

# CONNECTING OUR WORLD

WITTER PETITE

2021 CORPORATE RESPONSIBILITY REPORT

Governance

Connecting Sustainably

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# Staying Connected



Terrence Curtin, CEO



Reggie Lai, Vice President, Global Government Affairs and Corporate Responsibility

A Conversation with CEO Terrence Curtin and Reggie Lai, Vice President Global Government Affairs and Corporate Responsibility

#### Q (Reggie): How do you feel about TE's environmental, social and governance (ESG) performance during fiscal year 2021?

A (Terrence): First and foremost, Reggie, I want to congratulate you on your new role with TE. We're delighted to have you move from being our general manager in China and head of government affairs in Asia-Pacific to leading our global government affairs and corporate responsibility efforts. We are also pleased to welcome Dr. Svaru Shirley Lin, Visiting Professor in World Politics at the University of Virginia, to our Board, who brings extensive global experience in international relations. Strong governance and ethical practices are paramount to TE and I know that the range of experience and perspectives on our board will serve us in continuing to operate responsibly as a company.

TE continues to show exceptional resilience, flexibility and efficiency in dealing with the lingering challenges of the pandemic, with many of our businesses performing above fiscal 2019 levels. This is all thanks to the incredible people who make up our teams. Despite the challenges of the last two years, we have not lost sight of leveraging our purpose and values to become a more sustainable company, in the products we make and in our value chain. We can see our progress in the numbers: a 30 percent reduction in our greenhouse gas (GHG) emissions on an absolute basis year over year; 25 percent of our leaders are women and more than one-third are diverse; and we have reached more than 1.5 million people through science, technology, engineering and math (STEM) education in just two years.

I'm also pleased to share that our One Connected World strategy and performance is being recognized in prominent ESG performance ratings. TE was named in the Dow Jones Sustainability Indices for the 10th consecutive year and ranked in the top 20 of Investor's Business Daily's 100 best ESG companies. Plus, we continue to receive external recognition that confirms our key stakeholders see us as focused on fulfilling our purpose.

# Q: It's also been a big year for environmental sustainability at TE. Can you talk more about the drive behind that?

A: Our company purpose is clear about our role in building a sustainable future. It's exciting how our innovation and products are enabling our customers to bring more sustainable solutions to the world. Our products are enabling large-scale renewable energy projects and can also be found in the electric vehicles that are so essential to transitioning the world to cleaner transport. Our products are also enabling healthier, more efficient and smarter homes and cities. Of course, while we're enabling others to be more efficient, we need to be doing the same thing across our own operations.

I am also excited to see how our efforts, combined with those of thousands of other companies, will start to have an impact on climate change. We made great progress in sourcing more renewable electricity. With our continued investment in renewables, like wind farms, I'm confident that we'll meet our new commitment to reduce absolute Scope 1 and 2 GHG emissions by more than 40 percent by 2030.

# Q: We've also made progress on our social responsibility. Could you please talk about that?

A: The last few years have taught us is that so little is certain but, equally, that we as people and we as a company are so resilient. We are still building out many of our goals and I know that our business units (BUs) have been busy this year strategically developing their own environmental and social targets. I'm looking forward to the impact that these are going to have on our performance overall. I'm also proud of the work we have done to strengthen human rights awareness and oversight at TE. We launched our first enterprise Global Human Rights Policy in 2021, building upon our commitments in our Guide to Ethical Conduct, Supplier Guide to Social Responsibility and Global Human Trafficking policy. I am particularly excited about the launch of this policy because we are combining it with training to raise awareness across our company and expand our industry leadership on due diligence. Finally, with global inclusion training to signal our commitment to even more welcoming workplaces and a key \$3.5 million investment in the new African Heritage Scholarship program, I can't wait to see what new perspectives bring to our teams.

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# **About TE** Connectivity

Welcome to TF Connectivity's fiscal year 2021 Corporate Responsibility Report.

TE Connectivity is a global industrial technology leader creating a safer, sustainable, productive and connected future. Our broad range of connectivity and sensor solutions, proven in the harshest environments, enables advancements in transportation, industrial applications, medical technology, energy, data communications and the home. With more than 85,000<sup>1</sup> employees, including over 8,000 engineers, working alongside customers in approximately 140 countries, TE ensures that EVERY CONNECTION COUNTS. Learn more at <u>www.te.com</u> and on LinkedIn, Facebook, WeChat and Twitter.

For more information about this report, please go to About This Report.

# **Fiscal Year 2021 Sales**

<sup>\$</sup>9.0в

TRANSPORTATION Automotive: Commercial Transportation; Sensors

# \$**3.8**B INDUSTRIAL

Industrial Equipment; Aerospace, Defense and Marine; Energy; Medical

# <sup>\$</sup>2.1в COMMUNICATIONS

Appliances; Data and Devices

**EMPLOYEES** 89ĸ

**ENGINEERS 8K+**  PATENTS

granted or pending

PRODUCTS 247Bmanufactured annually

# INVESTMENT

in research, development and engineering

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# About TE Connectivity

**AMERICAS** 35 manufacturing sites<sup>1</sup> 28,000 employees

# \$4.0B

# Global Sales by Region Fiscal Year 2021

**EMEA**<sup>2</sup> 46 manufacturing sites<sup>1</sup> 37,000 employees

\$5.5**B** 

22 manufacturing sites 24,000 employees

\$5.4B

 <sup>1</sup> Manufacturing sites presented are principal sites.
<sup>2</sup> Europe, the Middle East and Africa.
<sup>3</sup> Asia-Pacific including China. Note: Sales figures have been rounded for presentation purposes. Governance

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# Sustainable Solutions

Our highly engineered products, co-created with our customers, are enabling a more sustainable world.











# **Transportation**

- EV adoption, connected car evolution, safety, lower emissions
- Clean emission standards, electrification of the powertrain
- Auto sensor designs propelling future growth

# Industrial

- Digital factory with increased automation, smart buildings
- Interventional medical procedures
- Next-generation fuel-efficient commercial air platforms
- Wind and solar, infrastructure resiliency
- Industrial Equipment
- Medical
- Aerospace, Defense & Marine
- Energy

# Communications

- High-speed cloud and energy-efficient data centers
- Health, safety and efficiency in appliances and connected homes
- Data & Devices Appliances

Auto Commercial Transportation

Sensors

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# One Connected World

In 2020, we launched and began reporting against our One Connected World strategy, which channels our environmental, social and governance efforts across three focus areas and nine 2030 ambitions.

- **Co-Creating Tomorrow:** Empowering innovative and impactful product creation, supported by a collaborative supply chain that protects people.
- **Connecting Sustainably:** Continually strengthening the environmental management of our operations.
- Empowering Innovators: Amplifying our social performance, from inclusion and diversity (I&D) to safety, human rights and our community.

Despite the challenges presented by the ongoing global pandemic, we maintained and, in some cases, increased our commitments—all while doing what was necessary to adapt our business. We believe that our corporate responsibility strategy has contributed directly to the resilience of our business.

Learn more about our progress toward our 2030 ambitions on <u>page 8</u> and our governance of One Connected World on <u>page 10</u>.

Learn more about TE Connectivity's alignment with the <u>UN Sustainable Development Goals (SDGs)</u>.

Read our UN Sustainable

Development Goals report here.



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# **Our 2030 Ambitions**

Our 2030 Ambitions	Our FY2021 Progress	Status	Looking Ahead	SDGs
Embed sustainability in	Defined product stewardship for TE and assembled a committee to make progress	••••	Focus on key areas within product stewardship and determine how we can maximize impact	8 DECKY MORY AND COMMUNIC COMPUTE AND PRODUCTING COCO
Partner with our direct and logistics suppliers to strengthen the sustainability of our supply chain	<b>25</b> Partnered with twenty five direct materials suppliers to enhance the sustainability of our supply chain	••••	Achieve 4% annual spend with diverse suppliers by 2027	9 ROUSER INVOKUM Reflection Constanting of Production of Production
Designated facilities in extremely high and high water-stressed locations meet reduction targets	<b>30</b> sites targeted for water reduction	••••	Achieve 15% reduction for targeted sites by 2025"	6 CLOAM MATTE AND SANTINGIN CONSIDER ME FROM THE ME FR
Decrease hazardous waste disposed	Established a working group and partnered with local sites to focus on hazardous waste	••••	Achieve 15% reduction in hazardous waste by 2025"	12 ESPONENT DESIGNATION CONDUCTION
40%+ absolute reduction in our Scope 1 and 2 GHG emissions*	<b>30%</b> reduction in absolute GHG emissions	••••	Continue to reduce energy use and increase renewable electricity procurement	13 слихе
Zero accident workplace	<b>0.21</b> Total recordable incident rate	••••	Continue building upon long term success with enhanced strategy	8 ECONTINUES AND ECONOMIC ECONTH
Strengthen our workplace culture, in which all differences are valued and all opinions count	<b>25%</b> women in leadership	••••	Continue to support our ERGs and strengthen the diversity of our talent pipeline	4 COULTY EDUCATION COULTY EDUCATION COULTY ECONOMIC REWITE COUNTY ECONOMIC REWITE
3 million people impacted in next-generation technology education	900,000+ people impacted	••••	Strengthen our partnerships and look to increase our 2030 goal	4 courry courton
human rights culture	<b>NEW</b> enterprise human rights policy published	••••	Implement additional policy training for key internal stake- holders	8 нести ника кио

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# GOVERNANCE

Our core values—Integrity, Accountability, Teamwork and Innovation—are the guiding principles we use to build our continued success and win together in global markets.

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- → Risk Management
- $\rightarrow$  Government Affairs



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TE Connectivity's governance practices enforce high standards of ethical oversight and provide the diverse leadership that we need to succeed as an employer and industry leader.

Our 12-member board, two-thirds of which identify as diverse, promotes the long-term value and health of the company, provides strategic guidance to management and ensures the adoption and implementation of procedures designed to promote both legal compliance and high ethical standards. We maintain open, two-way communication channels with regulators and investors, enabling us to have our finger on the pulse of compliance needs and market sentiment.

The strong ethical tone established by our leadership extends to the work we do in our global government affairs, where TE acts as an honest broker to advocate for our organizational needs across the world through official channels, and risk management, where our assessments seek to identify and address threats to our core stakeholders across all BUs.

Our governance work takes many forms and would not be possible without the TE employees, who follow our ethical guidelines, adhere to reporting structures and act in the best interests of our people and planet every day. I am proud to be a leader on this work and see a bright future for our efforts going forward.

## John Jenkins

Executive Vice President and General Counsel for TE Connectivity

**Our Board** 

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# Governance

Our <u>Board of Directors</u> is responsible for aligning our management with leading ethical standards and working in the best interests of our shareholders.

As of our Annual General Meeting of Shareholders held on March 9, 2022, our Board has 12 members, of whom 67 percent are diverse.

# **Governing One Connected World**

To embed One Connected World across our business, we ensure both Board-level and executive-level engagement. This helps us adopt strong governance principles and a commitment to ethical business across every aspect of our strategy.

## **Board Level Oversight**

- Twice-yearly briefings of the full scope of our ESG programs to the Nominating, Governance and Compliance Committee (NGCC)
- Interim briefings to the NGCC and Management Development and Compensation Committee on specific topics, including the environment, health and safety, and I&D
- Review of Statement of GHG Emissions, Energy Consumption and Water Withdrawal by the Audit Committee
- Twice-yearly briefings to the joint Audit Committee and NGCC on the Company's cybersecurity policies and practices

## **Executive Engagement**

 Our Chief Operations Officer, General Counsel and Chief Human Resources Officer have taken leadership roles to drive even more progress throughout our organization on One Connected World

- Our Vice President of Investor Relations champions the voices of our owners
- Our Vice President of Global Government Affairs and Corporate Responsibility chairs the One Connected World Network (OCWN) alongside our Global Manager of Corporate Responsibility

## **Business and Functional Leads**

As of the publication of this report, our Automotive, Energy and Industrial business units and our Procurement function have designated sustainability leads. These new positions are managing sustainability for their businesses globally, helping to ensure we meet customer expectations and aligning with our enterprise One Connected World strategy.

## Our One Connected World Network

We believe that engaged leadership sets the tone for the work that we do and enhances our chances of success in achieving our goals. We launched the OCWN as a way to put TE's leadership at the heart of our corporate responsibility strategy. As part of its duties, the OCWN creates the action plans and metrics that define how we work toward each of our ambitions.

The network's members include executive leaders tasked with leading and driving change throughout our enterprise: our General Counsel, Chief Human Resources Officer and Chief Operations Officer. They are supported by subject-matter experts who advise on program feasibility.

The OCWN meets on a quarterly basis to report progress, share best practices and opportunities to collaborate and discuss relevant topics. This work is supported by consistent progress reports for our Executive Committee and Board of Directors. The network also participates in external groups and engagements, determines whether we will take part in external surveys and assesses ideas and requests for sustainability.

In early 2021, the OCWN shared their first action plans with TE's executive leaders, with plans submitted for all of the key ambition topics of our strategy. The plans provided a clear guide for short-term actions on our goals, primarily covering key tasks to undertake between 2021 and 2022. In fiscal year 2021, the teams responsible for each ambition executed these action plans and measured our progress.

## **Executive Compensation**

TE's executive compensation philosophy is designed to reward executives meeting individual and corporate performance objectives, and to attract, motivate and retain leaders who increase shareholder value and play an integral role in advancing our strategic priorities.

For detailed information, please review TE Connectivity's <u>Proxy Statement</u>.

## Тах

As good corporate citizens who value our place in the global community, TE Connectivity pays a significant amount of tax to local and national governments, including corporate taxes on profits, social taxes on employment, taxes on property, customs and excise duty on purchases, withholding taxes and environmental taxes. We also collect sales and value added taxes charged to our customers and taxes paid by our employees in line with local regulations. The principles governing the management of our tax affairs are fully aligned with TE's wider commercial, reputational and business practices and are consistent with our commitment to corporate responsibility.



Our Board has 12 members.

of whom 67 percent are diverse

TE was recognized as one of the 2022 World's Most Ethical Companies® by the Ethisphere Institute for the eighth year in a row

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# Ethics and Compliance

# 99%+

of employees<sup>1</sup> certified their compliance with the Guide to Ethical Conduct

# 108,100

ethics and compliance training sessions were completed<sup>2</sup>

1 Active employees on TE payroll at the time of the commitment campaign, which ran from April to July 2021.

2 This number has been rounded for presentation purposes and includes sessions recorded on an external e-learning vendor's learning management system (LMS), Ethical Connections discussions held by people managers and other live ethics and compliance trainings delivered at company-wide leadership programs. It does not include trainings completed on the internal LMS Learn@TE or other trainings that are tracked separately.

## **Guide to Ethical Conduct**

TE's <u>Guide to Ethical Conduct</u> provides our directors, officers and employees with the necessary information and resources to live by our values and make sound and ethical decisions every day. Our values also apply to our partners, including contractors, vendors, suppliers and other stakeholders.

In 2021, we migrated our training database to a new learning management platform that offers an improved and secure login process. The platform enables people managers to access their direct report's work and to incorporate Ethics and Compliance program participation into their performance review.

To ensure a smooth transition from the old e-learning platform to the new one, the Ethics & Compliance team took a flexible approach and strategically reduced the number of course launches in fiscal year 2021.

The Ethics & Compliance team also revamped and optimized the Ethical Connections program. This included refreshing target communications, increasing training awareness and enhancing reporting capabilities.

In 2021, the Ethics & Compliance team conducted an in-house assessment of TE's Antitrust Compliance program based on the applicable U.S. Department of Justice guidance. We received feedback from various functions across TE and a review by an external vendor confirming our best-practice approach. We identified areas of improvement that we are addressing through a multi-year action plan, including increasing the antitrust e-learning cadence from biennial to annual. We also conducted our third global culture survey—under the name "Ethics Attitude Survey"—as an online survey for our entire workforce for the first time.

Additionally, we implemented a third-party scorecard to provide quick, easy reference to relevant statistics. We are proud that our Business Partner Management team achieved Star Level 5 of the TE Operating Advantage certification by averaging 13 days to approve a third-party profile and five days to renew a third party.

## **Looking Ahead**

We are excited about expanding and enhancing our Compliance Liaison program — which helps grow our compliance culture at sites around the world — and implementing a policy manager to establish a standard for policy creation and requirements. The tool will also provide a workflow for policy development, including drafting, review, approval, track changes and audit control.

## Anti-Bribery and Anti-Corruption

Our success depends both on our products and on our reputation. Our zero-tolerance approach to bribery and corruption enables us to operate legally in diverse countries around the world and fosters trust in our business. Our Guide to Ethical Conduct outlines the behaviors expected of employees and provides clear advice on how to avoid bribery and corruption.

## Ombudsman

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, our TE policies, processes or procedures, or consult 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, trends and root cause analyses to help the business respond proactively to matters that could otherwise disrupt operations or affect employee morale and confidence. The Office of Ombudsman oversees TE's Reporting and Investigations program, including the ConcernLINE and ConcernNET resources, to help ensure TE employees live our values and conduct business ethically.

TE's Employee Relations Center of Excellence (the ER function) also reports to the Office of Ombudsman and is responsible for handling workplace-related concerns received through our reporting channels in a consistent and efficient manner. The ER function analyzes workplace-related case data for themes, trends and root causes and shares findings with key human resources stakeholders.

In fiscal year 2021, the Office of Ombudsman received approximately 1,060 cases. Of the cases closed during fiscal year 2021, approximately 48 percent were substantiated, and appropriate actions were taken to address those matters. Of the unsubstantiated allegations, approximately 11 percent led to additional corrective actions, enabling TE to change a business process, rectify an inefficiency or clarify a policy.

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# Managing Risk

# Our Climate-Related Risks and Opportunities

The increased implementation of reporting frameworks such as the Task Force on Climate-Related Financial Disclosures (TCFD) is sending a clear signal that businesses can and must plan for the impacts of climate change. TE agrees, which is why, in fiscal year 2021, we began integrating climate risks directly into our Enterprise Risk Management framework. This program includes an annual assessment of all BUs and corporate functions, focused analyses of identified key enterprise risks, and risk governance and accountability frameworks for all identified enterprise risks. We also consistently monitor for new and emerging risks. including those related to the environment and climate change.

Our contemporary climate-related risks include current and emerging regulations, reputation management and disaster preparedness. Our opportunities include developing products that support our customers' needs, including those related to climate change, and using our technological capabilities to develop climate-focused solutions.

> Find out more in our TCFD Report here.

## Supply Chain Risks

We need to outsource certain aspects of production, services and our business processes, but because these operations are outside our direct control, they introduce an additional level of risk. Robust supply chain management is crucial to helping us monitor our suppliers for compliance with our stringent standards. We have a formal supply chain risk-identification process that includes:

- Identifying sole-source parts/suppliers.
- New product review and approval to ensure the best supplier is selected; capacity constraint review coordinated with monitoring market conditions to identify shortages.
- Forecast sharing to enable our suppliers to manage their production and meet orders.
- Supplier audits for select high-risk suppliers, including an escalation process and corrective actions.
- Ongoing comprehensive quarterly business reviews with suppliers.

## **Cybersecurity and Data Protection**

Our clients trust us with their intellectual property and proprietary corporate details, and our employees trust us with their personal information. We take cybersecurity and data protection seriously, with Board-level and executive management responsibility. Information security is also part of the employee performance review process, and external auditors review our information technology infrastructure.

Our Information Security Policy is internally available to all employees and we encourage them to raise concerns about information security through our Office of Ombudsman. We conduct mandatory annual security trainings as well as ad hoc trainings based on new and changing risks, including monthly phishing exercises for users of our information systems and trainings that help raise awareness of data protection and data security across the business. We also maintain cybersecurity insurance coverage.

Our robust privacy compliance program helps us comply with our legal obligations when processing personal information of our business partners and employees. We want to go beyond compliance with data-protection laws and strive to manage personal information in a way that makes us a trustworthy business partner and employer.

## **Risk Program Enhancements**

In early 2022, TE realigned our risk assessment and risk management programs to increase focus on risk owner accountability and governance. This framework helps ensure the appropriate amount of focus and attention is given to enterprise-level risks, with regular reassessments of the identified impacts and likelihoods of identified risks. TE also works directly with risk owners to develop mitigation action plans and meets regularly with these individuals and teams for updates on progress. We ask all participants in our assessments to provide input on ESG risks, both independently and as facets of other enterprise risks. Our Enterprise Risk Management program provides quarterly updates to the Board on risks and risk management activities.

# **Government Affairs**

#### **Engaging with Governments**

The Global Government Affairs (GGA) team engages with governments at every level, civic stakeholders and the business community to enact public policy that serves not only the business and its shareholders, customers and employees, but also society as a whole.

Working strategically with government officials and thought leaders, the GGA team helps to shape public policy and political decisions that affect TE's operating environment and the global economy.

## **Engaging with Trade Associations**

TE Connectivity holds memberships with the National Foreign Trade Council, U.S. Chamber of Commerce, Meridian International Center, US-China Business Council and the US-ASEAN Business Council, which promote multilateral engagement in trade and investment, as well as cultural and economic exchange. Our full list of trade association memberships can be found <u>here</u>.

#### Lobbying and Political Contributions

In the U.S., TE is engaged in the political process through TE's Employee Political Action Committee (TEPAC). TEPAC exists to promote TE's business priorities and values by supporting the elections of state and federal candidates who represent TE's U.S. sites, hold leadership positions or champion TE's key issues. TEPAC's funding is voluntarily pooled by eligible and interested employees, and contributions are approved through the TE-PAC Board of Directors through a nonpartisan approach. TEPAC reporting and additional information about corporate political action committees can be found here. Governance Connecting

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# ONNECTING USTANABLY

We're helping industries sustainably connect the products that make our lives better. This means we must have a strong focus on the environmental sustainability of our operations. This includes our ambitions to reduce our absolute GHG emissions by more than 40 percent by 2030 (Scope 1 and 2 emissions), decrease hazardous waste disposed by 15 percent by 2025 and water usage in targeted sites within extremely high and high water stressed areas by 15 percent by 2025.

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Our environmental sustainability efforts are accelerating based on strong engagement from our leaders combined with innovative solutions from our process experts.

This company-wide collaboration has enabled us to confidently enhance our environmental sustainability commitments, backed up by comprehensive improvement plans. Highlights of 2021 include a new commitment to reduce absolute Scope 1 and 2 GHG emissions by more than 40 percent by 2030, building upon our long-term successful track record in this area. We further expanded our GHG improvement focus by issuing a comprehensive report on Scope 3 emissions for the first time. Additionally, we are making quantifiable commitments to reduce water usage in water-stressed regions and reduce hazardous waste generation. I am very proud of our team's 2021 progress, and excited about our future momentum as we improve TE's environmental impact.

## Joel Dubs

Senior Vice President of Operations for TE Connectivity

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# GHG Emissions and Energy

# **Our Ambition**



New commitment to reduce absolute Scope 1 and 2 GHG emissions by more than 40 percent by 2030 (against FY2020 baseline)

#### Our Approach

TE is committed to meaningfully reducing our own emissions to help mitigate global climate change. We have set a new commitment to reduce absolute Scope 1 and 2 GHG emissions by more than 40 percent by 2030 and we have already achieved an absolute reduction of 30 percent in fiscal 2021 (against a fiscal 2020 baseline). In fiscal year 2021, we also reported our comprehensive Scope 3 emissions for the first time.

We know that our success means impact beyond our industry, from engaging our expansive global supply chain through co-creating sustainable solutions for our customers. This value chain approach builds on more than a decade of helping our customers provide increasingly sustainable choices to consumers. We are also improving the efficiency of our products by reducing product size and weight, developing creative designs and using innovative, sustainable materials in manufacturing.

#### Our Impact

Historically, we have had good success in our energy intensity reduction efforts. From fiscal year 2010 to fiscal year 2020, we achieved a 37 percent reduction in energy intensity which surpassed our goal of 35 percent. Building upon this success, we have set a new commitment to reduce absolute Scope 1 and 2 GHG emissions by more than 40 percent by 2030 (against a fiscal 2020 baseline).

Throughout the year, we have also been strategically mapping our energy use to find more opportunities for efficiency. These efficiencies are crucial to our ongoing work to identify high-impact investments with high energy reduction and return on investment potential.

In addition, during fiscal year 2021, renewable energy sourcing was implemented at approximately 35 sites globally and energy-efficiency operating standards were developed and implemented across all sites. To strengthen the momentum of our work and optimize our learnings, we also began to hold quarterly continuous improvement meetings with segment leaders.

These efforts have helped us achieve an approximately 10 percent improvement in our fiscal year 2021 normalized energy performance for kilowatt hours reduction and a 30 percent reduction in our GHG emissions versus the prior fiscal year.

In fiscal year 2021, we made great progress on starting our journey to manage our Scope 3 emissions. Scope 3 emissions account for more than 80 percent of our total emissions, and reducing the impact of our supply chain is crucial to improving our overall footprint. Fiscal year 2021 was the first time we reported our Scope 3 emissions (relating to fiscal 2020 data) through our submission to CDP.



# **Enabling the Energy of Tomorrow**

As the demand for renewable energy is increasing, so too is the development of large-scale offshore wind farms. TE has been working on wind farms that will be able to power almost six and a half million homes and businesses. The Dogger Bank wind farm is located in the North Sea and, with a capacity of 3.6 gigawatts (GW), is projected to be the largest offshore wind farm in the world. The offshore wind farm will use extremely powerful new generation of turbines. Each turbine is 260 meters high and generates 12-14 MW. The turbines will use TE's new Raychem Screened Connector for Bushing F, specially developed to meet the challenges of 66 kV offshore wind farms. The connector can be situated in multiple places within the tower, including inside junction boxes.

TE will continue its involvement with these projects, including working with installers to provide training, which will reduce labor costs, provide additional education on installer safety and help optimize product performance. Governance

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## **Reducing Energy Use**

During fiscal year 2021, our BUs continued to drive progress toward energy reduction targets to help contribute to our overall 2030 goal. We continuously and strategically monitor the energy use of our sites to identify where it is highest and to ensure we invest where it will have the most impact.

In 2021, our focus was on strengthening operating standards, investing in our infrastructure (such as compressors, HVAC and lighting), evaluating our manufacturing processes and reductions in SF6:

- Our operating standards were communicated, tracked and implemented at greater than 90 percent of our facilities worldwide. For example, no ancillary equipment remains on idle when not in use, temperature ranges for HVAC equipment are set and we identify and repair compressed-air leaks on processing equipment.
- An investment repository was developed to create ready-to-deploy, scalable projects for our business to implement. For example, we are downsizing air compressors, modifying air compressor dryers and controls, implementing building management systems and implementing LED conversion from incandescent lighting.
- In our molding processes the manufacturing center of excellence (CoE) has identified new opportunities for energy efficiency. For example, we implement automatic control of compressed air to the equipment, installing speed-control pump drives on hydraulic presses and installing heating bands with ceramic isolation.

## **Renewable Energy**

In fiscal year 2021, we procured renewable electricity at an additional 35 sites around the world, which led to a 30 percent reduction in our overall absolute emissions compared to fiscal 2020. We are aggressively pursuing renewable energy sourcing throughout the world. In fiscal year 2021, we continued to proactively evaluate opportunities to purchase renewable and carbon-free electricity and investigate locations where we can develop our own renewable energy infrastructure.

We target sourcing renewable electricity from our grid suppliers wherever possible. In locations such as China where this is not available we are utilizing International Renewable Energy Certificates (I-RECs). Between the start of fiscal year 2021 and the end of fiscal year 2022, we anticipate our renewable sourcing and I-REC investments will contribute to an approximate one-third reduction of our operating emissions.

## **Looking Ahead**

We will continue to leverage our CoE and Environmental Sustainability Leadership team efforts to explore and drive energy-efficiency projects. As part of this, we're identifying common energy-saving projects by manufacturing process and implementing these best practices across applicable sites, such as stamping, molding, plating and assembly operations. We are also developing energy-efficiency standards specific to these processes that we intend to implement where appropriate in 2022.

This has been a strong year for sourcing renewable energy. As we move into 2022 and beyond, our focus will stay on renewable sourcing, energy efficiency projects and driving operating standards. We will continue to evaluate all environmental sustainability opportunities and remain agile in implementing opportunities for TE.

Finally in fiscal year 2022, we are working with key suppliers to reduce Scope 3 emissions. We see implementing the strategy as another key step in unleashing the potential of our One Connected World strategy and amplifying the impact TE can have.

This continued progress is thanks in part to collaborative effort between our BUs, Environment, Health and Safety, Facilities, and Procurement organizations. To strengthen our focus, we formed an Environmental Sustainability Leadership team that reports progress on our various environmental sustainability metrics monthly to the Senior Vice President of Operations. This team includes working groups that help us drive strategic progress more efficiently.



# **Energy Efficiency in** Hermosillo, Mexico

Our Industrial BU is a great example of how TE is driving strong efficiencies at our sites. The Industrial BU had a reduction of 10 percent normalized energy usage using our levers of sustainability, implementing operating standards and performing an energy "treasure hunt" focused on their molding operations. In 2021, the site converted to LED lighting systems, which provided cost savings and energy savings of 1.3 million KWh per year.

37% Percentage of TE's electricity use from zero-emission sources

as of end of fiscal 2021

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Water

# **Our Ambition**



Designated facilities in extremely high and high water-stressed locations meet reduction targets

#### **Our Approach**

At TE, the water we use in our operations is mostly for plating, extrusion and molding. Since we are not a water-intensive manufacturer, we focus our water-reduction efforts on setting ambitious targets in the places where it matters most: extremely high and high water-stressed areas.

#### **Our Impact**

Historically, we have made strides toward reducing water withdrawal. From fiscal year 2010 through fiscal year 2021, we reduced our total water usage by 29 percent. Building upon this success, we have a new commitment of a 15 percent water reduction by fiscal year 2025 versus fiscal year 2021 baseline. This target is focused on sites in extremely high and high water-stressed regions. In fiscal year 2021, we continued to analyze current water usage of sites in water-scarce areas, including by source and process. Our focus has been on working with the most strategic sites with the largest withdrawals in extremely high and high water-stressed regions of the world.

## **Reducing Water Use**

In early fiscal year 2022, we set a target to decrease water withdrawals by 15 percent by 2025 at 30 TE sites with extremely high and high water stress. These 30 sites account for approximately 76 percent of our usage in extremely high and high water-stressed areas.

Current examples of opportunities include:

- · Low-flow sanitary fixtures.
- Process modifications to the plating rinse cycles and automation of water valves.
- · Capturing gray water for reuse for non-potable processes.
- Utilizing the facilities playbook for new locations.
- Optimizing cooling tower water cycles.

One standout site in terms of water optimization is Evora, Portugal, which reuses rejected water from the cooling towers and a reverse osmosis system. This manufacturing plant is in an extremely high water-stressed region and initiated this project to reduce



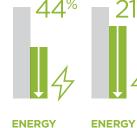
Evora, Portugal Manufacturing Location

their impact on the environment and community. Our Evora team rerouted and recovered the water from these two processes to their mixed water tank system. As a result, they decreased their withdrawal demands from the municipal water and wells by an estimated 6,000 m<sup>3</sup>/year.

#### Looking Ahead

Now that targets have been established, we are implementing projects and developing a project pipeline for the next few years to help us meet our ambitions. We will focus on monitoring progress in these areas. We also will continue to analyze the water usage of these facilities and evaluate opportunities to further reduce process and sanitary water use.

Our manufacturing footprint has changed since fiscal year 2010 due to acquisitions, divestitures and changes to product mix. The data presented herein reflects our environmental performance as it existed for the fiscal year measured. For more information, please consult the Performance Summary on page 38.



# ENERGY

ABSOLUTE

Reduction

in absolute

energy usage

since FY2010

Reduction in overall energy use intensity since FY2010

#### SF<sub>6</sub> GAS WASTE-WATER

Reduction Reduction in in SF₀ gas wastewater releases from discharges electron beams since FY2010 since FY2010



FY2010

# intensity since emissions since FY2010

66%

# Waste

## Our Approach

As a manufacturer of electronic goods, TE uses a wide range of materials that produce different kinds of waste with diverse management needs. From finding new uses for mined metals to safely processing hazardous materials, how we reduce and dispose of hazardous waste matters.

At TE, our aim is to smartly engineer our products and processes to design in less waste from the start. For us, it's about using fewer resources and sending less material to landfill.

TE uses lean manufacturing as a guideline for how we work. As a standard, we reuse materials internally wherever possible and segregate waste that cannot be recycled as part of our regular operating activities. For the waste that we do generate, we already recycle close to 80 percent of materials by weight. For example, we routinely regrind and reuse scrap plastic from molding operations. We also collect scrap metal and send it to a third-party recycler.

## Our Impact

Over the past four years, we have reduced the amount of hazardous waste generated by approximately 15 percent. To further our progress, we established a new commitment to reduce hazardous waste disposed by 15 percent by fiscal year 2025, versus a fiscal year 2021 baseline. While the majority of our waste is non-hazardous, we believe we have additional opportunities to reduce the volume of hazardous waste we generate. As with our water use, we spent fiscal year 2021 refreshing and strengthening our strategy for waste management. During this process, our Environmental Sustainability Leadership team established a working group and partnered with local sites to focus exclusively on hazardous waste reduction. In addition, we identified the top waste streams generated in our facilities with the greatest opportunities for reduction.

Current projects include:

- Optimizing plating lines with evaporators.
- Making waste water treatment plant improvements.
- Enclosing painting/coating lines.

## **Looking Ahead**

The challenges around managing waste are constantly evolving to meet customer expectations, legislation and our own high standards of responsible operations. Sometimes we make progress in manufacturing—other times it is at the design stage when we find creative ways to do more with less. We are collaborating with our internal plating experts to identify additional methods to reduce hazardous waste in our plating operations. Our goal is to continuously reduce hazardous waste throughout our global footprint.

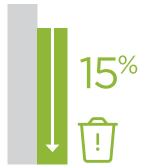
An example of an efficient and successful waste reduction initiative has been our glycerin purification project in our Appliances plant in Shanghai, China. This project captured intermediate glycerin from our manufacturing processes, which was previously disposed of as waste, and used a separation and filtration process to produce high-purity glycerin that could be reused. This process also offers an opportunity to reuse wastewater from elsewhere in the plant, decreasing net water usage. By instituting this innovative program, our plant reduced hazardous waste, reduced raw material costs and became more environmentally sustainable.



# **Our Ambition**



Decrease hazardous waste disposed



# HAZARDOUS WASTE

Reduce hazardous waste disposal by 15 percent by FY2025 versus FY2021 baseline Introduction

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Our products are connecting the world in safer and more sustainable ways. Inventing, designing and manufacturing these extraordinary products takes exceptional people. That's who we hire, support and nurture. Whether it's providing a genuinely inclusive culture for people to thrive or empowering early STEM talent, we're investing in the people that are helping us live our purpose.

# EMPOWERING INNOVATORS



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# We want our workforce to represent the global markets and customers we serve, and the way we do that is by having diverse, inclusive workplaces.

I can truly say that an inclusive culture has always been a big part of TE. But we wanted to do more to foster and leverage inclusion to make us a stronger business—today and tomorrow. In practice, that has meant more targeted investments and goals to nurture the talent we have here at TE. It is also using our long-standing philanthropy and volunteerism in STEM to create a pipeline of current and future innovators who will enable us to fulfill our company purpose of creating a safer, sustainable, productive and connected future. This includes providing marginalized students with the financial and professional support to develop to their full potential and contribute to these future advancements.

We also believe that inclusive workplaces are for everyone. That's why we have done more work to strengthen our human rights focus and our due diligence. We've released two new policies—a Global Human Rights Policy and a Human Trafficking and Modern Slavery Policy—that are both underpinned by a growing set of tools for surveying and verifying human rights across our supply chain. Our aim is for workers across our supply chain to enjoy the same level of freedom, safety and dignity as TE's own employees, because for us, they're part of TE too. It's early days for several of our initiatives but I think we've put ourselves on a path to lead our industry in putting people first.

## **Tim Murphy**

Senior Vice President & Chief Human Resources Officer for TE Connectivity

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# Inclusive and Diverse Culture

# **Our Ambition**



Strengthen our workplace culture, in which all differences are valued and all opinions count

## **Our Approach**

To ensure we are living our purpose and driving business outcomes globally, we have focused on building a workforce at all levels and a supplier network that represent our global markets and all the customers that we serve.

Our culture is one that actively fosters respect and appreciation for the rich spectrum of views our employees bring. We constantly look for ways to develop and empower people within our organization to proudly be themselves and feel that they are heard, valued and engaged.

Celebrating the rich diversity at TE is a major part of our efforts around inclusion. For example, our Asian Heritage Employee Resource Group (ERG) hosts internal celebrations for holidays like Lunar New Year and Diwali, our new Latin Heritage ERG offers speed networking opportunities, our TE Veterans ERG offers discussions around strengths, character and their impact on leadership, and our LGBTQ+ ERG, ALIGN, recognizes Transgender Awareness Week.

Looking externally, we partner with organizations for positive change-for example, our Asian Heritage ERG partnered with Chinese for Affirmative Action to support Asian and Pacific Islander communities, including donating to their Stop Asian American Pacific Islander Hate campaign. ALIGN partners with Out & Equal, our Women in Networking ERG partners with Girl Up and our African Heritage ERG partners with INROADS. These partnerships enable us to give back to our communities while also building our internal talent pipelines.

## **Our Impact**

We want ours to be a work environment where all employees are engaged and believe their differences are valued and their opinions count. This was the second year of conducting our Every Voice Counts survey as an enterprise-wide measure for our organization. We provided the survey online in 15 languages. This second survey saw a 5 percent increase in participation over fiscal year 2020 and a one-point increase in engagement (80) year over year. The greatest score increase related to an item asking if employees believe TE will take meaningful action in response to survey results. This builds on the meaningful action employees saw from managers based on the previous survey results.

We have also been ramping up our efforts to embed an inclusive and diverse culture across our organization, including planned enterprise initiatives aligned to four TE strategic priorities for I&D: employee experience, employment brand, community partnership and business impact (see "Improving Inclusion").

As one step, we've hired our first I&D recruitment manager to seek more diverse talent to bring into our TE family. As part of their role, they will work with our Segments to drive their diversity recruitment strategies and establish enterprise efforts to help TE attract the top diverse talent in the marketplace.

To track our progress as an enterprise more broadly, we complete an annual talent scorecard that we share with our Board of Directors. The scorecard assesses the diversity of our pipeline for critical roles and our global gender balance across different roles. In addition, each BU was empowered to establish a diversity ambition that matters most to their particular business, and these are now also tracked and assessed.

In addition, in fiscal year 2021, we put global inclusion training in place for our organization, giving our employees the chance to complete training on or offline. The training aims to help participants recognize and mitigate bias in their everyday behaviors. Training topics included a personal self-assessment of inclusion dimensions, the impact of implicit bias, inclusive leadership and inclusive interactions with customers. By the end of the year, 28,000 employees had completed training online and 40,000 had completed in-person training. This equates to 94 percent of TE employees."

## **Improving Inclusion**

Our ERGs, which launched in 2014, provide a space where employees can create connections and develop in a supportive environment. Today, TE has eight ERGs with over 6,000 members in chapters in 44 countries. We celebrate diversity throughout the year and each ERG regularly engages TE employees and leadership in programming to reinforce our commitment to I&D. In fiscal year 2021, we launched two more ERGs: Latin Heritage, for employees with Latin heritage and THRIVE, for employees and their allies with mental, emotional and physical disabilities.

We further strengthened our inclusion efforts by asking all our Segments and ERGs to develop their own internal I&D commitments aligned to TE's four strategic priorities.

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Forbes 2021 THE BEST EMPLOYERS FOR DIVERSITY

TE named one of Forbes' America's Best Employers for Diversity



These were completed in the first quarter of the year and all are tracked throughout the year by active segment networks and ERG leadership teams. The targets are in addition to our ongoing work to meet our enterprise-wide goals, and we look forward to sharing the progress of this approach, which is both strategic and localized.

Of course, we know that leadership must reflect the values of those it leads. While our BUs have been setting their goals and we've been laying the foundation for more diverse hiring across the organization, we've also been continuing to invest in over 300 diverse leaders within TE as part of a strategy to enhance diversity at management level.

And, beyond our immediate operations, we also set a supplier diversity target of \$250 million annual spend by 2026. To help us reach our goal, we have recruited a dedicated procurement lead who will focus on improving the diversity of our supply chain.

#### **Employees**

We're determined to enable our employees to thrive and that means supporting a strong work-life integration. We know that employees have different responsibilities and priorities in their home lives—from having young families or caring for elderly relatives to doing work in their communities that matters to them. We want our employees to bring their entire selves to work so, when possible, we allow working hours that enable this. At TE, work weeks are not to exceed the maximum allowable hours set by local law.

# **Investing in Inclusion**

TE is committing \$3.5 million to the new African Heritage Scholarship program to further progress our inclusion and diversity efforts in the U.S.

The program goes beyond simply paying academic costs to provide a two-year journey of hands-on experience and mentorship, as well as financial support. Rising college sophomores who identify as Black or African American and who are accepted into the program will receive a paid summer internship and, upon successfully completing it, a scholarship of up to \$22,500, based on need and educational costs. The students are then invited back for a second summer internship before their senior year, after which their scholarship would be eligible for renewal.

TE expects a new cohort of students will join the program each year for the next five years. For the first summer of the program in 2022, internships will be available in engineering, product management, supply chain, operations and sales in six states.

"We are excited to invest in the TE Connectivity African Heritage Scholarship to help attract diverse talent to our company's pipeline of potential future employees and the STEM industry as a whole," said CEO Terrence Curtin. "We believe that a more inclusive and diverse workforce fosters innovation, and I look forward to the new ideas this group of interns will bring to TE for years to come."

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#### **Pay Equity**

Our compensation programs and policies are designed to deliver competitive and equitable pay based on roles and responsibilities and on company and individual performance, regardless of gender, race/ethnicity or any other individual demographics.

TE Connectivity continually reviews its pay practices and pay levels, job classifications and performance management processes to ensure that all employees are paid competitively and fairly. Our global focus is to have policies and programs in place that prevent pay inequities from arising in the first place.

TE Connectivity is working with an expert third-party to ensure that we are using appropriate and accepted methodologies when conducting pay equity analyses.

As we continue to analyze and monitor pay equity, we are taking action to address any potential inequities and their underlying root causes. TE discloses the results of pay equity analyses where required by local law.

#### Engagement

As part of efforts to raise awareness and inspire conversations and connections, this vear we marked Juneteenth with events and talks from June 14 to 18. This included contests, challenges and spotlights to engage employees in the significance of the day. In the U.S., two additional floating holidays have been added to the calendar for individuals to celebrate holidays that aren't currently observed by the company, volunteer in their community or focus on their well-being.

We believe it is critical to attract, engage and develop women to deepen our talent pipeline and retain strong female talent. In fiscal year 2021, we had over 175 women participate in Women's Leadership Development programs. We also continued our recognition of International Women's Day with keynote speaker Belinda Parmar, attracting 2,400 live attendees, of whom 43 percent were women and 57 percent were allies. In addition, we launched a new Women's Careers page and had 32 social media posts including four employee videos, resulting in over 6,500 subscribers.

All our efforts are a part of our ongoing journey to build a diverse and inclusive culture where everyone feels heard, seen, valued and respected.

#### Looking Ahead

In 2022, we will continue to focus on manager education, emphasizing inclusive leadership. TE managers have the greatest connection to all employees, and their ability to create a safe team environment where all voices are heard is essential. We will provide learning for managers on how to build a team environment of belonging and openness. This will reinforce the foundational content provided in fiscal year 2021's global inclusion training and ongoing Conversations of Understanding.

We will continue working on bias mitigation in all our practices and processes, improving diversity recruitment, developing the diverse talent in our pipelines and supporting our ERGs.



Blake Leeper, eight-time Paralympic medalist.

# **Creating More Safe Spaces**

In July 2021, we launched our THRIVE ERG, which focuses on promoting a safe space for employees and allies with mental, emotional and physical disabilities. The ERG launched with guest speaker Blake Leeper, eight-time Paralympic medalist, who spoke about the

power of positivity and how it motivated him to become one of the fastest men in the world. In October, THRIVE continued to inspire TE team members with a challenge to walk 100 kilometers in 30 days for mental health awareness. Based on the results of the

challenge, TE issued donations to Mental Health Europe and the National Alliance on Mental Illness. THRIVE partners with TE's Wellbeing Connection to amplify our holistic approach to employee wellbeing with a focus on benefits, tools, resources and events around

the following six pillars of well-being: occupational, emotional, physical, social, digital and financial. We are excited by these offerings to promote employee well-being, and we look forward to their continued impact.

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Human Rights

# **Our Ambition**



Implement a global human rights culture

## Our Approach

Every human being has the right to be treated fairly and to work in a safe environment with dignity. Discrimination, harassment, fear and exploitation have no place in any ethical business. For us, anything less than full respect for human rights is unacceptable in any part of our operations, including our supply chain.

More specifically, we prohibit all forms of forced labor and the hiring of individuals under the age of 18 for positions where hazardous work is required. We also prohibit any form of physical punishment or abuse.

Our human rights commitment is absolutely core to our values-based culture, and we have embedded it in our policies, guides and procedures, including our <u>Global Human Rights Policy</u>.

#### **Our Impact**

Our workplaces provide freely chosen employment where employees enjoy freedom of association, equal opportunities, clean and safe working environments, protection from any form of harassment and all benefits and protections mandated by applicable laws. We also audit certain high-risk suppliers in our supply chain to confirm that there is no child or forced labor. We closely monitor our facilities to ensure fair and reasonable working hours, wages and benefits for all employees.

In fiscal year 2021, we published TE's first Global Human Rights Policy, which was developed to align with the UN Guiding Principles, International Labour Organization (ILO) Conventions. We also updated internal guidelines to align with the policy. In creating our Global Human Rights Policy, we took cues from the <u>Modern Slavery and</u> <u>Human Trafficking statements</u> we have been publishing for several years. We also incorporated our long-standing commitment to health and safety into our new policy to draw upon the strong foundation established by our other policies.

# Managing Risk Through Due Diligence

To better embed human rights awareness across our business and to begin enhancing our risk-mitigation efforts, we are developing diligence tools to help identify and address risks in our supply chain. Recognizing the growing need for supply chain due diligence, we decided to introduce a more in-depth supplier self-assessment component. We elected to use a leading industry standard tool for identifying forced labor, the <u>Slavery</u> <u>& Trafficking Risk Template</u>, with the intent to launch our first supplier campaign in early fiscal year 2022 targeting a subset of our global suppliers.

We also recently expanded our third party-led supplier social responsibility audits, which are designed to identify human trafficking, child labor and similar risks.

## **Engaging Our Supply Chain**

We recognize human rights risks exist in all global supply chains. We seek to address all risks uniformly—without any undue focus on any one geography or location—while working to meet necessary customer expectations and legal requirements.

To mitigate human rights risks across our supply chain, we:

• Provide continued disclosure and updates on our risk-mitigation activities—including posting our annual Modern Slavery and Human Trafficking Statement as part of our efforts to comply with the UK Modern Slavery Act.

- Conduct supply chain-directed diligence—including using a third-party supplier social responsibility auditor to assess high-risk suppliers and, in 2021, the launch of our first supplier assessment program using the <u>Slavery & Trafficking</u> <u>Risk Template</u>.
- Take action—working to mature our processes to better identify risk and remedy concerns in company value chains.

We recognize the need to better understand the early stages of our many supply streams and, where necessary and appropriate, engage with suppliers to learn more about possible risks and build relationships to address concerns. Building better visibility will lead to better risk assessment and mitigation and, ultimately, help to minimize negative outcomes in today's sprawling, opaque global supply chains.

Our long-standing commitment to protecting human rights is set forth in TE's Guide to <u>Supplier Social Responsibility (SSR Guide)</u>. Each TE supplier is asked to verify their agreement with the guide. For our supply chain personnel tasked with managing suppliers, we are working to develop further training and guidance to reflect the changing dynamics and expectations in this important and fast-evolving compliance vector.

## **Looking Ahead**

Everyone along our supply chain matters to us and we will use our scale and our experience to implement measures that protect workers beyond TE. We will continue to train key internal stakeholders on the new policy and explore ways to engage with our suppliers.

Safe workplaces are an expectation at

TE, and we are committed to protecting

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Safety

# **Our Ambition**



employees from harm, regardless of job type. Our safety programs have enabled us to consistently improve the safety performance of our facilities for more than 15 years and to routinely score in the top

**Our Approach** 

tier of our peer companies.

# EHS Strategy 2022-2024

Proactive - Predictive - Preventative



We refreshed our corporate strategy to focus on becoming more proactive, preventative and predictive. This includes four broad strategic pillars: Data-Driven, Hazard & Risk Recognition, EHS Capable Equipment and Talent.

The business segments have also aligned around these strategic areas, and we are seeing the early positive results.

#### **Our Impact**

We have demonstrated an excellent long-term track record improving the safety for our employees by reducing our incident rate by over 60% since 2010. Over this past year we experienced a slight disruption in our long term progress mainly due to COVID related disruptions. We seized this performance gap as an opportunity to refresh our strategic priorities and focus on our talent and our areas that matter most. We are confident our strategic focus and action plans will enable us to continue to build on our long-term success.

## A Culture of Safety

Many of the safety incidents we recorded during the year were related to inconsistent use of safety equipment and/or failure to follow safe procedures when operating machinery. The inadequate use of personal protective equipment such as gloves also contributed to the total. We were able to assess this thanks to our comprehensive incident-reporting approach, which gives us the analytics we need to identify trends and tailor a rapid response. This includes implementing more specific training to address identified risks. We have implemented training around safety equipment, and we are on track for a safer year in fiscal year 2022.

We also continue to leverage on-site tools such as the Don't Walk By—Act Now program, which empowers every employee to identify and address unsafe acts and conditions to prevent injuries. Through this program and others like it, all employees use a documented method to submit safety observations. Site employees and site management teams discuss all submissions daily and provide feedback to employees to help encourage safe behaviors.

During fiscal year 2021, we were able to successfully maintain COVID protections, enhancing those protections as needed and pursuing vaccination opportunities for TE employees wherever feasible and appropriate. These efforts allowed our sites to remain operational and COVID safe during the pandemic.

## **Looking Ahead**

Going forward, we aim to further improve by leaning into our strategic pillars and making progress in key safety areas. We will continue refreshing and supplementing core safety programs, further enhancing employee engagement and integrating acquisitions into TE's safety culture. By focusing strategically on the areas that matter most, we will focus on site-specific risks and ensure that the preventive strategies we deploy are targeted to reduce these risks.

To continue learning from our performance in fiscal year 2021, we will also focus more on robust investigations and preventative actions for minor incidents and near misses.

We aim to regain momentum in safety performance and reduce our total recordable incidence rate (TRIR) to 0.12 by fiscal 2025.

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# Community

**Our Ambition** 

3 million people impacted in next-generation technology education

1,300+ charities supported through

corporate grants, volunteer grants and matching gifts



## Our Approach

Supporting the future of STEM education is critical to our business and purpose. As a company built on delivering game-changing products to global markets, we are dedicated to developing the next generation of innovators in science and technology. We do this through three principal platforms:

- TE's Community Ambassador program empowers our employees to give back to communities and engage with governments where we operate.
- The TE Community Connection is our matching gift and volunteer grant program that supports the individual efforts of TE employees.
- **TE's corporate charitable partnerships** focus on international organizations that support STEM and inspire future innovators.

We collaborate with primary schools, high schools, community colleges and universities in and around the communities where we operate to explore partnerships and funding opportunities that drive interest in and access to science-based education. We also support nonprofits and initiatives focused on growing STEM skills among young people.

Our democratized approach empowers our employees to pursue positive change in their communities through our Community Ambassador program, which enables more than 100 Ambassadors and their local employee councils to make decisions about TE's philanthropic spending and volunteer events. Over 50 percent of our annual charitable spend is allocated directly by local employee councils, grounding our donations in the individual needs of communities.

## Our Impact

During fiscal year 2021, we analyzed geographic trends for giving to consider options to make giving more proportional to TE regional headcounts. This included assessing our impact numbers against both our 2025 goal and 2030 ambition.

One key change during the year was to shift our local giving to target a 50/50 split between education and technology versus health and human services. We have communicated the shift to our Ambassadors. who strongly influence the programs we support. While the change won't affect the programs we currently support, our intention is that our Ambassadors will drive the change, and we have challenged them to find and engage with more education and technology initiatives in their areas. We then trained our Community Ambassadors on our new strategy to shift giving and on our expectations for impact reporting from their partnerships.

Approximately 90 percent of our corporate philanthropy is employee driven, through our Community Ambassador program or employee matching gift and volunteer grant programs, enabling employees to personally engage in TE's philanthropic giving.

We offer apprenticeship programs through universities and technical schools globally. In total, TE operates more than 40 apprenticeship programs, including in the U.S., Germany, Switzerland, China and Mexico.

## **Volunteering and Matching Gifts**

Our volunteer grant program is available to active full-time and part-time TE employees in most of our global locations. TE employees who volunteer may log their hours on the TE Community Connection and earn credit toward a "Cause Card," which can be redeemed as a donation to a nonprofit of the employee's choice in the database. Every 10 volunteer hours equals \$100 on their Cause Card, with a limit of 100 hours/ \$1,000 (or local equivalent) per fiscal year.

## Partnerships

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 engineering-focused entrepreneurial skills among university students in China.

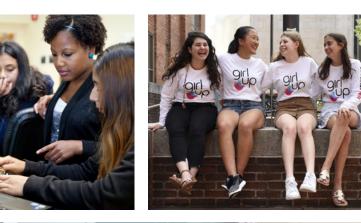
## **Looking Ahead**

We strive to further increase our education and technology giving in our corporate philanthropy programs, and we also look forward to engaging with new programs that support our critical mission to grow STEM studies and progress.

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# TE Connectivity Foundation





The TE Connectivity Foundation works to enable greater access to technology and engineering education for women and underserved populations. Through its support for key initiatives, the Foundation aims to fast track diversity in STEM careers to ensure the vital inclusion of more voices in the industries that shape the world.

The TE Connectivity Foundation continued our ongoing partnerships with the UN Foundation's Girl Up and SMASH academy programs.

# SMASH

The TE Connectivity Foundation once again provided a grant to SMASH to help prepare nearly 200 underrepresented high school students in the greater Philadelphia area for STEM studies in college as part of its SMASH Philadelphia Academy program. Part of our support also includes providing an annual stipend to students from low-income families to provide economic stability during the summer.

We also continued to support SMASH Rising, a program designed to provide SMASH alumni who have completed the three-year SMASH Academy program with early professional workplace exposure. The program puts SMASH Rising participants who are early in their college careers to work in teams of five during the summer to address real-time challenges faced by leading industry partners. Since its 2018 launch, it has seen more than a quadrupling of the number of alumni and host organizations, and in 2021 there were 105 scholar-interns participating.

# **Girl Up**

During 2021, the TE Connectivity Foundation supported three Girl Up STEM bootcamps with 7,200 attendees. The theme for the year was "STEM for Social Good," with bootcamps covering topics including healthcare equity, climate change and pay equity. At each bootcamp, we provided a Career Spotlight presented by one of our female leaders and translated into multiple languages.

TE's support also enabled Girl Up to provide tablets to 100 campers from Morocco, Côte d'Ivoire and the U.S. who attended the two-week WiSci camp in August as part of the transition to a virtual event. These devices enable even greater access to STEM opportunities.

# Technovation

During 2021, the TE Connectivity Foundation began supporting a new initiative. Technovation is a tech entrepreneurship program empowering young women to use artificial intelligence to tackle sustainable development and solve problems in their communities. With help from a TE Connectivity Foundation grant, 17,000+ girls participated in Technovation's 2021 season. Of these, 5,800 girls submitted 1,700 apps tackling problems in their communities—many in TE's priority countries, including Mexico, Germany and China. Governance Con

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# CO-CREATING TOMORROW

The way we think about product design impacts everything that comes after. Taking the time to find more sustainable materials, maintaining product compliance and challenging the supply chain we're part of to raise its game—that's really what sets us apart. We have a truly comprehensive approach to the whole enterprise of designing, making, selling and using a product. We're always asking: how can this be better?

# **IN THIS SECTION**

- $\rightarrow$  Spotlight
- → Sustainable Supply Chains
- → Innovating Our Products

Governance

Connecting Sustainably

Empowering Innovators Co-Creating Tomorrow About This Report

There's an incredible amount that goes into the making of our complex and advanced solutions, such as a wealth of world-class engineering knowledge, cutting-edge technology and machinery required to innovate.

Behind it all is the drive to do the most work with the least resource use in our long global supply chain, from metals to recyclable packaging. This is paramount to us.

People really are at the heart of everything we do. Whether it's innovating our products or driving our products from fulfillment centers, we are a people-centric technology company. That's why the sustainability and ethics of our supply chain matter so much to us. This last year has been tougher than many. We were challenged by severe supply capacity constraints within our supply base.

A fast demand recovery coupled with labor shortages resulted in many raw material suppliers simply not having the ability to keep up. But resilience is our business and the deep relationships we've built through engagement meant we were still able to work toward developing sustainability plans with our suppliers, on everything from emissions to diversity targets, despite the supply constraints.

Over the last few years, the One Connected World strategy has been a way to show those beyond TE what our values are and how we live them. I'm particularly encouraged by the progress of our product stewardship committee this year. This is TE's first-ever enterprise level group we assembled to dissect and act on this important topic, pulling together great work that is already happening across the company while also making progress on topics that we have yet to take on. As we move beyond establishing baselines and assessing what makes the most sense for us strategically, it's exciting to imagine where we'll go as we continue to explore how to embed sustainability in our product lifecycle at TE.

## **Davy Brown**

Vice President and Chief Technology Officer for TE Connectivity's Industrial Solutions Segment

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ce GRI, SASB and TCFD

# Sustainable Supply Chains

# **Our Ambition**



Partner with our direct, indirect and logistics suppliers to strengthen the sustainability of our supply chain

Align our new construction with the Sustainable Facilities Initiative

## **Our Approach**

TE's supply chain enables us to drive efficiency, access expertise and operate competitively. We are committed to harnessing our strategy and scale to drive a positive impact on humanity, not only for the people in our supply chain, but for all those who will benefit from the solutions our sustainable products enable.

#### **Our Impact**

We explore different methods to enhance the sustainability and responsibility behind the design, use and disposal of our products. We have continued to strengthen our approach to building and renovating our facilities to make them more efficient and have amplified our focus on engaging with our suppliers to support their efforts to improve their own environmental sustainability performance. This carries the impact of our One Connected World strategy far beyond TE, as the improvements we help our suppliers make will benefit the far-reaching markets and industries they serve.

#### Facilities

During fiscal year 2021, we finalized our new Sustainable Construction Guide as part of our Sustainable Facilities Initiative. The Guide provides the minimum standards needed to reach a sustainable, advanced or best-in-class status for our new construction projects. Sustainable facilities offer multiple key benefits, including reducing TE's carbon footprint by being 15-20 percent more efficient and having a 20 percent lower utilities cost. Eight construction projects were targeted to implement the Guide in fiscal year 2021 and a further three will be targeted for fiscal year 2022, with requirements such as LED light fixtures, building controls and efficient HVAC equipment. Ultimately, we plan to apply the Guide to 50 percent of new projects by 2025 and 100 percent by 2030.

#### **Supplier Due Diligence**

We continue our work with more than 32,000 direct and indirect suppliers, with operations spanning almost every part of the globe. Our approach to responsible sourcing is detailed in TE's SSR Guide, which defines expectations and ethical principles for our suppliers. We developed the SSR Guide using best practices advocated by the Organisation for Economic Co-operation and Development and the UN Global Compact, among others. It is aligned with our SSR activities, which are guided by principles in the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development and the UN Convention Against Corruption.

Through various business reviews conducted with suppliers, we assess their alignment with our sustainability goals and emphasize the importance of providing timely responses to our required social responsibility data, including product compliance, and visibility to their own targets and goals as they pertain to sustainability initiatives. In addition, these reviews require suppliers to share their current business conditions, including any capacity constraints they are facing or may face in the future.

Additionally, each BU conducts audits of its strategic suppliers for certification compliance and other criteria relevant to its industry (such as supplier ISO 9001 certifications and/or IATF 16949). Where we require additional support to report on high-risk suppliers, we've solicited third parties to ensure our suppliers operate to appropriate standards for the ethical treatment of their workers and provide a safe workplace.

## Logistics

Demonstrated commitments to sustainability and the reduction of GHGs are integral parts to the selection process of logistics suppliers. Apart from working with best-in-class partners, we are constantly monitoring options to find more sustainable ways to move product. The increased use (+10 percent versus fiscal year 2020) of the Asia to Europe rail corridor is just one example of that. In fiscal year 2021, we have reduced energy usage in our distribution centers by 6 percent and are executing plans to reduce that further.

Our Logistics team is also working with our BUs to engineer carton stackability on high runner product types. This will reduce GHG emission totals by "SHIPPING MORE FOR LESS."

Looking ahead, our global logistics distribution centers have also set an aggressive 6 percent energy reduction target by end of fiscal 2022.

#### **Looking Ahead**

As we improve data collection methods, we will track the sustainability improvement efforts of our top 400 direct-spend suppliers, equating to 75 percent of our total supplier spend.

In addition, we have been developing education packs for our suppliers to help some of our smaller suppliers understand TE's sustainability messaging and expectations and how we can help them strengthen their own programs.

We are also excited to continue advancing our supplier diversity initiative. We've set an aggressive goal to have 4 percent of our spend come from diverse suppliers by 2027 and have initiated programs to foster relationships between our TE team and potential diverse supplier partners.

## **Responsible Sourcing**

We undertook significant supplier outreach, including polls and surveys, to help more of our suppliers strengthen their programs and move forward on their own sustainability journeys. The suppliers with the highest GHG emissions are primarily raw material suppliers of resins and metals. Most of TE's large partners for raw materials have sustainability plans in place, and we are excited to work closely with them on their initiatives.

In addition, we have contacted 25 direct material suppliers, out of the targeted 200, to participate in a focus group.

By evaluating market-leading tools to support accurate and consistent data collection, we aim to develop a clear reporting tool to track year-over-year reductions in GHG emissions, working closely with suppliers to align on targets that help us work toward our sustainability goals. Co-Creating Tomorrow About This Report Performance Summary GRI, SASB and TCFD

# Innovating Our Products

# **Our Ambition**



Embed sustainability in product lifecycle at TE

## Our Approach

We are committed to using responsibly sourced materials and keeping high-risk conflict minerals and other environmentally and socially harmful resources out of our supply chain. We are also committed to producing compliant products, free of harmful materials. So as our customers are creating solutions for their end markets, they can be sure they have the safest, most compliant and most sustainable partner in TE.

#### **Our Impact**

Smarter engineering from the start. That's how we're co-creating a more sustainable future for our customers and making our products part of the larger circular economy. With every innovation, every enhancement and every solution, we aim to offer the most efficient choice possible—not just by using fewer materials, but by also using better ones that enhance the sustainability of our work.

As we embed sustainability into our product lifecycle, we have assembled a global Product Stewardship Committee that includes the Environmental, Health and Safety; Product Environmental Compliance; Product Development; Research and Development; and Product Safety teams. In fiscal year 2021, the Committee began developing a 10-year roadmap to work toward our 2030 ambition, including collecting more information and data on the great stewardship efforts already in place.

The roadmap entails assembling sub-teams to focus on core issues, defining product stewardship for TE, establishing our baseline and building and implementing strategic action plans.

We look forward to sharing more about this journey and our measures for success in our next report.

The Committee also provides governance for additional tactical teams such as our Phase Out Hazardous Substances (POHS) team, and is nurturing the growth of newer teams to accelerate our progress. In 2021 the POHS team was successful in removing chemical substances such as: plasticizer (flame retardant restricted in the U.S. under the Toxic Substance Control Act); phenol, isopropylated phosphate (PIP) (3:1); siloxanes considered Substances of Very High Concern (SVHC) under the European Union Regulation for Registration, Evaluation, Authorization and Restriction of Chemicals (EU REACH); decaBDE, and octamethylcyclotetrasiloxane (D4); decamethylcyclopentasiloxane (D5); and dodecamethylcyclohexasiloxane (D6) from various TE product families.

In addition, the Committee has helped more clearly identify the topic areas that fall under product stewardship in TE by defining and prioritizing many categories in fiscal year 2021.

Another area of focus during fiscal year 2021 was on improving automation in our compliance systems. We refined our compliance key performance indicator metrics, which are used to drive system efficiency through the creation of an Engineering Bills of Materials, and automated supplier compliance data gathering to support automated compliance across TE.

## **Conflict Minerals**

TE maintains a <u>Responsible Minerals and</u>. <u>Materials Policy</u> and a management system dedicated to performing due diligence across our supply chain. This is managed by TE's Conflict Minerals Core team, which is responsible for developing and maintaining policies, standards and processes and whose members serve as TE's designated conflict minerals subject-matter experts. The core team is supported by Procurement leadership and corporate functions.

We rely on our direct suppliers in scope for conflict minerals to provide the necessary data to help us make responsible sourcing decisions. As of the end of April 2022, the supplier response rate was 70 percent.

# Our Product Stewardship Journey



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#### **Product Design**

One Connected World addresses global environmental legislation impacting our supply chain and manufacturing. A prime consideration when designing new materials is to ensure environmental compliance. TE strives not only to minimize the quantity of material used in our designs, but also to reuse materials whenever possible without compromising quality or function.

Our Product Compliance Council helps ensure our products meet customer needs and comply with applicable country and regional environmental laws. We take measures to comply with the strictest global compliance standards, such as the EU REACH and Restriction of Hazardous Substances (RoHS) Directive.

Our strategy helps TE put the tools in place to interpret, action and communicate the requirements of global product compliance laws holistically from supply chain management through to international trade compliance. TE has product compliance subject-matter experts embedded in each BU. These leaders address compliance concerns related to their specific customers and industries and meet monthly with the Corporate Compliance team to ensure a coordinated effort across all TE disciplines.

This strategy includes system solutions that provide a valuable resource to our customers: a self-service product compliance application on our website that creates a product-level Statement of Compliance (SoC) on demand. SoCs indicate the most recent compliance status of a TE part number to key global legislation. We record thousands of monthly hits on this webtool as customers search TE for product solutions to meet their design objectives. Additionally, our Product Environmental Compliance webpage provides further resources on e-waste initiatives, safety data sheets, conflict minerals and more.

TE continues to use our automated solution to help us comply with the submission of records into the European Chemicals Agency's Substances of Very High Concern in Products database. TE also now sends automated requests to prompt our suppliers to provide declarations related to the EU Medical Device Regulation and banned substances.

#### Calculating Product Carbon Footprint

We are conducting a pilot to assess how we can calculate the carbon footprint of individual products. The pilot is using a selection of EV products and applying lean thinking to product development to transform the product development process. As part of the pilot, we are testing how to collect, validate and transfer carbon footprint data from our suppliers before adding the emissions TE contributes through production and logistics.

Part of what the pilot will help us assess is how we can incorporate carbon footprint data from suppliers into our internal databases to develop systems that will easily calculate footprint results for our finished products. This can then be used in the review process for future products by helping to rapidly identify suppliers, processes, product design and materials with a smaller footprint.

It will help our engineers consider not only the material property, cost and delivery but also the carbon embedded in the product.

#### Looking Ahead

During fiscal year 2022, we will be actively defining the future vision for our roadmap and building detailed action plans to support the impact we hope to have. We will be expanding our forward-looking approach to ensure TE is well positioned to respond to new and changing global environmental legislation. We will also continue to nurture the Product Stewardship Committee's relationship with leadership to continue driving the agenda of enhancing product sustainability.



How Our Products Are Building a Sustainable Future

Sustainability is a core focus for our businesses and during 2021, our Automotive BU significantly stepped up the ways they are using innovation and collaboration to make our products more sustainable. During the year, the team developed an impactful goal to use more renewable electricity by 2025.

The team also responded rapidly to growing customer requests for products with a reduced carbon footprint, showcasing TE's organizational agility. For example, in Europe, we started an intensive pilot project to assess how we can calculate the carbon footprint from a selection of electric vehicle (EV) products and scale it to all other products. The first calculations were developed to provide an overview of the hotspots in our production processes. Going forward, the team will calculate impacts on a wider scale to develop greater transparency along the entire supply chain. The team has also focused heavily on reducing materials of concern and adding more sustainable options to our preferred materials list. As part of this, the team has reduced the use of virgin material by employing efficient design and cutting material diversity, with a focus on local sourcing where possible. The team has also added a "Global Warming Potential" parameter to our preferred materials list to support our engineers in making sustainable choices as early as possible to support our customers' ambitions.

Empowering Innovators

# About This Report

At TE Connectivity, we believe that sustainable success demands adherence to strong ESG management and transparency in reporting our progress. This is actualized by operating ethically and in alignment with our values. This Corporate Responsibility Report reflects our corporate responsibility strategy: One Connected World. We developed the strategy after identifying 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 2021, which ended September 24, 2021, reported on a global, enterprise-wide basis.

The TE Connectivity Foundation operates on a calendar-year basis. References in this report to the TE Connectivity Foundation are to its 2021 calendar year.

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

This is our 12<sup>th</sup> Corporate Responsibility Report and has been prepared in accordance with the Global Reporting Initiative (GRI) Standards at the Core level, relevant recommendations from Sustainability Accounting Standards Board (SASB) and Task Force for Climate-related Financial Disclosures (TCFD). Our full GRI Index is available beginning on page 38. Additionally, SASB and TCFD alignment is available on page 53. Deloitte & Touche LLP performed a review on management's assertion related to our Statement of GHG Emissions, Energy Consumption and Water Withdrawal. Their assurance statement is available <u>via this link</u>.

Since 2011, TE has been a proud signatory of the UN Global Compact. Through our commitment, we have developed our thinking around our broader impact and how our operations, products and engagement can help meet the UN SDGs. TE Connectivity reports to NQC, EcoVadis, CDP and S&P Global's Dow Jones Sustainability Index, among others.

We welcome feedback from our stakeholders on both our reporting and our performance. Please visit <u>www.te.com/responsibility</u> or write to us at <u>TECorporateResponsibility@te.com</u>.

Empowering Innovators

# Engaging With Stakeholders

We engage with our stakeholders 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.





- Annual customer satisfaction survey
- Participation in customer audits and surveys
- TE.com website, including customer service and e-commerce
- Partnering with distribution partners
- Working with government officials, regulators and <u>key trade associations</u> on policy development and issues of importance
- Close collaboration to help suppliers adhere to the <u>Guide to Supplier</u> <u>Social Responsibility</u>



# **Shareholders**

- Regular meetings with investors
- Annual meeting of shareholders
- <u>Annual Report</u>
- Proxy Statement
- Corporate Responsibility Report
- Sustainability investment indices
- Investor Relations website



# **Employees**

- Regular informal engagement through team meetings
- Internal communications
- Employee mobile application
- Quarterly town hall meetings within BUs and functions
- Annual leadership and sales meetings
- Employee engagement survey
- Annual ethics training and certification against <u>Guide to Ethical Conduct</u>
- Community investments through corporate giving and through the TE Connectivity Foundation
- Employee volunteering and participation in local communities

# Minding What Matters

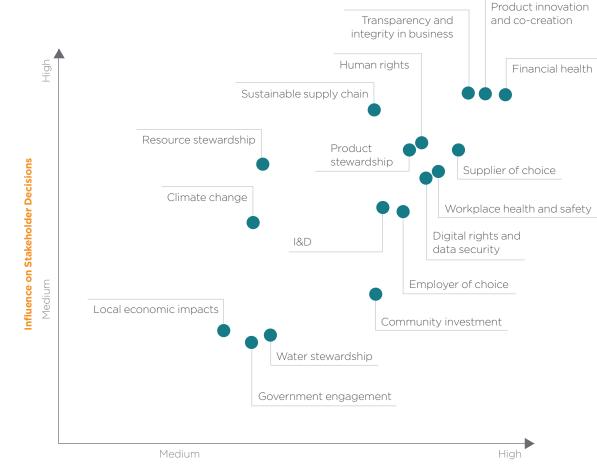
Our work impacts the world around us. As a company with a complex global value chain, knowing where to focus our corporate responsibility efforts for optimum positive impact is crucial to industrial technology leadership. To make sure we are truly minding what matters in fiscal year 2018, we completed 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 and representatives from nongovernmental organizations, government officials, investors 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 valuable 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 have not just taken another step—we have made a leap forward.



Please see our full material issues definitions on page 49 of our 2018 report.



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### **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 ESG 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

Examples of factors that could cause actual results to differ materially from those described in the forward-looking statements include, among others, the extent, severity and duration of COVID-19 negatively affecting our business operations; business, economic, competitive and regulatory risks, such as conditions affecting demand for products in the automotive and other industries we serve; 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, including continuing military conflict between Russia and Ukraine resulting from Russia's invasion of Ukraine or escalating tensions in surrounding countries; 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. In addition, the extent to

which COVID-19 will impact our business and our financial results will depend on future developments, which are highly uncertain and cannot be predicted. Such developments may include the geographic spread of the virus, the severity of the virus, the duration of the outbreak, the impact on our suppliers' and customers' supply chains, the actions that may be taken by various governmental authorities in response to the outbreak in iurisdictions in which we operate, and the possible impact on the global economy and local economies in which we operate.

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 24, 2021, 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.

the future.

GRI, SASB and TCFD

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## Performance Summary

	Unit of Measure	FY2019	FY2020	FY2021
Economic				
Total Employees <sup>1</sup>	#	78,000	82,000	89,000
Total Engineers	#	8,000+	7,500+	8,000+
Americas Region: Employees	#	25,000	29,000	28,000
Americas Region: Principal Manufacturing Sites	#	39	37	35
APAC Region: Employees	#	22,000	22,000	24,000
APAC Region: Principal Manufacturing Sites	#	24	23	22
EMEA Region: Employees	#	31,000	31,000	37,000
EMEA Region: Principal Manufacturing Sites	#	47	47	46
Manufacturing Employees Worldwide	#	49,000	52,000	56,000
Net Sales	USD (Millions)	13,448	12,172	14,923
Net Sales by Segment: Transportation	USD (Millions)	7,821	6,845	8,974
Net Sales by Segment: Industrial	USD (Millions)	3,954	3,713	3,844
Net Sales by Segment: Communications	USD (Millions)	1,673	1,614	2,105
Net Sales: Americas	USD (Millions)	4,224	3,706	4,078
Net Sales: Americas	% of Total Net Sales	31	30	27
Net Sales: Asia-Pacific	USD (Millions)	4,401	4,246	5,374
Net Sales: Asia-Pacific	% of Total Net Sales	33	35	36
Net Sales: EMEA	USD (Millions)	4,823	4,220	5,471
Net Sales: EMEA	% of Total Net Sales	36	35	37
Patents Granted or Pending	#	15,000+	15,000+	15,000+
Research, Development and Engineering	USD (Millions)	644	613	677

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					Unit of Measure	FY2019	FY2020
Communit	ty						
Charitable Giving	g: Corporate				USD (Millions)	3.48	3.49
Charitable Giving	g: Education and Tecl	hnology Focus		(	%	40	41
Charitable Giving	g: Health and Human	Services Focus		(	%	60	59

•				
Charitable Giving: Corporate	USD (Millions)	3.48	3.49	3.56
Charitable Giving: Education and Technology Focus	%	40	41	52
Charitable Giving: Health and Human Services Focus	%	60	59	48
Charitable Giving: TE Connectivity Foundation	USD (Millions)	1.30	1.31	1.28
Charitable Giving: TE Matches of Employee Donations and Volunteer Grants	USD (Millions)	0.82	0.81	0.73
Charitable Giving: Total Giving (Foundation, Corporate, TE Matches)	USD (Millions)	5.60	5.61	5.57
People Impacted in Next-Generation Technology Education (STEM)	#	N/A	650,000+	919,290
Volunteer Hours by TE Employees <sup>2</sup>	#	38,000+	18,000+	12,000+

#### **Environment<sup>3</sup>**

Energy Usage Absolute	MWh	1,266,606	1,215,871	1,328,692
Energy Usage Intensity	MWh/Net Sales in USD (Millions)	94	100	89
Percentage of TE Connectivity's Energy which Comes From Renewable Sources	%	N/A	N/A	28
Absolute GHG Emissions (Market Based)	Metric Tons CO <sub>2</sub> Equivalent	568,352	516,786	361,338
GHG Emissions Intensity (Market Based)	Metric Tons of CO <sub>2</sub> /Net Sales in USD (Millions)	42	43	24
GHG Emissions Scope 1	Metric Tons CO <sub>2</sub> Equivalent	67,048	59,936	71,479
SF <sub>6</sub> Gas Releases From Electron Beams	% Reduction Since FY2010	91	93	85
GHG Emissions Scope 2 (Market Based)	Metric Tons CO <sub>2</sub> Equivalent	501,304	456,850	289,859
GHG Emissions Scope 3 Total <sup>4</sup>	Metric Tons CO <sub>2</sub> Equivalent	N/A	2,758,751	3,799,670
Purchased Goods and Services	Metric Tons CO <sub>2</sub> Equivalent	N/A	2,210,000	3,410,695
Fuel and Energy-Related Activities	Metric Tons CO <sub>2</sub> Equivalent	N/A	126,000	81,587
Upstream Transportation and Distribution	Metric Tons CO <sub>2</sub> Equivalent	N/A	416,000	250,301
Business Travel	Metric Tons CO <sub>2</sub> Equivalent	15,886	6,751	3,483
Waste Disposed Absolute	Metric Tons	18,179	18,825	21,113
Hazardous Waste Generated Absolute	Metric Tons	6,398	6,508	7,787

FY2021

Lock		<b>.</b>	·
Int	rod	uct	ION

Employees by Gender: Male (All)

Employees by Gender: Male (Leadership Band 0-3)

Women by Management Level: Top Management (Bands 0-2)

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GRI, SASB

	Unit of Measure	FY2019	FY2020	FY2021
Materials Recycled/Reused Absolute	Metric Tons	81,001	83,198	104,199
Water Withdrawal Absolute: Total	Millions of Gallons	945	872	871
Water Withdrawal Absolute: Utility Municipal	Millions of Gallons	686	625	637
Water Withdrawal Absolute: Groundwater	Millions of Gallons	252	241	229
Water Withdrawal Absolute: Reuse/Recycle	Millions of Gallons	7	6	5
Water Discharge Absolute	Millions of Gallons	765	744	796
Ethics and Compliance				
Certifying Compliance with TE Guide to Ethical Conduct⁵	%	99+	99+	99+
Ethics and Compliance Training Completed Companywide <sup>6</sup>	#	153,845	144,700	108,100
Total Number of Matters Reported to the office of the Ombudsman	#	~1,000	~1,080	~1,060
Total Number of Matters Reported to the office of the Ombudsman Related to Human Rights	%	0	0	0
Percentage of Unsubstantiated Allegations which Led to Additional Corrective Actions	%	19	12	11
Percentage of Matters Reported to the Ombudsman and Found to be Substantiated	%	46	48	48
Total Amount of Monetary Losses Incurred as a Result of Legal Proceedings Related to Bribery/Corruption	USD (Millions)	0	0	0
Total Amount of Monetary Losses Incurred as a Result of Legal Proceedings Related to Anti-Competitive Behavior	USD (Millions)	0	0	0
People				
Lost Time Frequency Incident Rate (Per 100 Employees)	#	0.12	0.11	0.14
Total Recordable Incident Rate (Per 100 Employees)	#	0.19	0.16	0.21
Manufacturing Plants Completed the Year with One Recordable Injury/Illness or Less	%	74	80	67
Employees by Gender: Female (All)	%	42	42	42
Employees by Gender: Female (Leadership Band 0-3)	%	21	23	25

%

%

%

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	Unit of Measure	FY2019	FY2020	FY2021
Women by Management Level: Middle Management (Bands 3-5)	%	29	29	30
Women in Leadership Positions Worldwide (Employee Bands 0-3)	#	144	157	184
Women in Revenue-Generating Positions (Sales, Operations, Customer Services or Engineering)	%	13	14	15
Women in STEM roles	%	N/A	15	15
Employees by Category <sup>7</sup>				
Part-Time Male	#	N/A	N/A	681
Part-Time Female	#	N/A	N/A	707
Full-Time Male	#	N/A	N/A	41,591
Full-Time Female	#	N/A	N/A	29,586
Permanent Male	#	N/A	N/A	42,272
Permanent Female	#	N/A	N/A	30,275
TE Temporary Male	#	N/A	N/A	674
TE Temporary Female	#	N/A	N/A	431
ERG Membership	#	5,564	6,139	6,237
Inclusion Index	#	N/A	73	73
Engagement Index	#	N/A	79	80
Percentage of Employees Receiving Training on Human Rights Policies <sup>8</sup>	%	N/A	N/A	99%+
Average Hours of Training: Band O	#	1.25	2.8	4
Average Hours of Training: Band 1	#	1.61	3.94	3.35
Average Hours of Training: Band 2	#	6.76	4.21	3.43
Average Hours of Training: Band 3	#	7.39	5.32	6.07
Average Hours of Training: Band 4	#	6.71	7.14	9.27
Average Hours of Training: Band 5	#	5.59	4.19	5.65
Average Hours of Training: Band 6	#	2.25	2.48	1.88
Courses offered on LEARN@TE	#	28,579	28,278	29,756
Total Hours of Training on LEARN@TE	#	92,411	85,535	172,689
Total Hours of Training: Female	#	N/A	N/A	54,650
Total Hours of Training: Male	#	N/A	N/A	115,450

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					Unit	of Measure	FY2019	FY2020	FY2021	
Supply Ch	ain									
Additional Certi	fications to TE's Guid	e to Supplier Social	Responsibility <sup>9</sup>		#		5,621	7,341	6,069	
Conflict Minerals	Conflict Minerals Survey Supplier Response Rate <sup>10</sup>				%		65	67	70	
Conflict Minerals	s Survey Responses L	Jsed in Connection w	vith Conflict Minerals	Report <sup>10</sup>	#		124,965	116,328	114,667	
Contributed to L	ocal Economies Thro	ough Localization Eff	forts		USD	(Millions)	2,400	2,100	2,900	
Corrective Actic	ns <sup>11</sup>				#		772	604	1,901	
Direct Material S	Suppliers				#		9,508	9,526	9,496	
Indirect Material	Suppliers				#		22,815	22,578	22,675	
Total Direct and	Indirect Suppliers				#		32,323	32,104	32,171	
Site Audits and	Quality Audits Condu	ucted <sup>12</sup>			#		1,026	336	498	

Introduction

Governance Co

Connecting Sustainably Empowering Innovators Co-Creating Tomorrow About This Report Performance Summary GRI, SASB and TCFD

- We have employees located throughout the world. As of the end of FY2021, we employed approximately 89,000 people worldwide, including contract employees and agency temporary workers.
- 2. We believe our downward trend in volunteering is the direct result of COVID-19.
- Data for FY2020 GHG emissions values was recalculated to reflect an update in emission factors.
  Data for all periods presented excludes facilities associated with our acquisitions of microLIQUID, Wi Inc., DRI Relays and ERNI Electronics in FY2021.
  - Data for FY2020 and prior excludes facilities associated with our acquisitions of Silicon Microstructures Inc., Foundry Medical Innovations, Inc., First Sensor and Optinova in FY2020. Data for FY2019 excludes facilities associated with our acquisitions of Alpha Technics and the Kissling group.
  - FY2019 data uses historical location-based factors to calculate GHG emissions.

Data for all periods presented excludes facilities associated with the Subsea Communications business, which was divested in FY2019.

Fiscal 2019 data uses historical location-based factors to calculate GHG emissions.

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.

Hazardous wastes are defined per the legal or regulatory frameworks applicable within the jurisdictions where the waste is generated. FY2019 waste and recycled data was modified following reviews at two locations. Absolute GHG scope 2 emissions include benefits of procuring renewable energy.

4. TE began reporting scope 3 emissions in FY2021, starting with our FY2020 data. The scope 3 categories broken down in this report reflect our top 3 categories plus the historically-reported category of business travel. Our total scope 3 emissions for FY2020 and FY2021 includes additional minor scope 3 categories.

TE used the Quantis model to initially identify the top Scope 3 categories, then used the US EEIO model to calculate the Scope 3 emissions for purchased goods and services, as well as upstream transportation and distribution. Scope 3 emissions from energy related activites was calculated using actual energy data and 2021 published conversions from the UK.gov Department for Business Energy & Industrial Strategy (BEIS). The business travel category considers distance and aircraft-based calculations based on data provided by our travel partner and includes all countries except India and Japan. Our upstream transportation and distribution include all transportation and distribution for which TE contracts.

- Active employees on TE payroll at the time of the commitment campaign, which ran from April to July 2021.
- 6. This number has been rounded for presentation purposes and includes sessions recorded on external e-learning vendor's learning management system (LMS), Ethical Connections discussions held by people managers and other live ethics and compliance trainings

delivered at company-wide leadership programs. It does not include trainings completed on the internal LMS Learn@TE, and other trainings that are tracked separately.

- Employee breakdown by category does not include contract employees.
- Percentage of TE employees that complete our Guide to Ethical Conduct training each year, which includes human rights topics. However, we do not currently track the number of hours and/ or percentage of employees who receive dedicated human rights training. Our Guide to Ethical Conduct training in FY2021 included active employees on TE payroll at the time of the commitment campaign, which ran from April to July 2021.
- 9. Includes new and legacy suppliers (4,034 new/2,035 legacy for FY2021).
- In FY2018, TE transitioned to an annual supplier survey campaign and the percentages reflect the supplier response rate for that year's respective campaign.

The FY2020 response rate has been updated to reflect the final response rate and the FY2021 response rate is through April 2022, however, the campaign is not complete as of publication of this report.

- In FY2021, TE conducted more social audits in an effort to improve our awareness for potential risks of social non-conformance within TE's supply base. Because of this, our corrective action figure also increased.
- 12. We believe the decrease in audits is the direct result of the impacts from the COVID-19 pandemic.

## **GRI Index**

This report has been prepared in accordance with the GRI Standards: Core option

Disclosure	e Description	Location of Information	Page No.	Omission
Genera	al Disclosures			
Organiza	ational Profile			
02-1	Name of the organization	TE Connectivity Ltd.		
02-2	Activities, brands, products and services	TE Connectivity 2021 Annual Report	1-7	
02-3	Location of headquarters	TE Connectivity 2021 Annual Report	Inside front cover	
02-4	Location of operations	TE Connectivity 2021 Annual Report	79	
02-5	Ownership and legal form	TE Connectivity 2021 Annual Report	All	
		Articles of Association – TE Connectivity Ltd.	All	
02-6	Markets served	TE Connectivity 2021 Annual Report	1-7, 79	
02-7	Scale of the organization	TE Connectivity 2021 Annual Report	1-7	
		About TE Connectivity	4	
02-8	Information on employees and other	About TE Connectivity	4	We do not currently report gender breakdown by employment
	workers	TE Connectivity 2021 Annual Report	5-6	contract, employment type, region or for supervised workers.
02-9	Supply chain	Sustainable Supply Chains	31	
02-10	Significant changes to the organization and its supply chain	TE Connectivity 2021 Annual Report	3-4	
02-11	Precautionary principle or approach	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.	8	
02-12	External initiatives	TE Connectivity Ltd. UN Global Compact		

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Disclosure	Description	Location of Information	Page No.	Omission
102-13	Membership of associations	Engaging With Stakeholders	35	
		List of Trade Associations		
Strategy				
102-14	Statement from senior decision-maker	Staying Connected	3	
Ethics an	d Integrity			
102-16	Values, principles, standards and norms of behavior	Governance	9-13	
Governar	ice			
102-18	Governance structure	TE Connectivity Ltd. Annual General Meeting Proxy Statement	6	
Stakeholo	der Engagement			
102-40	List of stakeholder groups	Engaging With Stakeholders	35	
102-41	Collective bargaining agreements	TE Connectivity Guide to Ethical Conduct	14	
		TE upholds the right to collective bargaining and freedom of association and works with trade unions in order to maintain employee rights.		
102-42	Identifying and selecting stakeholders	Engaging With Stakeholders	35	
102-43	Approach to stakeholder engagement	Engaging With Stakeholders	35	
102-44	Key topics and concerns raised	Minding What Matters	36	
		Engaging With Stakeholders	35	
Reporting	g Practice			
102-45	Entities included in the consolidated financial statements	FY2021 Form 10-K	All	
102-46	Defining report content and topic	About This Report	34	
	boundaries	One Connected World	7	
102-47	List of material topics	Minding What Matters	36	
102-48	Restatements of information	<u>GRI Index</u>	44-52	

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Disclosure	Description	Location of Information	Page No.	Omission
102-49	Changes in reporting	About This Report	34	
		Minding What Matters	36	
102-50	Reporting period	About This Report	34	
102-51	Date of most recent report	TE Connectivity's last report covering the fiscal year 2020 ending September 25, 2020 was released in May of 2021.		
102-52	Reporting cycle	About This Report	34	
102-53	Contact point for questions regarding the report	<u>About This Report</u>	34	
102-54	Claims of reporting in accordance with the GRI Standards	About This Report	34	
102-55	GRI content index	<u>GRI Index</u>	44-52	
102-56	External assurance	About This Report	34	
Econor	nic			
Economic	: Performance			
103-1	Explanation of the material topic and its	One Connected World	7	
	boundaries	<u>GRI Index</u>	44-52	
103-2	The management approach and its components	One Connected World	7	
103-3	Evaluation of the management approach	Governance	9-13	
201-2	Financial implications and other risks and opportunities due to climate change	GHG Emissions and Energy TE Connectivity 2021 Annual Report TE Connectivity Ltd. CDP Response	16-17 5, 55	
		<u>Task Force on Climate-Related Financial</u> <u>Disclosures Report 202</u> 1		
Enviror	nmental			
Materials				
103-1	Explanation of the material topic and its boundaries	One Connected World	7	
103-2	The management approach and its components	Innovating Our Products	32-33	

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Disclosure	Description	Location of Information	Page No.	Omission
103-3	Evaluation of the management approach	Innovating Our Products	32-33	
301-1	Materials used by weight or volume	Performance Summary	38-43	We do not currently have a structure to evaluate, find or capture this information.
Energy				
103-1	Explanation of the material topic and its	GHG Emissions and Energy	16-17	
	boundaries	TE Connectivity Ltd. CDP Response		
		<u>Statement of Greenhouse Gas Emissions,</u> Energy Consumption and Water Withdrawal		
103-2	The management approach and its components	GHG Emissions and Energy	16-17	
103-3	Evaluation of the management approach	GHG Emissions and Energy	16-17	
302-1	Energy consumption within the organization	<u>Performance Summary</u> <u>Statement of Greenhouse Gas Emissions,</u> Energy Consumption and Water Withdrawal	38-43	With our various fuels, we generally do not have separate meterin for heating versus cooling. This is why we do not break down data for this energy usage.
		GHG Emissions and Energy	16-17	
302-3	Energy intensity	Performance Summary	38-43	
		<u>Statement of Greenhouse Gas Emissions.</u> Energy Consumption and Water Withdrawal		
Water and	d Effluents			
103-1	Explanation of the material topic and its	TE Connectivity Ltd. CDP Response		
	boundaries	Waste	19	
		Minding What Matters	36	
103-2	The management approach and its components	Waste	19	
103-3	Evaluation of the management approach	Waste	19	
303-3	Water withdrawal	Performance Summary Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal	38-43	We do not have data available to report on a breakdown of total water withdrawal from freshwater versus other water.

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Disclosure	Description	Location of Information	Page No.	Omission
Emissions	5			
103-1	Explanation of the material topic and its	TE Connectivity Ltd. CDP Response		
	boundaries	GHG Emissions and Energy	16-17	
		<u>Statement of Greenhouse Gas Emissions,</u> Energy Consumption and Water Withdrawal		
		Minding What Matters	36	
103-2	The management approach and its components	GHG Emissions and Energy	16-17	
103-3	Evaluation of the management approach	GHG Emissions and Energy	16-17	
305-1	Direct (Scope 1) GHG emissions	GHG Emissions and Energy	16-17	
		Performance Summary	38-43	
		<u>Statement of Greenhouse Gas Emissions.</u> Energy Consumption and Water Withdrawal		
305-2	Energy indirect (Scope 2) GHG emissions	GHG Emissions and Energy	16-17	
		Performance Summary	38-43	
		<u>Statement of Greenhouse Gas Emissions.</u> Energy Consumption and Water Withdrawal		
305-3	Other indirect (Scope 3) GHG emissions	Performance Summary	38-43	
305-4	GHG emissions intensity	Performance Summary	38-43	Methane and nitrous oxide are not included in this calculation.
		<u>Statement of Greenhouse Gas Emissions,</u> Energy Consumption and Water Withdrawal		
Waste				
103-1	Explanation of the material topic and its	Minding What Matters	36	
	boundaries	Waste	19	
103-2	The management approach and its components	Waste	19	
103-3	Evaluation of the management approach	Waste	19	
306-1	Water discharge by quality and	Waste	19	We do not track the quality of water discharged or whether the
	destination	Performance Summary	38-43	water was reused by another organization.

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Disclosure	Description	Location of Information	Page No.	Omission
306-2	Waste by type and disposal method	Waste	19	We track hazardous waste generated, but we do not track the
		Performance Summary	38-43	disposal categories.
Environm	ental Compliance			
103-1	Explanation of the material topic and its	Connecting Sustainably	14-19	
	boundaries	Co-Creating Tomorrow	29-33	
		Innovating Our Products	32-33	
103-2	The management approach and its	Connecting Sustainably	14-19	
	components	Co-Creating Tomorrow	29-33	
		Innovating Our Products	32-33	
103-3	Evaluation of the management approach	Connecting Sustainably	14-19	
		Co-Creating Tomorrow	29	
		Innovating Our Products	32-33	
307-1	Non-compliance with environmental laws and regulations	FY2021 Form 10-K	6-7	
Supplier E	Environmental			
103-1	Explanation of the material topic and its	Minding What Matters	36	
	boundaries	Innovating Our Products	32-33	
103-2	The management approach and its components	Innovating Our Products	32-33	
103-3	Evaluation of the management approach	Innovating Our Products	32-33	
308-1	New suppliers that were screened using	Innovating Our Products	32-33	
	environmental criteria	When a supplier is being set up in our system, we require them to acknowledge our SSR Guide, which includes environmental criteria.		
		Performance Summary	38-43	

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Disclosur	e Description	Location of Information	Page No.	Omission
Social				
Occupat	ional Health and Safety			
103-1	Explanation of the material topic and its boundaries	<u>Safety</u> Minding What Matters	26 36	
103-2	The management approach and its components	<u>Safety</u>	26	
103-3	Evaluation of the management approach	<u>Safety</u>	26	
403-1	Occupational health and safety management system	Please see our <u>Environment, Health and</u> <u>Safety Policy</u> and our incident rate reporting in the Performance Summary. We have zero workplace fatalities.		TE has a robust occupational health and safety management system that has been implemented in line with legal requirements in the jurisdictions where we operate, as well as in alignment with specific needs and risks in our processes and operations. Our occupational health and safety management system covers TE employees and contractors at all of our facilities worldwide, including manufacturing locations and office locations. Our occupational health and safety management system does not cover remote workers.
Training	and Education			
103-1	Explanation of the material topic and its boundaries	<u>Governance</u> <u>Safety</u> Inclusive and Diverse Culture	9-13 26 22-24	
103-2	The management approach and its components	Governance	9-13	
103-3	Evaluation of the management approach	Governance	9-13	
404-1	Average hours of training per year per employee	Performance Summary	42	
404-2	Programs for upgrading employee skills and transition assistance programs	Inclusive and Diverse Culture Performance Summary	22-24 38-43	
Diversity	and Equal Opportunity			
103-1	Explanation of the material topic and its boundaries	Minding What Matters	36 22-24	
103-2	The management approach and its components	Inclusive and Diverse Culture	22-24	

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Disclosur	e Description	Location of Information	Page No.	Omission
103-3	Evaluation of the management approach	Inclusive and Diverse Culture	22-24	
405-1	Diversity of governance bodies and employees	Inclusive and Diverse Culture	22-24	We do report on our workforce by gender and geographic diversity. While we have a breakdown of workforce by ethnicity in the U.S.
		Performance Summary	38-43	(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 some APAC countries/regions. We
		TE Connectivity 2021 Annual Report	5-6	recognize we have opportunities to combat 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.
EEO-1		TE Connectivity EEO Certified Consolidated Report 2021		
Human	Rights Assessment			
103-1	Explanation of the material topic and its	Human Rights	25	
	boundaries	Minding What Matters	36	
103-2	The management approach and its components	<u>Human Rights</u>	25	
103-3	Evaluation of the management approach	<u>Human Rights</u>	25	
412-2	Employee training on human rights	<u>Human Rights</u>	25	
	policies or procedures	All employees take training on and certify to the TE Guide to Ethical Conduct each fiscal year, which includes information on human rights.		
		Performance Summary	38-43	
Supplier	r Social Assessment			
103-1	Explanation of the material topic and its	Minding What Matters	36	
	boundaries	<u>Human Rights</u>	25	
		TE's Guide to Supplier Social Responsibility		
103-2	The management approach and its components	<u>Human Rights</u>	25	
103-3	Evaluation of the management approach	Human Rights	25	

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Disclosure	e Description	Location of Information	Page No.	Omission
414-1	New suppliers that were screened using social criteria	Sustainable Supply Chains	31	
		When a supplier is being set up in our system, we require them to acknowledge our SSR Guide, which includes social criteria.		
		<u>Human Rights</u>	25	
Public Po	blicy			
103-1	Explanation of the material topic and its boundaries	Governance	9-13	
		Engaging With Stakeholders	35	
103-2	The management approach and its components	Governance	9-13	
		Engaging With Stakeholders	35	
103-3	Evaluation of the management approach	Governance	9-13	
		Engaging With Stakeholders	35	
415-1	Political contributions	Federal Election Commission Filings		
Custome	r Privacy			
103-1	Explanation of the material topic and its boundaries	Minding What Matters	36	
		Governance	9-13	
103-2	The management approach and its components	Governance	9-13	
		Engaging With Stakeholders	35	
103-3	Evaluation of the management approach	Governance	9-13	
		Engaging With Stakeholders	35	
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Managing Risk	13	
		TE has not identified any substantiated complaints concerning breaches of customer privacy and losses of customer data.		
		Governance	9-13	

For our material issues of supplier of choice and innovation, we plan to create our own indicators in future years aligned with our One Connected World corporate responsibility and 2030 ambitions in these areas.

# **SASB** Alignment

TE Connectivity has utilized the SASB standard specific to our primary industry as identified in the <u>Sustainable Industry Classification System</u>\*: Resource Transformation Sector—Electrical & Electronic Equipment Sustainability Accounting Standard.

We have modified the boundary for reporting the SASB metrics to be based on operational control which includes all of our operating assets that we own, manage or lease, rather than financial control, primarily due to the fact that the Company goals and targets are based on operational control.

SASB Code	Accounting Metric	Unit	FY2020	FY2021	
Energy Manager	ment <sup>1</sup>				
RT-EE-130a.1	Total energy consumed	Gigajoules	4,377,136	4,783,290	
	Percentage grid electricity	%	84		
	Percentage renewable	%	N/A	28	
Hazardous Wast	re Management²				
RT-EE-150a.1	Amount of hazardous waste generated	Metric tons	6,508	7,787	
RT-EE-150a.1	Percentage recycled	%	28	16	
RT-EE-150a.2	Reportable spills	Kilograms	0	0	
Business Ethics					
RT-EE-130a.1	Description of policies and practices for prevention of: 1) Corruption and Bribery and 2) Anti-Competitive Behavior	TE Connectivity's position on bribery, corruption and anti-competitive behavior can be found in our <u>Guide to Ethical Conduct</u> . TE Connectivity has been a signatory of the UN Global Compact since 2011 and implements the tenth principle.			
RT-EE-510a.2	Total amount of monetary losses as a result of legal proceedings associated with bribery or corruption	USD	0	0	
RT-EE-510a.3	Total amount of monetary losses as a result of legal proceedings associated with anti-competitive behavior regulations	USD	0	0	

1. Please see our <u>Statement of Greenhouse Gas Emissions, Energy Consumption and Water Withdrawal</u>. Deloitte & Touche LLP provided a review on management's assertion related to the Energy Management SASB disclosures.

2. Hazardous wastes are defined per the legal or regulatory frameworks applicable within the jurisdictions where the waste is generated.

# TCFD

Our fiscal year 2021 marks TE Connectivity's second Task Force on Climate-Related Financial Disclosures (TCFD) report. Please read the full report here.