

OVERVIEW

This brochure provides highlights of Texas Instruments' first Corporate Citizenship Report, available at: www.ti.com/csr. The report provides an overview of our social and environmental performance in 2006. It serves as a companion to TI's 2006 Annual Report, www.ti.com/corp/docs/investor, which provides financial performance data.

Global Reporting Initiative

To achieve the openness and transparency expected by our stakeholders, we used the Global Reporting Initiative's Sustainability Reporting Guidelines when crafting this report. This expands upon the annual Environmental, Safety and Health Reviews and related Operations Reports we've published previously.

More information on GRI is available at: www.globalreporting.org.

Corporate Citizenship Awards and Honors

TI is proud to be recognized for its social and environmental achievements by a variety of third parties. Many of these awards are featured throughout the report. A comprehensive list of related awards and honors is available at: www.ti.com/corp/docs/company/awardfactsheet.shtml.

COMPANY INFORMATION

Company Headquarters

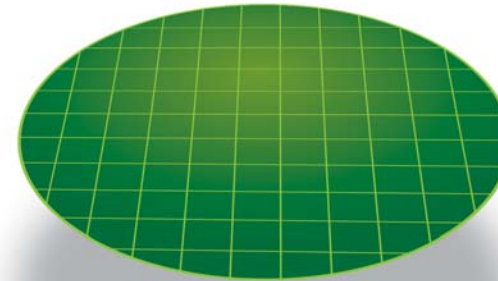
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Feedback

We welcome your comments and questions about this report: citizenshipreportfeedback@list.ti.com



BUILDING A BETTER FUTURE

2006 Corporate Citizenship Report Summary



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LETTER TO OUR STAKEHOLDERS

Active corporate citizenship has been a vital part of Texas Instruments (TI) since the day we first opened our doors. We believe that innovation transcends creating great products – it fuels our drive to make a difference in the world.

Our goal is straightforward. We want to build a better future for not only our company and our customers, but for those who work at TI and the communities in which we operate.

With increasing interest from our customers, partners and the public in the values that guide our operations, we are for the first time providing information on the broad range of TI's citizenship activities, including corporate governance, ethics, employee well-being, community involvement and product stewardship. This 2006 report, "Building a Better Future," replaces the Environmental, Safety and Health Annual Review and Operations Report we have issued in years past and gives all our stakeholders – customers, employees, investors and communities – an annual update on our social and environmental performance, as well as driving greater innovation and accountability within our company.

This report highlights some important goals we set and reached during the past year. Despite our achievements, we still have much to do. We're committed to reaching beyond the accomplishments of the last year as we continue to look for new and better ways to operate as a responsible corporate citizen – building a better future.

Regards,

A handwritten signature in black ink, appearing to read 'R. Templeton'.

Richard K. Templeton
President and Chief Executive Officer



CORPORATE CITIZENSHIP AT TI

As a global leader in technologies that are driving profound social change, we take responsibility for carefully defining the scope, direction and pace of that change.

Our commitment to making positive contributions to society and building a better future is ingrained in everything we do: from conscientious product development and consideration for environmental impact, to philanthropic care for our communities and employees. These values were established by TI's founders and are still upheld today with particular emphasis on:

- supporting programs that increase educational opportunity, particularly in math and science,
- leading the industry in green building and energy efficiency initiatives, and
- working closely with employees to better our communities.



PRODUCT STEWARDSHIP

■ *Customers today demand more from the products they buy than ever before; from quality and reliability to ecological considerations.*

- Our power management chips and digital power technologies improve the reliability of power supplies by enabling our customers to design systems that lose less energy from the power source to the product or device.
- These savings result in reduced cooling requirements, extending life spans, improving reliability through failure prediction and enabling more precise performance.
- TI energy-efficient enabling technologies products are now used in an array of applications, including server farms, industrial universal power supplies, alternative energy sources, consumer electronics like HDTVs and laptops as well as hybrid and solar-powered vehicles.



ENVIRONMENT

■ *TI's ultimate goal for sustainable operations is to achieve zero wasted resources.*

- We completed construction of our latest state-of-the-art semiconductor manufacturing facility in 2006 – the first green building of its kind in the world.
- By using green building principles, specifically Leadership in Efficiency and Environmental Design (LEED guidelines), we proved that building green can save money and benefit the environment.
- The lessons we learned proved so valuable that we have begun implementing green principles at new and existing sites worldwide.



EMPLOYEE WELL-BEING

■ *Maintaining a safe, healthy and inclusive work environment is critical to our success.*

- In 2006, Fortune Magazine included TI on its "100 Best Companies to Work For" list for the seventh year, highlighting our employee retention success.
- TI has been able to reach these milestones by responding to issues that matter most to our workforce, including flexible working hours, extensive work-life resources, an inclusive work environment, development opportunities, and robust safety and wellness programs.
- In 2006, we also achieved the lowest injury and illness rate of any U.S. semiconductor company for the third consecutive year.



COMMUNITY

■ *TI and employee volunteerism have helped build and sustain strong communities for more than 40 years.*

- Education has long been a high priority in our philanthropic endeavors. In 2006, TI and the TI foundation gave more than \$7.4 million in education-related grants and continued to take a leadership role in several education initiatives.
- In 2006, the TI India Foundation and employees raised enough money to send 20 children from the slums of Bangalore to primary school.
- TI grew our purchases from minority-owned businesses to more than \$300 million in 2006, furthering economic development in areas where we operate and uncovering new sources of support.



ADVOCACY

■ *When it matters and where it counts, TI plays an active role in public policy development.*

- TI actively engages in advocacy in legislative and regulatory processes at the local, state, federal and international levels.
- We have a government relations team with staff worldwide to monitor and engage in policy debates on a broad array of issues.
- We focus efforts on issues that impact TI's ability to grow our businesses or the business environment in which we operate, including international trade, workforce, research and innovation, telecommunications, intellectual property protection, taxation, environment, benefits and education.



CORPORATE GOVERNANCE

■ *At TI, we believe good corporate governance is a fundamental element of the company's long-term success.*

- TI's board of directors is committed to responsible and effective corporate governance. They first adopted written governance guidelines and committee charters in 1973.
- Our policies and practices have evolved over time, adapting to the needs of the company, our employees and our stockholders.
- In addition, our codes of conduct, commitment to quality and compliance at every level of operation ensure that employees and board members are held to the highest ethical standards.