

TI's global public policy priorities are aligned carefully with the company's strategic business priorities and our ethical values. This alignment not only ensures our continued growth and profitability – and our customers' success – but also supports our commitment to corporate citizenship. In 2009, TI focused on the following priorities:

**Growth**

TI supported open trade policies and sound export control regulations, and advocated for policies and incentives relevant to TI's growth priorities in regions throughout the world.

**Innovation**

In the United States, TI advocated for investment in basic research at U.S. universities, especially in the physical sciences and engineering and with respect to programs of particular relevance to the semiconductor industry. We gave considerable focus to the American Recovery and Reinvestment Act, which provided significant funding in this area and a much-needed boost in research infrastructure at universities and national labs.

TI also worked in support of the National Nanotechnology Initiative Amendments Act.

We engaged actively with U.S. federal, state and local governments to promote educational excellence at all grade levels, particularly on initiatives to improve math and science proficiency as well as math and science teaching effectiveness at the K-12 grade levels. In addition, TI actively supported programs designed to increase the pipeline of scientists and engineers through organizations such as the Semiconductor Research Corporation.

TI also continued efforts to reform U.S. immigration policies to facilitate the transition from student to permanent resident and to reduce backlogs for permanent resident visas. TI opposed legislation that would restrict our use of H-1B visa programs, the primary mechanism for employing these graduate students. These students often face multiyear waits for permanent resident visas.

**Tax issues**

TI supported U.S. federal and state tax policies to encourage research and development (R&D), including an extension of the R&D tax credit. We also joined other companies in educating policymakers about the potential impact of proposed changes to the U.S. tax treatment of active overseas income. In particular, TI urged that any changes in this area should be addressed as a part of comprehensive reform of our tax system and not made on an ad hoc basis to pay for other programs.

## **Environment, safety and health**

TI has a strong record of commitment to worker safety, ensuring a safe workplace and being a responsible steward of the environment. In the legislative and regulatory area, we worked to promote laws and regulations at the federal and state level that are well-informed and responsible, discouraging those that place undue burdens on our company's operations or undermine international competitiveness. Although much of this work was U.S.-based, TI was engaged in regulatory activities in other regions of the world.

## **Energy**

We supported many initiatives to promote the deployment of energy efficiency and clean energy technologies. Incentives to advance renewable energy, such as wind and solar in the U.S. and other regions of the world, were of particular interest.

## **Human resources**

TI closely monitored policy proposals that could affect our ability to offer flexible and cost-effective health and retirement benefit policies for our employees. We focused our interests in the health care debate on protecting ERISA; promoting greater consumerism in health care; managing burdensome regulations and high costs; and promoting wellness to drive increased safety, efficiency, accountability and quality of care.

We supported flexible policies in the workforce to ensure effective deployment of resources, encourage diversity, and offer employees stimulating and rewarding career opportunities.

## **Intellectual property protection**

TI continued efforts to ensure that pending patent reform legislation would support TI's significant investments in R&D. We joined with a number of stakeholders – including universities and renewable energy, biotechnology, nanotechnology, venture capital, manufacturing and pharmaceutical companies – to ensure that the proposed legislation did not dilute or undermine the value of our intellectual property.