

The Tyco Electronics (UK) Pension Plan ("the Plan")

Statement of Investment Principles

Scope of Statement

This document describes the investment policy being followed by the Trustees of the Tyco Electronics UK Pension Plan (the "Trustees") for governing, managing and administering the investment of the assets of the Tyco Electronics UK Pension Plan (the "Plan"). This Statement of Investment Principles ("SIP") sets out the Plan's policies in the following principal areas:

- Investment objective
- Investment strategy
- Risk
- Implementation
- Governance
- Direct investments

This SIP has been prepared in accordance with Section 35 of the Pensions Act 1995 (as amended by the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005). It has also been drafted to reflect the Myners Code of Best Practice.

This SIP covers both the defined benefit section of the Plan and the defined contribution section.

Investment Objective

The Trustees aim to invest the assets of the Plan prudently to ensure that the benefits promised to members are provided thereby reducing the Plans' dependency on contributions from the Company. In setting the investment strategy, the Trustees considered a range of asset allocations with different risk and return characteristics. The asset allocation strategy selected is designed to achieve a higher return than the lowest risk strategy while maintaining a prudent approach to meeting the Plan's liabilities. The asset allocation should seek to provide the optimal level of long-term returns needed by the Plan to satisfy its liabilities at an acceptable level of risk.

Investment Strategy

The Trustees have consulted with the Employer, prior to writing this Statement and will take the Employer's comments into account when they believe it is appropriate to do so.

The Trustees have agreed a long term investment strategy for when the Plan reaches full funding on a Self-Sufficiency basis and have put in place a de-risking framework designed to transition the current investment strategy of the Plan towards the long term investment strategy as the funding level improves. This framework has been designed so that the Plan continues to be expected to reach the funding objective by the target date of 2028. Implementation of the de-risking framework has been delegated to the TE Treasury Team. More details on the de-risking framework are set out in the Investment Policy Guidance Document ("IPGD").

Both the current and long term investment strategy were determined with regard to the actuarial characteristics of the Plan, in particular the strength of the funding position and the liability profile. In setting this policy, the Trustees have assumed that the assets will generate a return above the liabilities over the long term. However, the Trustees recognise the potential volatility in these returns, particularly relative to the Plan's liabilities, and the risk that the fund managers do not achieve the targets set. When choosing the Plan's current and long term investment strategy the Trustees considered written advice from its investment advisers and, in doing so, addressed the following:

- The long-term nature of the Plan's liabilities
- The Plan's Funding Level
- The need to consider a full range of asset classes.
- The risks and rewards of a range of alternative asset allocation strategies.

- The suitability of each asset class.
- The need for appropriate diversification.

The investment strategy and de-risking framework should be recalibrated fully after each triennial valuation, or earlier if the Trustees believe it is required; for example after a significant change to the benefit structure or membership.

The day-to-day management of the Plan's assets has been delegated to investment managers who are appropriately authorised and regulated as required under the Financial Services and Markets Act 2000 (amended by the Financial Services Act 2012).

Risk

The Trustees recognise that the key risk to the Plan is that it has insufficient assets to make provisions for 100% of its liabilities ("funding risk"). The Trustees have identified a number of risks which have the potential to cause a deterioration in the Plan's funding level and therefore contribute to funding risk. These are as follows:

- The risk of a significant difference in the sensitivity of asset and liability values to changes in financial and demographic factors ("mismatching risk"). The Trustees and their advisers considered this mismatching risk when setting the investment strategy.
- The risk of a shortfall of liquid assets relative to the Plan's immediate liabilities ("cash flow risk"). The Trustees and their advisers will manage the Plan's cash flows taking into account the timing of future payments in order to minimise the probability that this occurs.
- The failure by the fund managers to achieve the rate of investment return assumed by the Trustees ("manager risk"). This risk is considered by the Trustees and their advisers both upon the initial appointment of the fund managers and on an ongoing basis thereafter.
- The failure to spread investment risk ("risk of lack of diversification"). The Trustees and their advisers considered this risk when setting the Plan's investment strategy.
- The possibility of failure of the Plan's sponsoring employer ("covenant risk"). The Trustees and their advisers considered this risk when setting investment strategy and consulted with the sponsoring employer as to the suitability of the proposed strategy.
- The risk of fraud, poor advice or acts of negligence ("operational risk"). The Trustees have sought to minimise such risk by ensuring that all advisers and third party service providers are suitably qualified and experienced and that suitable liability and compensation clauses are included in all contracts for professional services received.

Due to the complex and interrelated nature of these risks, the Trustees consider the majority of these risks in a qualitative rather than quantitative manner as part of each formal investment strategy review (normally triennially). Some of these risks may also be modelled explicitly during the course of such reviews.

The Trustees have agreed a funding arrangement with the Principal Employer to reach full funding on the self-sufficiency basis by 2028. The funding level of the Plan will be assessed at each Triennial Valuation relative to the Recovery Plan, and should the Plan be behind target the Principle Employer will make a contribution into the Charged Custody Account, established for this arrangement, sufficient to bring the Plan's funding level up to target. Putting in place this arrangement helps mitigate the risk of the Plan having insufficient assets to make provision for 100% of its liabilities as valued on the self-sufficiency basis.

The Trustees' policy is to monitor, where possible, these risks periodically. The Trustees review periodic reports provided by their investment adviser, fund managers, actuary, and the sponsoring employer regarding:

- Funded Status of the Plan versus the Recovery Plan.
- Performance of individual fund managers versus their respective targets.
- Any significant issues with the fund managers that may impact their ability to meet the performance targets set by the Trustees.

- Credit reports of the Plan's sponsoring employer.
- Compliance report / performance review of investment adviser and other service providers.

Implementation

Aon has been selected as investment adviser to the Trustees. They operate under an agreement to provide a service which ensures the Trustees are fully briefed to take decisions. Aon are paid an agreed annual fee which includes all services needed on a regular basis. Some one-off projects fall outside the annual fee and the fees for these are negotiated separately. This structure has been chosen to ensure that cost-effective, independent advice is received.

The Trustees have delegated all day-to-day decisions about the investments that fall within each mandate, including the realisation of investments, to the relevant fund manager through a written contract. When choosing investments, the Trustees and the fund managers (to the extent delegated) are required to have regard to the criteria for investment set out in the Occupational Pension Schemes (Investment) Regulations 2005 (regulation 4). The managers' duties also include:

- Taking into account social, environmental or ethical considerations in the selection, retention and realisation of investments.
- Voting and corporate governance in relation to the Plan's assets

Further information on the Trustees' policy relating to corporate governance and social, environmental and ethical considerations is contained later in the IPGD.

Securities Lending

Securities owned by the Plan, but held in custody by another party, such as a bank custodian, will not be loaned to any other party for any purpose, unless such securities lending is pursuant to a separate agreement which the Trustees have approved, or the Plan is invested in a pooled fund that permits securities lending.

Prohibited Investments/Derivatives

The following investments are generally prohibited, barring specific Trustees approval unless investment is made in a pooled fund and the Trustees have approved investment into the fund:

- Short sales
- Margin transactions
- Purchases or sales of physical commodities or commodities contracts
- Restricted stock
- Investments representing more than 10% of any security or issuer other than the UK Government and its instrumentalities
- Transactions prohibited by the Pensions Act 1995 (and amended by the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005).

Investment in securities of TE Connectivity Ltd. (NYSE ticker: TEL) and its subsidiaries are permitted only in pooled funds, provided that the investment is consistent with the Investment Manager guidelines. Investments in such securities will be limited to no more than 5% of total Plan assets.

Governance

The Trustees are responsible for the investment of the Plan's assets. The Trustees take some decisions themselves and delegate others. When deciding which decisions to take themselves and which to delegate, the Trustees have taken into account whether they have the appropriate training and expert advice in order to take an informed decision. The Trustees have established the following decision making structure:

<p>Trustees</p> <ul style="list-style-type: none">• Setting, reviewing, and revising the SIP, investment objectives, and constraints consistent with risk tolerance.• Select and monitor planned asset allocation strategy and rebalancing guidelines and evaluate success of the overall investment strategy.• Select / Monitor / retain / terminate investment advisors, fund managers, trustee and other service providers including monitoring of fees• Set structures and processes for carrying out its role.• Select direct investments.
<p>Investment Adviser</p> <ul style="list-style-type: none">• Advise on a strategic asset allocation given the liabilities of the Plan, and the risk and return objectives of the Trustees.• Review overall performance of the Plan's assets relative to this statement.• Monitoring and reporting back to the Trustees regarding investment manager performance, portfolio characteristics, structural changes at investment managers, and regulatory issues/investigations;• Assisting the Trustees with the overall supervision of the Plan's investments by offering resources for due diligence as well as independent third-party analysis of considered investments;• Informing the Trustees of current market trends and other macroeconomic and microeconomic issues of importance to the Trustees' functions and duties;•• Advise on this statement and make recommendations for changes where necessary.• Advise on potential new areas or tools of investment.• The training of the Trustees, where required, in all matters concerning investments.
<p>Fund Managers</p> <ul style="list-style-type: none">• Operate within the terms of this statement and their written contracts.• Buy and sell individual investments with regard to their suitability and diversification.• Advise the Trustees on the suitability of the indices in their benchmark.• Duties as outlined in the "Implementation" section.
<p>TE Connectivity Treasury Team</p> <ul style="list-style-type: none">• Monitor the funding level of the Plan weekly with regards to the trigger schedule set out in the de-risking and rebalancing framework• Implement any trades as set out in the de-risking framework• Manage the Plan's cashflows and implement any trades required to meet benefit payments• Implement any trades as set out in the rebalancing policy• Meet with the Plan's investment managers on a regular basis

Direct Investments

The Pensions Act 1995 distinguishes between investments where the management is delegated to a fund manager with a written contract and those where a product is purchased directly, e.g. the purchase of an insurance policy or units in a pooled vehicle. The latter are known as direct investments.

The Trustees' policy is to review their direct investments and to obtain written advice about them regularly. When deciding whether or not to make any new direct investments the Trustees will obtain written advice and consider whether future decisions about those investments should be delegated to the fund managers.

The written advice will consider the issues set out in the Occupational Pension Schemes (Investment) Regulations 2005 and the principles contained in this statement. The regulations require all investments to be considered by the Trustees (or, to the extent delegated, by the fund managers) against a set criteria which takes into account the best interest of the member and beneficiaries, the security, quality, liquidity and profitability of the investments, as well as the nature and duration of liabilities. Also of consideration is diversification, the ability to trade on regulated markets and the use of derivatives.

Other Governance Issues

The Trustees' investment adviser has the knowledge and experience required under the Pensions Act 1995 to act within an investment capacity for the Plan.

The Trustees expect the fund managers to manage the assets delegated to them under the terms of their respective contracts and to give effect to the principles in this statement so far as is reasonably practicable.

Fund managers are generally remunerated on a flat fee basis, although some managers may use a performance-based fee structure. In addition, fund managers may pay commissions to third parties on many trades they undertake in the management of the assets and also incur other ad hoc costs.

The Trustees have appointed BNY Mellon as custodian for the Plan's holdings with BlackRock. The custodian provides safekeeping for the Plan's assets and performs the administrative duties attached, such as the collection of interest and dividends and dealing with corporate actions.

Defined Contributions ("DC")

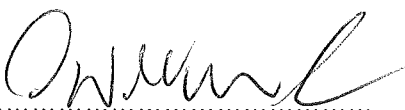
Some members obtain further benefits by paying AVCs to the Fund. The liabilities in respect of these AVC's are equal to the value of the investments bought by the contributions. From time to time the Trustees review the choice of investments available to members to ensure that they remain appropriate to the members' needs. More details are provided in the IPGD.

Document Maintenance

The Trustees will review this SIP at least every three years and immediately following any significant change in investment policy. The Trustees will take investment advice and consult with the Sponsoring Employer over any changes to the SIP.

Signed on behalf of the Trustees of the Tyco Electronics (UK) Pension Plan


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Trustee


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Trustee

Effective Date: 19/3/19

The Tyco Electronics (UK) Pension Plan ("the Plan")

Investment Policy Guidance Document

1. Introduction

This Investment Policy Guidance Document "IPGD" sets out the details of the Plan's investment arrangements based on the principle set out in the Statement of Investment Principles ("SIP"). The IPGD should be read in conjunction with the SIP.

2. Investment Strategy

The Trustees have implemented a de-risking framework designed to transition the current investment strategy of the Plan towards the long-term investment strategy as the funding level improves. Practically, the Trustees expect to gradually reduce the proportion of equity and hedge fund exposure in the Plan's portfolio and increase the allocation to liability hedging when the funding level increases to certain defined levels.

Details of the trigger points and their corresponding allocations are provided in the table below. Monitoring and implementation of the de-risking framework is delegated to the TE Connectivity Treasury Team.

Asset Allocation	Current	Funding Level (Self-Sufficiency)		
		95%	98%	100%
Global Equity	25%	20%	15%	7%
Hedge Funds	10%	5%	0%	0%
Insurance Linked Securities	5%	5%	5%	5%
Buy & Maintain Corporate Bonds	14%	14%	14%	14%
Absolute Return Bonds	14%	14%	14%	14%
LDI	32%	42%	52%	60%
TOTAL	100%	100%	100%	100%

In developing the Strategic Asset Allocation guidelines for the Plan, an emphasis is placed on the long-term characteristics of individual asset classes, and the benefits of diversification among multiple asset classes. Consideration is also given to the proper long-term level of risk for the Plan, particularly with respect to the long-term nature of the Plan's liabilities and the funded level of the Plan.

Asset Classes and Strategic Role:

- **Return-Seeking Assets:** To provide relatively high risk-adjusted return over the long term, capturing the benefits of broad investment opportunities and diversification benefits of global investment. Return expectations and risk tolerance are outlined in respective IMAs and pooled fund agreements.
- **Liability-Hedging Assets:** The liability hedging assets are designed to change in value in a similar way to the Plan's funded liabilities, when market conditions change. The Trustees have agreed to hedge the same proportion of the liability movement as the Plan's funding level (assets as a proportion of liabilities). Practically, the Trustees will increase the level of hedging in 5% increments as the funding level (on a gilts basis) increases.

- Cash and Equivalents – for paying near-term benefits and Plan expenses. Cash and Equivalents will be kept to a minimum.

The management of the liability hedging strategy and absolute return bond allocation has been delegated to BlackRock. In doing so, the Trustees have authorised BlackRock to transition assets between the absolute return bond fund and the liability hedging strategy, in order to meet collateral requirements as per the parameters set out in their Investment Management Agreement.

3. Asset Managers

The fund manager structure and investment objectives are as follows:

<p><u>MFS</u> To outperform the MSCI World Index by 2% gross per annum.</p>	<p><u>Schroders</u> To outperform the MSCI World Index by 3%-4% gross per annum.</p>
<p><u>Blackstone</u> The manager does not provide an explicit outperformance target, but for the purposes of performance comparisons we would expect the fund to target 3 Month LIBOR plus 4%-5% gross per annum.</p>	<p><u>BlackRock (Liability Driven Investment)</u> To invest in assets which match the desired proportion of any movement in liabilities.</p>
<p><u>BlackRock (Absolute Return Bond Fund)</u> To provide an absolute return regardless of market movements. This translates into a return target of LIBOR plus 3-5% p.a.</p>	<p><u>BlackRock (Buy and Maintain Corporate Bonds)</u> To invest in a diversified portfolio of primarily investment grade fixed income securities to deliver an attractive yield and spread whilst minimizing losses from defaults or downgrades.</p>
<p><u>Leadenhall</u> To deliver a no loss net return of 3 – 4% in excess of money markets.</p>	

4. Social, Environmental and Ethical considerations and Corporate Governance

All of the assets with the managers, with the exception of BlackRock LDI and Buy and Maintain Corporate Bonds, are managed in pooled funds. The Trustees accept the assets are subject to the investment managers' own policy on social, ethical or environmental considerations relating to the selection, retention or realisation of investments.

Similarly, the Trustees accept that the assets are subject to the investment managers' own policies on corporate governance and the exercise of rights (including voting rights) attaching to investments. The investment managers have outlined their policy on these issues, which the Trustees monitor for continued appropriateness.

The Trustees receive an annual governance report including an update on the policies of each of the investment managers with respect to social, ethical and environmental issues. The Trustees also receive environmental, social and governance (ESG) ratings provided by Aon based on each of their managers' policies in this area.

The Trustees are satisfied that this corresponds with their responsibilities to the beneficiaries of the Tyco Electronics UK Pension Plan.

5. Defined Contributions ("DC")

The Trustees took advice on the way in which the various pension services should be provided and it was decided that the Plan should adopt a "bundled" approach to the provision of DC services, with Standard

Life, Prudential and Equitable Life being appointed to provide the majority of scheme services, including investment management.

On the basis that the original decision to adopt a “bundled” approach still holds good, the Trustees have concluded that the utilisation of such insurance policies within this approach continues to best meet the needs of all the parties concerned.

All funds made available to members are closed to AVCs.

From time to time the Trustees will review the choice of investments available to members to ensure that they remain appropriate to the members' needs.

Investment Management Arrangements

The Trustees have appointed Standard Life, Prudential and Equitable Life as the providers and investment managers to the Plan.

The investment manager is fully responsible for the custody and security of the assets underlying the value of their respective pooled unitised funds.

Adviser Fees

The Trustees' DC advisers are paid for advice received on a fixed fee basis.

Standard Life

Default Option

The default fund for DC members is the Standard Life Deposit & Treasury Fund. The default was put in place for DC members that were transferred into the Plan without a choice of where to invest their fund, which constitutes a default under the Charges and Governance Regulations 2015.

There is no default fund in place for Additional Voluntary Contribution (AVC) members.

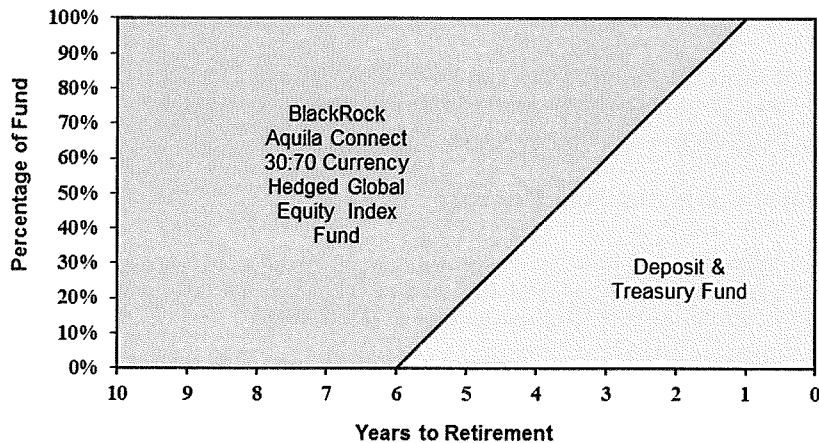
Self-select funds

There are eight funds available to members (shown in the table below). A lifestyle option is also available. All of the funds are actively managed unless otherwise stated.

Fund Name	Asset Class	Objective	Annual Management Charge (% per annum)
Standard Life BlackRock Aquila Connect 30:70 Currency Hedged Global Equity Index*	Global Equity	To track benchmark before charges	0.50
Standard Life UK Equity Select	UK Equity	Outperform the FTSE All Share Index by 3% p.a. (gross of fees)	0.90
Standard Life BlackRock Aquila Connect World ex UK Index*	Overseas Equity	To track benchmark before charges	0.50
Standard Life Schroder Intermediated Diversified Growth	Diversified Growth	Returns of CPI + 5% per annum over a five to seven year period	1.25
Standard Life Corporate Bond	Corporate Bonds	Outperform ABI Sterling Corporate Bond Sector	0.50
Standard Life Annuity Targeting Pension	Government Bonds	Invests in bonds whose prices are expected to rise and fall broadly in line with the cost of purchasing an annuity. The composite benchmark which it is expected to perform in line with consists of FTSE 0-5 Yrs Gilt Total Return GBP Index, FTSE 5-10 Yrs Gilt Total Return GBP Index, FTSE 10-15 Yrs Gilt Total Return GBP Index, FTSE 15 Yrs + Gilt Total Return GBP Index	0.50
Standard Life Property	Property	Outperform ABI UK Direct Property Sector	0.50
Standard Life Deposit & Treasury	Money Market	Perform in line with Overnight LIBOR before charges	0.50

*denotes passively managed

Lifestyle Option



The members who utilise the Lifestyle profile are invested 100% in the SL BlackRock Aquila Connect 30:70 Currency Hedged Global Equity Index Fund until 6 years from their selected retirement age (growth phase) when the automatic transition into the Standard Life Deposit and Treasury Fund commences (pre-retirement phase).

Summary of Investment Management Fee Arrangements

Annual investment management charges (including other annual charges levied by the Investment Manager) are met by the members by deduction from the unit price. The charges for each fund are shown in the above table.

Fees for Administrator

Administration charges are met by the annual management charge, which is paid by the member.

Prudential

Default Option

There is only one fund available to members, the With Profits Cash Accumulation Fund. The fund is determined to be the default fund as more than 80% of the total assets in the scheme are invested in the With-Profits fund as determined under the Charges and Governance Regulations 2015.

Fees for Administrator and Investment Manager

The regular expense charge covers the cost of administration and investment management; it is limited to 1% p.a. In addition, the cost of smoothing and guarantees is deducted from the policies asset share, the total charge over the lifetime of the policy is currently not more than 2% of the asset share.

Equitable Life**Default Option**

There is only one fund available to members, the With Profits Fund. The fund is determined to be the default fund as more than 80% of the total assets in the scheme are invested in the With-Profits fund as determined under the Charges and Governance Regulations 2015.

Fees for Administrator and Investment Manager

Charges are taken from the fund before the declaration of bonuses which is standard practice for this type of fund. This includes 1% p.a. for administration and 0.5% p.a. to meet the expected cost of guarantees and act as a buffer against risk and adverse experience.