a href="#">Minding What Matters</a>	6	When a supplier is being set up in our system, we require them to acknowledge our Guide to Supplier Social Responsibility, which includes social criteria.
		<a href="#">Enabling a Sustainable Tomorrow</a>	17-18	
103-2	The management approach and its components	<a href="#">Enabling a Sustainable Tomorrow</a>	17-18	
103-3	Evaluation of the management approach	<a href="#">Enabling a Sustainable Tomorrow</a>	17-18	
414-1	New suppliers that were screened using social criteria	<a href="#">Enabling a Sustainable Tomorrow</a> Performance Summary	17-18	
Public Policy				
103-1	Explanation of the material topic and its boundaries	<a href="#">Amplifying the Connected Life</a>	31	
103-2	The management approach and its components	<a href="#">Amplifying the Connected Life</a>	31	
103-3	Evaluation of the management approach	<a href="#">Amplifying the Connected Life</a>	31	
415-1	Political contributions	<a href="#">FEC Financial Summary</a>		
Customer Privacy				
103-1	Explanation of the material topic and its boundaries	<a href="#">Minding What Matters</a>	6	TE has not identified any substantiated complaints concerning breaches of customer privacy and losses of customer data.
		<a href="#">Supporting Safer Lives</a>	11-12	
103-2	The management approach and its components	<a href="#">Supporting Safer Lives</a>	11-12	
103-3	Evaluation of the management approach	<a href="#">Supporting Safer Lives</a>	11-12	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	<a href="#">Supporting Safer Lives</a>	11-12	

# Material Issues Definitions

Material issue	Definition
Financial health	<p>TE Connectivity's economic position and growth, mergers and acquisition activity, fluctuations in commodity prices, protection and ownership of trademarks, service marks and license agreements, emergency preparedness and access to capital.</p> <p>Sub-issues:</p> <p>Sustainable business</p>
Product innovation and co-creation	<p>Achieving a productive future through creative innovation. Proactive and reactive response to changing industry demands, product research and development, product adaptation, open and strategic innovation, and Centers of Excellence. Includes engagement with customers on sustainable behavior, including about TE's sustainable products, programs and initiatives.</p> <p>Sub-issues:</p> <p>Artificial intelligence (AI)/automation</p> <p>3D printing</p> <p>Sensor technology</p> <p>Connectivity awareness</p> <p>Wearables</p>
Transparency and integrity in business	<p>Operating an ethical and responsible business. Transparency, ethics and compliance, ethics training, trust and reputation. Board and executive suite composition and compensation, including executive compensation linked to corporate responsibility performance. Living TE's purpose and values.</p> <p>Sub-issues:</p> <p>Transparency</p> <p>Ethics and compliance</p> <p>Corporate governance</p> <p>Trust and reputation</p>
Human rights	<p>Supporting and protecting human rights across TE's operations, including freedom of association, anti-discrimination, harassment and child and forced labor, via codes of conduct, due diligence and risk assessments at operational levels. Disclosure on relevant human rights issues, such as conflict minerals, UK Modern Slavery Act and California Transparency in Supply Chains Act.</p> <p>Sub-issues:</p> <p>Labor practices</p> <p>Labor relations</p> <p>Child and forced labor</p> <p>Living wage</p>

Material issue	Definition
Sustainable supply chain	<p>Management of supply chain, including ISO 9001, codes of conduct, due diligence and assessment of suppliers against environmental, social and human rights considerations. Supply chain emergency preparedness, transparency and traceability. Relevant policies, guidelines and environmental management systems.</p> <p>Sub-issues:</p> <ul style="list-style-type: none"> <li>Greening our supply chain</li> <li>Supplier diversity</li> <li>Management of single-source suppliers</li> <li>Disaster and disruption response</li> </ul>
Product stewardship	<p>Product quality, standards, regulations, relevant government registrations and recalls. Marketing of products and providing relevant safety information. Product life cycle management, including sustainable design, planning for proper disposal or recycling of the product at the end of its useful life.</p> <p>Sub-issues:</p> <ul style="list-style-type: none"> <li>Product footprint</li> <li>Circular economy</li> <li>Recycling</li> <li>Plastics</li> </ul>
Supplier of choice	<p>Customer engagement, satisfaction, relationships and partnerships, including co-creation of sustainable, high-quality products and corresponding product development.</p>
Workplace health and safety	<p>Providing a healthy and safe workplace across TE's operations, including compliance with relevant regulations and standards (ISO 22000, OSHA), health and safety performance and policies, industrial hygiene and relevant training.</p> <p>Sub-issues:</p> <ul style="list-style-type: none"> <li>Employee health and wellness</li> <li>WASH (water, sanitation and hygiene)</li> </ul>
Digital rights and data security	<p>Protection of company and customer data. Compliance with data protection and privacy laws, cybersecurity, and protection of consumer and employee data.</p> <p>Sub-issues:</p> <ul style="list-style-type: none"> <li>Intellectual property</li> <li>Privacy</li> </ul>
Employer of choice	<p>Professional development, training, performance reviews. Attracting and retaining employees, recruiting strategies, employee retention, turnover rates, emergency preparedness. Employee benefits. Supporting the development of future workforce.</p> <p>Sub-issues:</p> <ul style="list-style-type: none"> <li>Professional development</li> <li>Employee benefits</li> <li>Training and development</li> <li>Attracting and retaining talent</li> <li>Future of work</li> </ul>



Material issue	Definition
Diversity and inclusion	<p>Diversity and inclusion, including gender, age, race, sexual orientation, civil status, disability, religion and ethnicity. Diversity inclusion programs, nondiscrimination policy, veteran hiring, promoting gender equity and supporting (science, technology, engineering and math) opportunities for women and minorities.</p> <p>Sub-issues:</p> <p>Women's advancement</p>
Resource stewardship	<p>Responsible sourcing and use of resources and raw materials. Hazardous and non-hazardous waste disposal and management from operations, including manufacturing waste and product take-back. Waste minimization, recycling, using waste as a resource. Relevant policies, guidelines and environmental management systems.</p> <p>Sub-issues:</p> <p>Hazardous waste management</p> <p>Reducing toxic substances</p> <p>Packaging</p> <p>Materials sourcing</p>
Climate change	<p>Mitigating and adapting to climate change risks and opportunities throughout TE's operations. Advocating for science-based climate change policies. Includes strategy, corporate environmental policies and guidelines, environmental management systems/certifications in operations. Energy management, GHG emissions reduction and mitigation, carbon offsets and regulation, indirect and other air emissions, fuel management from operations, offices and fleet.</p> <p>Sub-issues:</p> <p>Energy</p> <p>Emissions</p>
Community investment	<p>Strategically supporting and investing in communities local to TE operations and manufacturing through giving and volunteering, social investments and community partnerships.</p>
Local economic impacts	<p>Job creation, local spending and other indirect economic benefits, including support of other businesses and heightened economic activity.</p>
Water stewardship	<p>Wastewater treatment, and water conservation and management, including water sourcing, use, pollution, treatment and recycling. Relevant policies, guidelines and environmental management systems.</p>
Government engagement	<p>Local and national lobbying and government relations. Advocating laws and policies supporting sustainability.</p>