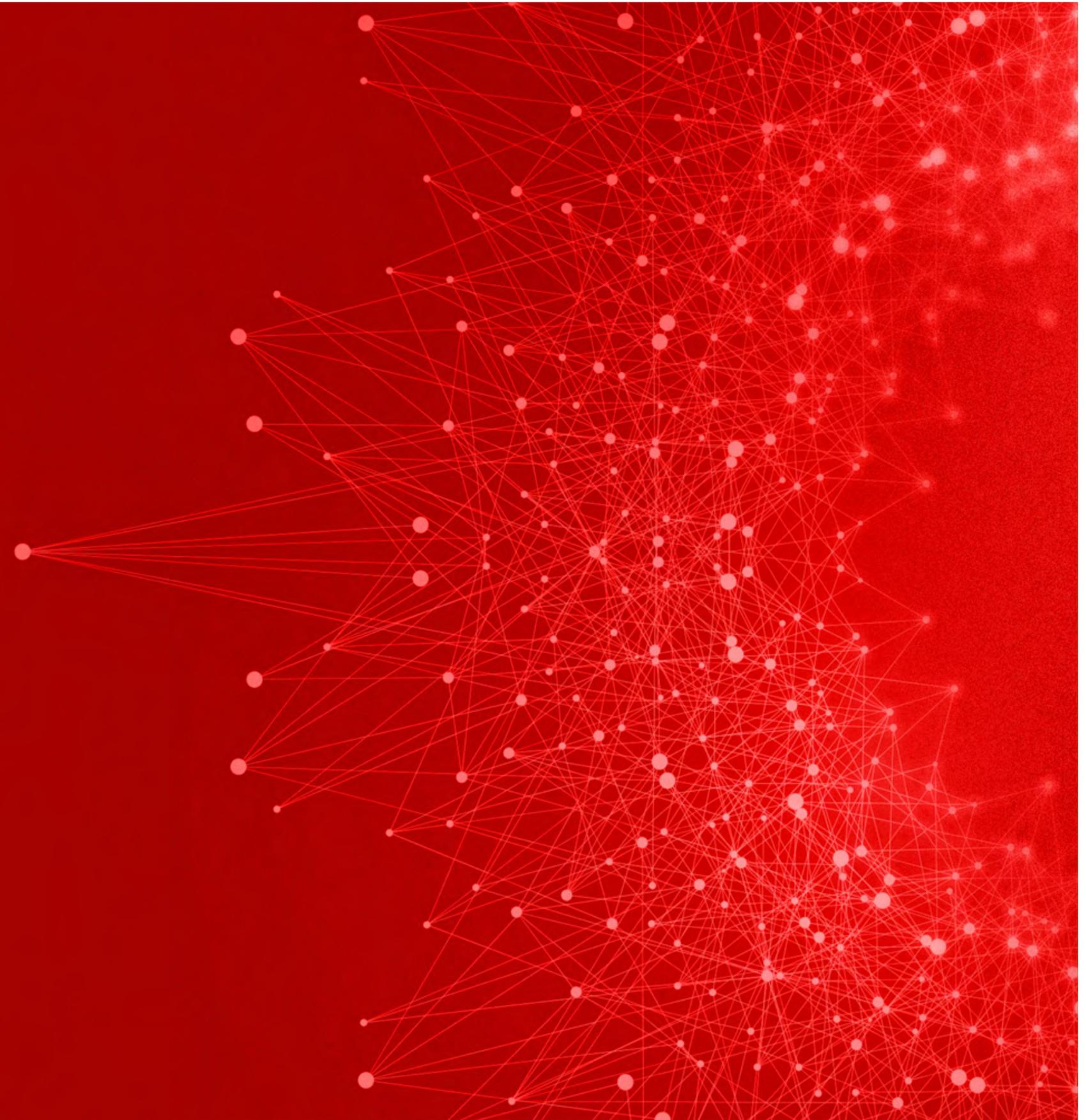# Global Reporting Initiative Index

Global Reporting Initiative

TI developed its Corporate Citizenship Report using the Global Reporting Initiative's (GRI) Sustainability Reporting Standards as guidance. This index contains general and specific standard responses of environmental, social and governance (ESG), which includes information that is not material to TI, but may be considered important to TI and to our stakeholders.

General responses

Indicator	Description	Response
102-1	Name of the organization	Our company name is Texas Instruments Incorporated (NASDAQ: TXN).
102-2	Activities, brands, products and services	To learn more about TI's products, see SEC Form 10-K, Part I, pages 3-4.
102-3	Location of headquarters	TI's headquarters are located at 12500 TI Blvd., Dallas, TX 75243.
102-4	Location of operations	See the global map on the TI at a Glance section of our website.
102-5	Ownership and legal form	For information about TI's ownership structure, see SEC Form 10-K, Part I.
102-6	Markets served	For information about the markets TI serves, see SEC Form 10-K, Part I, pages 4-5.
102-7	Scale of the organization	On Dec. 31, 2020, TI had about 30,000 employees, and manufacturing, design and sales operations in more than 30 countries. We have a broad portfolio that includes approximately 80,000 products and generated $14.46 billion in revenue (see SEC Form 10-K, Part I, Item 1, pages 2-12). The percentage of revenue by region was Asia, 65%; Europe, 16%; the Americas, 11%; Japan, 5%; and other, 3%. See also SEC Form 10-K, Item 8, Note 1, page 30).
102-8	Number of employees and workers by age, gender and type	See employee data in the Workplace section of TI's 2020 Corporate Citizenship Report. TI does not track the number of employees by employment contract and its part-time workforce is negligible. Full-time employees perform the majority of work and are supported by supplemental contractors when needed. The number of these contractors varies throughout the year.
102-9	Supply-chain description	See the Supply-Chain Responsibility section in TI's 2020 Corporate Citizenship Report and TI's Anti-Human Trafficking Statement for more information about the company's supply chain. We spend roughly 80% of procurement dollars with approximately 300 suppliers, of which about 180 are critical to supporting semiconductor manufacturing. We define "critical suppliers" as those essential to the supply strategy of a category procurement team that could cause a major disruption to manufacturing or design output. When needed, we outsource the manufacturing of wafers or product assembly and testing.
102-10	Significant changes to the organization and its supply chain	Over the past several years, we have invested in new capabilities and evolved our distribution network, aligning our distribution strategy to establish closer direct relationships with customers. With less business flowing through the distribution channel, we require fewer distributors. In 2020, we completed our transition to becoming a single worldwide distributor, coupled with a few region-specific distributors, for order fulfillment. Building closer direct customer relationships strengthens our reach of market channel advantage, which gives us access to more customers and their design projects, leading to potentially higher sales. Having broader and deeper customer access gives us better insight and knowledge into their needs. TI made no significant changes to its size, structure or ownership in 2020. For more information, see SEC Form 10-K, Part I, Item 1, page 5.
102-11	Precautionary principle or approach	To reduce or avoid negative environmental impacts, TI applies precautionary principles in many aspects of its operations where scientific evidence is insufficient or uncertain. For example, our aggressive chemical and material screening process assures that we do not use materials whose hazards are not fully understood and may not be fully controllable.

GRI continued

General responses continued

Indicator	Description	Response
102-12	External initiatives	TI's governance documents guide its business practices, which apply to all sites worldwide and evolve based on changing business needs. We also voluntarily subscribe to industry and international standards to improve our ESG performance. These include: • The International Organization for Standardization (ISO). • The GRI reporting framework to measure and report our citizenship progress. • The Task Force on Climate-Related Financial Disclosures (TCFD) to improve and increase reporting of climate-related impacts. • The Sustainability Accounting Standards Board (SASB) to disclose the financial impacts of sustainability. • The Responsible Business Alliance (RBA), which has a specific code of conduct to help ensure worker safety, protection, fairness, environmental responsibility and business efficiency in the electronics industry. • The U.S. Green Building Council's LEED Green Building Rating System to design and operate efficient and low-impact manufacturing facilities. • The CDP, which helps investors, companies and cities act to build a sustainable economy.
102-13	Membership of associations	TI belongs to many associations with which it works on various policy objectives. We are more active in some organizations than others and do not work on all association issues. We may not align on all positions. We also collaborate with other outside groups and coalitions, such as the RBA and Semiconductor Industry Association, to advance policies that drive growth; promote competitiveness; and support our shareholders, customers, employees and the communities in which we operate.
102-14	Statement from senior decision-maker	To read about TI's commitment to citizenship and sustainability, see the CEO letter in TI's 2020 Corporate Citizenship Report.
102-16	Values, principles, standards and norms of behavior	TI's policy is to conduct business in accordance with the highest ethical standards. We published our first ethics guide in 1961, which is a historic foundation of our business practices. We recently launched Living our values – TI's ambitions, values and code of conduct, which describes our: • Ambitions: what we desire and are determined to achieve. • Values: principles that define who we are and how we behave. • Code of conduct: standards we commit to uphold. • Policies: rules to govern our decisions and behavior. A core group of leaders developed Living our values – TI's ambitions, values and code of conduct, while TI's management committee and executive officers provided oversight, input and direction. The TI board of directors approved the directive and Rich Templeton, TI chairman, president and CEO, signed. This document is available in multiple languages. All TI leaders are accountable for conducting business according to the code. TI's CEO and senior vice president (SVP) of human resources (HR) held about 12 virtual roundtables with company leaders to equip, train and set expectations for leading and conducting business following Living our values – TI's ambitions, values and code of conduct. We use various mechanisms to measure the completion of training and compliance with our conduct expectations and policies. We measure, for example, completed training percentages and survey results.

GRI continued

General responses continued

Indicator	Description	Response
102-16 continued	Values, principles, standards and norms of behavior continued	Responsibility for Living our values – TI's ambitions, values and code of conduct begins with Chairman, President and CEO Rich Templeton and our board of directors. Leaders at every level of the company are accountable for modeling our ambitions and values, upholding Living our values – TI's ambitions, values and code of conduct, and holding their organizations accountable. Our chief compliance officer, SVP of HR, and ethics and compliance directors work with other stakeholders to oversee and coordinate ethics and compliance programs across TI. They periodically share updates and results with the board of directors' Audit Committee, senior managers and other executives to drive continuous and effective improvement. TIers are encouraged to raise questions or concerns about conduct that may be inconsistent with Living our values. TI will not tolerate retaliation against those who have reported an issue in good faith. Anyone who retaliates against an employee for these activities is subject to disciplinary action, including termination.
102-18	Governance structure	Read more about TI's governance structure, roles and responsibilities on the governance overview web page. For board diversity data, see the Governance section in TI's 2020 Corporate Citizenship Report.
102-30	Effectiveness of risk-management processes	See the Risk Management and Business Continuity section of TI's 2020 Corporate Citizenship Report for more information about TI's risk management and business continuity practices. **Governance** TI takes a holistic approach to risk management to build a culture that minimizes risk exposures and protects shareholder value. TI's Audit Committee has oversight responsibility for financial risk (such as accounting, finance, internal controls and tax strategy). Our board of directors' committees share oversight responsibility for compliance risk. TI also has an independent Business Continuity steering team that oversees its business continuity strategy, policy, program and plans. Team members meet regularly to discuss risks, best practices and implementation plans, and take a lead role if disruptive events occur. They also provide an annual update to the chief financial officer. **Monitoring risks** All TI organizations and teams are expected to identify potential risks to employees, business practices, the supply chain and the environment. They conduct formal risk assessments and invest in controls that benefit our company, our customers and our communities. We then validate and monitor findings until actions are complete. Each quarter, we report risks and mitigation plans to senior managers. We also annually disclose risks in SEC Form 10-K. **Grievance channels** Stakeholders can contact ti.com/support or their account managers with any risk-related questions, concerns or grievances.
102-40	List of stakeholder groups	TI's stakeholders include employees, customers, shareholders, communities where we have operations, academia, public officials, trade associations, regulatory agencies, nongovernmental organizations, analysts, investors, suppliers, contractors, TI retirees and potential employees.
102-41	Collective bargaining agreements	Employees at any of our global operations have always had the freedom to associate and the right to collective bargaining as provided by local statutes; therefore, we do not track the percentage of employees covered by such agreements.
102-42	Identifying and selecting stakeholders	We engage with stakeholders who directly influence or have an interest in our operations.
102-43	Approach to stakeholder engagement	We tailor our dynamic engagement strategies, methodologies and communications to the unique interests of the people and organizations that directly influence or have an interest in our operations. Engagement mechanisms generally include meetings, calls and emails and vary in frequency. Our senior leaders regularly share stakeholder feedback on ESG matters with the executive team and board of directors. Stakeholders can ask questions or share opinions through our website (TI.com), email address (citizenshipfeedback@list.ti.com) and social media channels. We have an accounting and audit hotline for addressing accounting- and audit-related topics, and relate all inquiries received on the hotline to the Audit Committee chair of our board of directors.

GRI continued

General responses continued

Indicator	Description	Response
102-44	Key topics and concerns raised	Through informal engagement with stakeholders in 2020, we learned that their top questions or issues were related to diversity and inclusion, greenhouse gas emissions reduction strategy and goal setting, addressing environmental-related risks, renewable energy, water conservation, and labor and human rights.
102-45	Entities included in consolidated financial statements	TI has two reportable segments: analog and embedded processing. We report the results of our remaining business activities in Other (see SEC Form 10-K, Part I, Item 1, pages 3-4). TI's Corporate Citizenship Report covers ESG topics for all TI-owned entities and facilities included in our financial statements.
102-46	Defining report content and topic boundaries	We solicit input from internal and external stakeholders throughout the year through regular engagement. We also examine third-party sustainability assessments and benchmark disclosure trends and best practices. We then compare these inputs to our company priorities to determine what topics and disclosures to include in our annual Corporate Citizenship Report.
102-47	List of material topics	Following the release of TI's 2019 Corporate Citizenship Report, we conducted extensive peer, customer and competitor benchmarking to determine where we should consider updating disclosures to support the work we are doing on ESG topics. We also met with leaders to review opportunities and discussion topics for our 2020 report. The results of those discussions led to including the following topics and some expanded disclosures in our 2020 report. In some instances, these topics may include additional disclosures not related to material topics. • Business continuity and risk management. • Environmental impact (air and greenhouse gas emissions, energy consumption and use of renewable sources, and water and wastewater). • Materials and chemical management. • Product quality, reliability and distribution. • Volunteering and giving. • Workplace (diversity and inclusion, recruitment and retention, development, compensation and work-life balance and resources, and employee health and safety). • Supply-chain responsibility (including labor and human rights and conflict minerals). • Ethics. • Information protection. • Public policy. • TI's response to the COVID-19 pandemic.
102-48	Restatements of information	We included any restatements of information in footnotes within TI's 2020 Corporate Citizenship Report.
102-49	Changes in reporting	TI's 2020 Corporate Citizenship Report tells the company's citizenship story and elaborates on goals and progress in key focus areas. We continue to report according to the GRI reporting framework as we've done for more than 15 years. In 2020, we added the TCFD and SASB indices to our disclosures.
102-50	Reporting period	The reporting period covers the calendar year 2020.
102-51	Date of the most recent report	TI published the 2019 Corporate Citizenship Report in August 2020.
102-52	Reporting cycle	TI produces a citizenship report annually.

GRI continued

General responses continued

Indicator	Description	Response
102-53	Contact point for questions regarding the report	For questions about citizenship at TI or its corporate citizenship report, email citizenshipfeedback@list.ti.com.
102-54	Claims of reporting in accordance with the GRI standards	TI prepared its 2020 Corporate Citizenship Report using the GRI Standards: Core option.
102-55	GRI content index	This GRI Index contains information and data about TI's significant topics of interest and directs readers to more information where applicable.
102-56	External assurance	We perform extensive internal due diligence to ensure the accuracy of the information and data presented in this report. In 2020, TI conducted limited assurance of scope 1 and scope 2 greenhouse gas emissions data (see the Assurance Statement). We currently do not seek independent assurance of any additional nonfinancial data; however, Ernst & Young audits the TI Foundation's financial records annually.

Economic standards

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	Learn more about TI's financial oversight in the 2020 Annual Report, 2021 Proxy Statement and SEC Form 10-K.
201-1	Direct economic value generated and distributed	Our 2020 Annual Report provides information about our financial performance. For philanthropic contributions, see the Giving and Volunteering section of TI's 2020 Corporate Citizenship Report.
201-2	Financial implications and other risks and opportunities due to climate change	TI evaluates risks related to the changing environment, such as severe weather, water availability, flooding and other threats. Each site and each region evaluate these broader environmental risks. We invest capital in engineering controls that reduce operational and environmental impacts. Each manufacturing site's financial value is based on product revenue generated and its assets. Any potential revenue loss associated with an environmental or severe weather event generates a potential business interruption loss, which we can offset in part by insurance. TI's Risk Management and Business Continuity office reports companywide risks, such as those associated with environmental change, to the chief financial officer.
201-3	Defined benefit plan obligations and other retirement plans	TI has various employee retirement plans, including defined contribution, defined benefit and retiree healthcare benefit plans. Contributions to these plans meet or exceed all minimum funding requirements. For more information, see SEC Form 10-K, Item 8, Note 8, pages 44-49: Post Retirement Benefit Plans. For all U.S. employees (for those who choose to opt into and contribute to a 401(k), we match 100% of their contributions, up to 4% of annual eligible earnings. We match half of that for employees who also contribute to our pension plan. Also, eligible and highly compensated employees can defer a portion of their base pay, year-end bonus and profit-sharing. We offer a global profit-sharing program that rewards all eligible TIers for contributing to our financial success. Some countries, such as France and Mexico, have statutory requirements for their local profit-sharing programs, which we meet.
201-4	Financial assistance received from the government	TI receives tax-benefit incentives from federal, state and local governments around the world. These incentives are commonly available to manufacturing companies with investments in equipment and facilities, employment, and R&D. See SEC Form 10-K, Part II, Item 8, Note 4, pages 38-40 and our Tax Policy for additional details.

GRI continued

Market presence

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Compensation and Work-Life Balance and Resources sections of TI's 2020 Corporate Citizenship Report and Employment Disclosure of Management Approach in this GRI Index to learn more about our compensation management approach.
202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	TI does not maintain a standard entry wage for every country. However, we verified that we are paying employees above the local minimum wage in every country in which we operate. We compensate each employee based on their experience, roles and responsibilities, regardless of gender, race, ethnicity or other protected characteristics.
202-2	The proportion of senior management hired from the local community	TI's strategy is to invest in employee development and hire the best and brightest individuals to work at the company. We hire externally or promote from within for the majority (90% or more) of senior management positions (vice presidents and above) within the communities where we operate.

Procurement practices

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Supply-Chain Responsibility section of TI's 2020 Corporate Citizenship Report to learn more about the company's management approach. **Governance** TI's vice president of Worldwide Procurement and Logistics, who reports directly to the chief financial officer, leads supply-chain management. Together, they oversee supply-chain policies, performance and risk management. TI's director of supply-chain responsibility oversees supplier social responsibility and manages supplier diversity. **Engagement** When initiating relationships with suppliers, we educate them about our standards and expectations for safe, humane and ethical labor practices, as well as human trafficking, forced labor and workers' rights. We communicate these guidelines in meetings; on our supplier website; and in purchase orders, supplier contracts and other related documents. We also routinely engage and collaborate with industry groups such as the RBA, the Semiconductor Industry Association, and Semiconductor Equipment and Materials International to discuss and create supply-chain standards and share best management practices. **Training** We deliver online and in-person training on our Supplier Code of Conduct, standards and expectations. We also leverage RBA's training programs to help suppliers understand the alliance's code of conduct, labor risks, respecting workers' rights, hiring migrant workers and more.

GRI continued

Procurement practices continued

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach continued	**Conflict minerals** TI was early members of the Responsible Minerals Initiative (RMI), created by members of the RBA/Global E-Sustainability Initiative, to help advance effective policies that address conflict mineral concerns. TI helped create and test tools that track the sourcing of minerals, conducted smelter outreach, and contributed to the RMI's initial audit fund. The RMI also works with companies to develop plans to exercise their due diligence over cobalt supply chains in accordance with the OECD's Due Diligence Guidance for Responsible Supply Chains of Minerals from Conflict-Affected and High-Risk Areas. In addition to current requirements, TI has started taking steps to disclose the use of cobalt in its supply chain. **Grievance mechanisms** TI has established grievance mechanisms to ensure that its buyers or procurement representatives meet with suppliers to address any questions or concerns. Our Supply-Chain Management team can also assist with identifying and addressing issues inconsistent with our ethics and values. If suppliers (or employees or contractors of suppliers) prefer, they can contact our Ethics Office to ask questions or discuss issues anonymously. Our Supplier Code of Conduct requires our suppliers to establish and maintain programs that ensure the confidentiality, anonymity and protection of supplier and employee whistleblowers unless prohibited by law. Suppliers must have a communicated process for their personnel to raise any concerns without fear of retaliation. **Resources** TI allocates extensive financial, human, training, information and engagement resources to help suppliers understand its policies and expectations, roles and responsibilities, performance and ethics expectations, and environmental, safety and health (ESH) and labor protections.
204-2*	The proportion of spending on U.S. minority- and women-owned enterprises	In 2020, 12.1% of our U.S. procurement contracts went to minority- and women-owned enterprises, exceeding our 8.5% goal.

Anti-corruption

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Ambitions, Values and Code of Conduct section of TI's 2020 Corporate Citizenship Report and Living our values – TI's ambitions, values and code of conduct to learn more about the company's management approach to anti-corruption. We assess all our manufacturing sites for corruption and ethics risks annually using the RBA's self-assessment tools. Additionally, we leverage an industry-leading anti-corruption and third-party management system to assess our external engagements.
205-1	Operations assessed for risks related to corruption	TI's anti-corruption compliance program assesses its worldwide operations and suppliers for risks related to corruption. TI operates in China, India, Mexico, Malaysia, the Philippines and Russia/Eastern Europe, which are considered at higher risk for corruption. However, the semiconductor industry is relatively low risk compared to construction, extractive or other industries where conducting business requires considerable interaction with government officials. We have policies in place and conduct focused training for certain high-risk countries and functions to address and mitigate these risks.

GRI continued

Anti-corruption continued

Indicator	Description	Response
205-2	Communication and training about anti-corruption policies and procedures	TI provides ethics and compliance awareness training that includes anti-corruption topics to all employees, select vendors and third parties. Additionally, our Anti-corruption Policy and code of conduct are available to all employees and translated into multiple languages. We assess and revise training programs and related efforts periodically to reflect legal changes and to support continuous compliance improvement.
205-3	Confirmed incidents of corruption and actions taken	TI investigates all reports for review and action. In the event of any confirmed incidents, we would take appropriate remedial actions. For confidentiality reasons, we do not publicly report the number or nature of such incidents.

Anti-competitive behavior

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Ambitions, Values and Code of Conduct section of TI's 2020 Corporate Citizenship Report and Living our values – TI's ambitions, values and code of conduct to learn more about the company's management approach to anti-competitive behavior. Our code of conduct sets forth these principles: • We compete fairly. • We follow the laws, rules and regulations where we operate, and also require our suppliers to do the same. • We are committed to win, but we'll never break the rules in order to win. • We promise to respect all regulations and laws that promote fair competition.
206-1	Legal actions for anti-competitive behavior, antitrust and monopoly practices	For material legal proceedings involving TI, see SEC Form 10-K, page 15.

Environment standards – ESH

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Sustainability section of TI's 2020 Corporate Citizenship Report and the associated ESH indicators in this GRI Index to learn more about how TI manages ESH. **Governance** See Board Oversight of ESG Matters. **Management system** Our ESH management system facilitates the planning, execution, evaluation and management oversight of activities and strategies. It helps us mitigate risks, improve our performance, fulfill compliance obligations and achieve our objectives. Programs include extensive chemical and material screening, material sourcing, waste profiling, emissions management, and responsible recycling and disposal. We require 100% of our employees and supplemental contractors at all TI manufacturing and assembly/test sites to adhere to management system requirements. Other personnel not managed by TI are responsible for following their companies' ESH management procedures and applicable regulatory requirements. **Policies** TI's ESH Policy is available in multiple languages: English, Traditional Chinese, Simplified Chinese, Japanese, Malay, Spanish, German and Korean.

GRI continued

Environment standards – ESH continued

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach continued	**Goals** TI sets companywide and/or site-specific GHG emission reduction, landfill diversion, water conservation and energy reduction goals. We track and report the effectiveness of these initiatives to senior leaders quarterly. **Engagement** We evaluate potential positive and negative impacts that a proposed project may have on a community by conducting environmental impact assessments before site selection. **Assessment** To ensure that our internal management system is effective, the Worldwide ESH Compliance Support team and independent third parties perform audits at each facility every three years; in interim years, the facilities perform self-assessments. They examine compliance with legal and TI standards and training effectiveness. Additionally, we: • Survey employees and external stakeholders. • Conduct legally required inspections and monitor incident rates. • Benchmark against the RBA's self-assessment disclosure and its code of conduct, as well as against peers and members of the Semiconductor Industry Association. • Have select sites third-party audited under the RBA's Validated Audit Process. We communicate gaps and best practices to other sites so that similar issues will not occur. Each manufacturing site also reports performance using a scorecard that measures energy use, water efficiency and landfill diversion. We share scorecards internally for transparency and best-practice awareness and as an accountability mechanism. We have not made any significant adjustments to our corporate-level ESH management system because of audit findings. **Grievance channels** We offer several channels through which internal and external stakeholders can submit ESH questions, concerns or grievances. All employees and supplemental contractors have "stop work" authority to remove themselves from work situations that they believe could cause injury, illness or environmental harm. They also can contact their supervisor, site ESH staff or anonymously contact the TI Ethics Office. Customers can contact ti.com/support or direct all other ESH-related inquiries to citizenshipfeedback@list.ti.com. **Resources** TI allocates extensive financial, human, training, information and engagement resources to help TIers monitor and control potential ESH impacts, protect employee health and safety, understand specific ESH roles and responsibilities, and drive improvements.

Environment standards – Materials

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Materials and Chemical Management section of the Sustainability section of TI's 2020 Corporate Citizenship Report and ESH Disclosure of Management Approach in this GRI Index to learn more about the company's management approach.

GRI continued

Environment standards – Materials continued

Indicator	Description	Response
301-1	Materials used by weight or by volume	See the Materials and Chemical Management section section of TI's 2020 Corporate Citizenship Report for materials generated by weight.
301-2	Percentage of materials used that are recycled input materials.	The associated process materials TI uses are chemicals that are necessary for the manufacturing process but are not part of the final TI product. Because semiconductor processing chemicals must be ultra-pure, we collect and reuse oxide slurry at some of our sites. Where feasible, we also collect waste acids from our processes for reuse in abatement equipment.
301-3	Reclaimed products and their packaging materials	Currently, we are unable to determine the percentage of reclaimed products by category, customers or end users. TI participates in various recycling programs but cannot control how customers handle the semiconductors they place in their products or end-of-life disposition. Since our customers are ultimately responsible for managing any social or environmental impacts that result from the useful life and disposal of end equipment such as smartphones or computers, we provide detailed information about the substances used in our products. Customers can incorporate this component compliance data into their product assessments and make informed decisions about end-of-life disposal. The data is available through our Material Content Tool.

Environment standards – Energy

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Energy Use section of TI's 2020 Corporate Citizenship Report and ESH Disclosure of Management Approach in this GRI Index to learn more about how we manage energy. We track energy use at each site as well as progress against consumption goals. We calculate consumption data from sites that we financially control and that are larger than 50,000 square feet. The countries where we operate require TI's compliance with applicable energy use and building codes. We voluntarily report energy consumption data to the CDP and in this report each year.
302-1	Energy consumption within the organization	See the Energy Use section in TI's 2020 Corporate Citizenship Report. TI does not sell any energy outside of the company.
302-3	Energy intensity	See the Energy Use section of TI's 2020 Corporate Citizenship Report. Our 2020 energy intensity ratio was 0.35. When calculating energy intensity, we divide the total energy consumption by the number of wafer chips (not including external manufacturing) produced each year. We then compare this to a 2005 baseline to report a ratio based only on internal energy consumption. The energy types included in the ratio are natural gas, gasoline, diesel, electricity, propane, fuel oil, liquid petroleum gas and district heating.
302-4	Reduction of energy consumption	See the Energy Use section of TI's 2020 Corporate Citizenship Report for reduction data. Energy conservation savings are based on electricity, fuel and heating projects. The basis for calculation is the estimated annualized reduction for each project, with the total reported as the sum of all annualized savings estimates. For capital investments over $50,000, we validate energy conservation savings by taking additional pre- and post-project consumption measurements.
302-5	Reductions in energy requirements of products and services	TI does not have data collection processes to track, record and report this information exactly this way.

GRI continued

Environment standards – Water

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Water and Wastewater Management section of TI's 2020 Corporate Citizenship Report, ESH Disclosure of Management Approach in this GRI Index and TI's CDP Water Security response to learn more about water management. TI's global ESH water-management standard outlines requirements of wastewater programs, sewage treatment programs, stormwater pollution prevention and water reduction activities at each site. Additionally, we: • Visually inspect wastewater treatment plants multiple times a day to ensure that they are operating properly and not leaking. • Periodically clean the plants and inspect the treatment basins for integrity. • Hire trained or certified operators as required. We calculate consumption data from water utility bills at sites that we financially control and that are larger than 50,000 square feet. Each year, we voluntarily report our water footprint to the CDP and in this report.
303-1	Interactions with water as a shared resource	See the Water and Wastewater Management section of TI's 2020 Corporate Citizenship Report and TI's CDP Water Security response to learn more about how TI interacts with water and works with stakeholders regarding this shared resource. There have not been water impacts directly attributed to discharges and runoff at any TI site. We sustain this by maintaining compliance with discharge limits in our permits, following TI standards, and ensuring that sites follow good housekeeping practices to minimize exposure to water pathways. All of TI's main manufacturing and assembly/test facilities set annual water reduction goals based on projects they identified as part of the company's ongoing energy and water reduction program. Sites decide which projects to pursue based on various factors, including economic payback and impact on process system stability and reliability. Public policy and water stress factor into these decisions indirectly. Both public policy and water stress impact the cost and availability of water, which make water reductions more attractive from a financial standpoint or if they are necessary for system reliability.
303-2	Management of water discharge-related impacts	See the Water and Wastewater Management section of TI's 2020 Corporate Citizenship Report and TI's CDP Water Security response to learn more about wastewater management. Local regulatory agencies set minimum quality standards for effluents, which all TI sites manage to permissible limits. Some regulators incorporate sector-specific standards to set their requirements. We consider and monitor all receiving water bodies to ensure no negative impacts from our effluents and discharges. Our internal water-management standard includes guidelines that ensure compliance with wastewater, stormwater and sewage discharge permits and other requirements. Sites monitor water quality and have procedures to manage spills or other abnormalities. We report wastewater discharges and the portion of total water discharged through regulated wastewater treatment points to local, state, federal and international regulatory agencies.
303-4	Total water discharge and priority discharges of concern for which discharges are treated	See the Water and Wastewater Management section of TI's 2020 Corporate Citizenship Report for discharge data. Federal, state or local regulators create wastewater permits that define and determine priority substances that must meet discharge limits. We comply with these limits by treating water in on-site treatment plants, separating concentrated metals and solvents from waste streams, and other measures. TI did not receive any notices of violation for noncompliance with discharge limits in 2020. To anticipate substances that government entities may regulate in the future, TI participates in several industry workgroups. Together, we research and assess data of chemicals used in production using both standard sampling methodologies and analytical methods, as well as those developed by member companies.

GRI continued

Environment standards – Water continued

Indicator	Description	Response
303-5	Water consumption and storage	See the Water and Wastewater Management section of TI's 2020 Corporate Citizenship Report for consumption and storage data. We calculate consumption data from total water usage and site-specific factors, such as evaporation, irrigation, boiler use or cooling tower use. We verify this data by examining site water balances and discharge flow rates from our wastewater and sewage treatment systems. TI reports water usage data to local, state, federal and international regulatory agencies.
303-3	Water withdrawal	See the Water and Wastewater Management section of TI's 2020 Corporate Citizenship Report for water withdrawal data. Municipal sources and groundwater supply our water. We calculate consumption from water utility bills at sites that we financially control and that are larger than 50,000 square feet.

Environment standards – Biodiversity

Indicator	Description	Response
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	TI's worldwide semiconductor design, manufacturing and assembly/test sites are located in industrial areas, inner-city areas, suburban areas and areas surrounded by agricultural farmlands. One 69-acre fabrication site in South Portland, Maine, is located in the Long Creek Watershed Management District. TI complies with applicable state and federal regulations that protect this terrestrial and freshwater ecosystem. Other TI sites also adhere to rigorous air emission, water and wastewater goals, and requirements to manage the company's impact on biodiversity. We contribute to biodiversity by planting indigenous trees where we have sites and participating in community cleanup events in locations worldwide.

Environment standards – Emissions

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Air Emissions and GHG Emissions sections of TI's 2020 Corporate Citizenship Report, ESH Disclosure of Management Approach in this GRI Index and TI's CDP Climate Change response to learn more about how we manage emissions. We conduct routine monitoring and audits to comply with air quality and GHG emission regulations and reporting requirements that vary by country, state and municipality. We are required to report U.S. GHG emissions to the U.S. Environmental Protection Agency (EPA) to comply with its mandatory reporting requirements. The EPA requires that the semiconductor industry (among other industries) measure and report annual fluorinated GHG emissions (such as sulfur hexafluoride, perfluorocarbons [PFCs] and hydrochlorofluorocarbons) as well as GHG emissions from combustion sources. We also voluntarily report our GHG emissions data to the World Semiconductor Council (as part of the U.S. industry report), the CDP and in our annual corporate citizenship report. TI reports U.S. air emissions data to federal and state regulators. We also report chemical releases and pollution prevention activities to the EPA's Toxic Release Inventory. Boundaries We measure scope 1 and 2 GHG emissions from TI-owned or leased sites larger than 50,000 square feet. This accounts for 97% of our total square footage and more than 99% of our equivalent carbon dioxide emissions. We do not report data from subcontractors, supplier manufacturing facilities or facilities smaller than 50,000 square feet.

GRI continued

Environment standards – Emissions continued

Indicator	Description	Response
305-1	Direct (scope 1) GHG emissions	See the GHG Emissions section of TI's 2020 Corporate Citizenship Report for scope 1 data. The gases included in our data calculations include carbon dioxide (CO2), methane (CH4), nitrous oxide (N_2O), hydrochlorofluorocarbons (HFCs), PFCs, sulfur hexafluoride (SF_6) and nitrogen trifluoride (NF_3). We calculate scope 1 GHG emissions using relevant guidelines from the Intergovernmental Panel on Climate Change (IPCC) and the EPA's Mandatory Reporting Rule, along with published emission factors. Our methodology includes accepted quantification methods, emission factors and global warming potential. For more information, see TI's CDP Climate Change response.
305-2	Energy indirect (scope 2) GHG emissions	See the GHG Emissions section of TI's 2020 Corporate Citizenship Report for scope 2 data and our response to indicator 305-1. The gases included in our data calculations include CO_2, CH_4 and N_2O. We have not made any significant changes in emissions that triggered recalculations of base year emissions. The EPA's GHG Mandatory Monitoring and Reporting Requirements (MRR) Final Rule is our source of the emissions factors and global warming potential rates. Scope 2 electricity emission factors are from the U.S. EPA eGRID for U.S. sites and the International Energy Agency for all international sites. All calculations for scope 2 emissions follow either U.S. EPA MMR or IPCC Tier 2 requirements. For more information, see TI's CDP Climate Change response.
305-4	GHG emissions intensity	Our normalized GHG emissions intensity ratio in 2020 was 0.31. The ratio is equal to the emissions intensity in 2020 divided by the emissions intensity in 2005. We calculate the intensity using both scope 1 and scope 2 emissions, with CO_2, CH_4, N_2O, HFCs, PFCs, SF_6 and NF_3 as the numerator and the number of chips produced within TI as the denominator.
305-5	Reduction of GHG emissions	TI's normalized scope 1 and scope 2 emissions were down by 15.4% from 2019 to 2020. See the GHG Emissions section of TI's 2020 Corporate Citizenship Report and TI's CDP Climate Change response for more information about emission reductions.
305-6	Emissions of ozone-depleting substances (ODSs)	See the Materials and Chemical Management section of TI's 2020 Corporate Citizenship Report for more information about ODSs. TI does not allow the use of Class I and Class II ODSs, except in closed-loop refrigeration systems if the refrigeration system equipment was purchased or acquired before the ODS refrigerant's elimination date. We do store some refrigerant gases for maintaining refrigeration systems for our chillers. In 2020, a chiller leak caused the release of small amounts of refrigerant.
305-7	Nitrogen oxides (NOx), sulfur oxides (SOx) and other significant air emissions	See the Air Emissions section of TI's 2020 Corporate Citizenship Report for U.S. air emissions data.

Environment standards – Effluents and waste

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	For information about how TI manages effluents and waste, see the Water and Wastewater Management and Materials and Chemical Management sections of TI's 2020 Corporate Citizenship Report and the Water and Material Disclosure of Management Approach sections of this GRI Index. TI makes every effort to purchase only what is necessary to run its business and recycles, reuses or sells scrap and waste materials such as shipping materials or chemicals. TI generates hazardous, nonhazardous, office and one-time waste. We have implemented waste reduction programs at all manufacturing sites and set a 2021 goal to divert 90% of the materials we generate from landfills.
306-1	Water discharge by quality and destination	See the Water and Wastewater Management section of TI's 2020 Corporate Citizenship Report for water discharge data. We treat water before discharge by neutralizing pH levels; using biotreatment for domestic waste; and segregating other waste, solvents and metals. We segregate some acid waste streams for either disposal, recovery or reuse.

GRI continued

Environment standards – Effluents and waste continued

Indicator	Description	Response
306-2	Waste by type and disposal method	See the Materials and Chemical Management section of TI's 2020 Corporate Citizenship Report for waste data. We treat all hazardous waste per regulatory requirements. For waste that requires specialized handling, we only use vendors equipped with the knowledge and expertise to handle, dispose or recycle waste properly. We comply with local rules and regulations for all handling of our waste. We audit the waste-management vendors we use to ensure that they responsibly handle waste and meet all regulatory requirements.
306-3	Significant spills	No significant spills occurred in 2020.
306-4	Transport of hazardous waste	We thoroughly vet and contract with established waste-management firms to remove, transport and properly dispose of hazardous waste. Although the regulatory bodies in the countries where we operate differ on what materials they classify as hazardous waste, we do not treat, process, dispose of, import or export hazardous waste generated from our facilities. We also do not ship hazardous waste, as defined in the Basel Convention, across international boundaries.

Environment standards – Environmental compliance

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the ESH Disclosure of Management Approach section of this GRI Index to learn more about environmental compliance.
307-1	Noncompliance with environmental laws and regulations	TI received no significant fines nor nonmonetary sanctions for environmental noncompliance in 2020.

Environment standards – Supplier environmental assessment

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Supply-Chain Responsibility section of TI's 2020 Corporate Citizenship Report for more information about the company's management approach.
308-2	Significant negative environmental impacts in the supply chain and actions taken	TI works with thousands of suppliers worldwide and communicates company expectations for responsible environmental performance. We assess strategic and high-risk suppliers against these and other criteria set by the RBA's code of conduct – as well as our policies and standards. In 2020, we evaluated 140 suppliers with 332 factory locations. Our findings revealed no significant negative environmental impacts or concerns. As a result, we did not terminate any relationships.

GRI continued

Social standards – Employment

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Workplace section of TI's 2020 Corporate Citizenship Report to learn more about how the company manages issues that impact its workforce. **Governance** TI's SVP of HR establishes and maintains strategic direction and effective communication and reports to the CEO. Our HR leaders are responsible for developing strategies, programs, protocols and processes essential for effective productivity. This oversight ensures compliance with relevant regulations. • The SVP of HR and head of diversity and inclusion oversee our diversity and inclusion programs. • The SVP of HR and the head of talent development oversee our development programs. • The SVP of HR and head of talent acquisition oversee workforce recruitment efforts. • The SVP of HR and head of compensation, benefits and HR operations oversee employee compensation. • Managers, with the support of HR, are responsible for employee retention. In addition, site teams are responsible for implementing multifaceted and tailored retention programs and for complying with site-specific employment laws. • The Compensation Committee of TI's board of directors oversees compensation practices relating to executive personnel. **Policies and commitments** TI's commitment to equal employment opportunity extends to recruiting, hiring, training, promotions, transfers, compensation, benefits, termination, and all other terms and employment conditions. We administer employment decisions in a nondiscriminatory manner without regard to race, color, religion, sex, gender, gender identity and expression, sexual orientation, marital status, national origin, ancestry, age, disability, genetic information, protected medical conditions, pregnancy, military and veteran status, or any other characteristic protected by applicable law. TI does not tolerate any harassment, intimidation or violence. We also have other policies related to flexible work, conduct, privacy protection, wages, workforce reductions and performance improvement. **Grievance channels** We offer several channels through which TIers can submit questions, concerns or grievances without fear of retaliation, including to their supervisor, HR representative or anonymously through the Ethics Office. We also have multiple avenues to report work-related injuries, illnesses, hazards and risks to supervisors. **Assessment** We conduct in-depth analyses of our compensation system to look for any unexplained pay discrepancies and the reasons behind them. If we find disparities, we explore if factors such as market pay ranges, performance or experience support the difference; and if unjustified, we adjust. **Resources** TI allocates extensive financial, human, training, information and engagement resources to help employees understand its vision and expectations, their roles and responsibilities, learning opportunities, health and safety protections, and other labor-related needs.

GRI continued

Social standards – Employment continued

Indicator	Description	Response
401-1	Number and rate of new hires and employee turnover by age, region and gender	TI hired 2,122 employees (excluding interns) in 2020 and total turnover was 7.1%. Prior to 2020, TI reported voluntary turnover only. Voluntary turnover was 7.4% in 2016 and 2017, 7.5% in 2018 and 8.5% in 2019. Recruiting efforts and programs are unique by country and region, based on local needs. We recruit from the states and countries where we operate, particularly for entry-level and managerial positions, and then train employees for more advanced or senior roles. We aim to ensure that our recruiting efforts and our workforce reflect the available pool of talent. We use data analytics to track turnover by region so that we can tailor programs for improvement.
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Full-time U.S.-based employees and those who work an alternative work schedule (20 to 39 hours per week) are eligible for all benefits, including medical, prescription, dental, vision, employee assistance and income protection. Temporary or part-time employees on alternative work schedules less than 20 hours per week are not eligible for benefits.
401-3	Number of employees entitled to, took and returned from parental leave by gender	We offer paid parental leave to 100% of part- and full-time male and female U.S. employees who are eligible for benefits. We do not track return-to-work and retention rates after parental leave. Outside the U.S., programs vary depending on the government programs offered
401-4*	Employee tenure at the company by average years of service	The average employee tenure is as follows: • Less than 10 years: 50%. • 10 to 20 years: 24%. • More than 20 years: 26%.

Social standards – Labor/management relations

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Workplace section of TI's 2020 Corporate Citizenship Report and the Employment Disclosure of Management Approach section of this GRI index to learn about managing employee relations. To keep communication channels open and to gather and share business information with our teams, we use various communication tools and platforms to facilitate open dialogue, share our expectations and reinforce our values. Our managers are the first to engage TIers, so we invest in their development and training to help them be stronger and to foster a mentality that we are in this together.
402-1	Minimum notice periods regarding operational changes	TI complies with all legal and regulatory requirements in this area for the jurisdictions in which it operates. In the U.S., TI's policy is to provide a minimum of one week's notice regarding shift changes. The company provides at least 60 days' notice (or pay in place of notice) for reductions in force. Outside the U.S., TI adheres to local labor laws.

GRI continued

Social standards – Occupational health and safety

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Employee, Safety and Health section of TI's 2020 Corporate Citizenship Report and the ESH Disclosure of Management Approach section of this GRI Index to learn more about the company's management approach. The Audit Committee of TI's board of directors oversees the management of health and safety for employees, supplemental contractors and workplace visitors. Our management approach includes several different elements: • Formal ESH committees at our manufacturing sites, which include managers, ESH specialists and TIers. They work with site managers to oversee health and safety management systems. • Manufacturing and assembly/test safety councils comprising ESH and ergonomics representatives who drive a safety-focused manufacturing culture within our facilities. • Leaders at all levels support and reinforce consistent safety practices, including training and reporting. • Employees are responsible for completing applicable training and keeping their work environments safe. Policies TI is committed to giving employees a nonthreatening work environment and does not tolerate any acts or threats of violence or harassment. Our Threat-Free Work Environment Policy describes our expectations. Our Supplier Code of Conduct requires that our suppliers ensure working conditions are safe, and our Supplier Environmental and Social Responsibility Policy outlines our expectations for health and safety. Additionally, our ESH Handbook for Suppliers summarizes TI's standards, policies, guidelines and general practices.
403-1	Occupational health and safety management system	TI's health and safety management system is voluntarily third-party-certified to ISO 45001:2018. The management system comprises interrelated and interacting elements used to establish TI's ESH policy and principles and objectives. The management system is the mechanism for reducing occupational injuries and diseases, including promoting and protecting the physical and mental health of employees, contractors, customers and visitors. We use the management system to record performance data; identify trends, weaknesses and hazards; and take steps to remedy flaws. The management system also ensures the quality of safety and occupational health services and facilitates workers' access to them. We require 100% of our employees and supplemental contractors at all TI manufacturing and assembly/test sites to adhere to our management system requirements. Other personnel not managed by TI are responsible for following their companies' ESH management procedures and applicable regulatory requirements.
403-2	Hazard identification, risk assessment and incident investigation	All TI sites are covered by occupational safety and health standards designed to identify, evaluate and control potential workplace hazards. We manage TIers' mental and physical health holistically and create monitoring plans to assess progress. Assessments Through routine programs, facility self-assessments and audits, work area sampling and health and safety surveys, we assess potential safety and health risks. Following all incidents and near misses, we perform a thorough investigation, analyze the root cause, and take corrective and preventive actions. Site management or designees communicate lessons learned and corrective action plans to other sites and groups to avoid similar issues. We document all incidents for review by a central recordkeeping review panel, which ensures the quality and accuracy of each injury investigation and its associated documentation. We also conduct internal and external audits to verify the quality and effectiveness of our processes. TI's needs and regulatory requirements determine competency requirements specific to job functions.

GRI continued

Social standards – Occupational health and safety continued

Indicator	Description	Response
403-3	Occupational health services	See the Employee Safety and Health section of TI's 2020 Corporate Citizenship Report to learn more about occupational health services. All TI sites use an industrial hygiene program designed to identify, evaluate and control potential workplace hazards. We also collect employee health data to design custom health-improvement programs, depending on TIers' unique needs. We handle all personal health-related information as confidential according to all legal requirements and TI's confidentiality classification expectations.
403-4	Worker participation, consultation and communication on occupational health and safety	TI sites have health and safety committees comprising ESH staff, site managers and employees who regularly meet to discuss site-specific needs. We also consult with employees and supplemental contractors on various management system programs, training courses, and hazard and risk assessments to encourage their input on addressing gaps, improving performance and proactively managing risks.
403-5	Worker training on occupational health and safety	To reinforce TI's commitment to its employees' safety, we provide ongoing training so that employees prioritize safety and speak up about any potential hazards. We deliver occupational health and safety training according to our management system to 100% of our employees and supplemental contractors. We tailor training specific to everyone's role and always reinforce our commitment to compliance, resilient ESH standards and our customers' performance expectations. Our training covers how to correct or report unsafe behaviors and conditions, follow procedures and policies, and use personal protective equipment. We reinforce expectations regularly through safety campaigns, articles, meetings, posters and reminder emails. Every year, our ESH leadership team reviews key outcomes and determines focus areas and opportunities for improvement. We expect our employees to share lessons learned and best practices to prevent future incidents, and to recognize and reinforce safe behavior.
403-6	Promotion of worker health	See the Employee Safety and Health section of TI's 2020 Corporate Citizenship Report to learn more about occupational health services. All TI sites use an industrial hygiene program designed to identify, evaluate and control potential workplace hazards. We also collect employee health data to design custom health-improvement programs, depending on TIers' unique needs. We handle all personal health-related information as confidential according to all legal requirements and TI's confidentiality classification expectations. We also expect turnkey suppliers to provide health and safety training to their workers. They are responsible for following their own procedures as well as applicable regulatory requirements. TI offers guidance where necessary.
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	See TI's response to indicators 403-1 and 403-3 for more information about mitigating health and safety impacts. Our Supplier Code of Conduct requires that our suppliers ensure that working conditions are safe. Our Supplier Environmental and Social Responsibility Policy outlines our expectations for ESH protection.

GRI continued

Social standards – Occupational health and safety continued

Indicator	Description	Response
403-8	Workers covered by an occupational health and safety management system	TI's occupational health and safety management system is third-party certified to ISO 45001 requirements and covers 100% of its employees and supplemental contractors. The system parameters exclude turnkey suppliers and non-TI-managed workers, as those suppliers are expected to follow their companies' procedures and applicable regulatory requirements. To ensure the effectiveness of our management system, the Worldwide ESH Compliance support team and independent third parties perform audits at each facility every three years; in interim years, the facilities perform self-assessments.
403-9	Work-related injuries	See the Employee Safety and Health section of TI's 2020 Corporate Citizenship Report for injury data, based on a calculation of 200,000 hours worked. The calculation excludes temporary labor provided by turnkey suppliers or non-TI-managed workers. The main types of injuries for employees and workers include overexertion; awkward posture or ergonomics issues; contact with an object (struck by or against); and falls, slips, trips and loss of balance.
403-10	Work-related ill-health	See the Employee Safety and Health section of TI's 2020 Corporate Citizenship Report for ill-health data. The calculation excludes temporary labor provided by turnkey suppliers or non-TI-managed workers. The main types of employee ailments include overexertion and awkward posture or ergonomics issues. The hazards that caused or contributed to ailments in 2020 were ergonomics-related hazards and noise exposure. We corrected these by putting corrective and preventive measures in place to reduce strain on the body.

Social standards – Training and education

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Development section of TI's 2020 Corporate Citizenship Report and Employment Disclosure of Management Approach in this GRI Index to learn more about employee development. Assessment We track attendance in mandatory training programs to ensure compliance and assess training content to ensure that it is accurate and relevant. Where needed, we work with facilitators and subject-matter experts to improve program content. We also benchmark with training providers and other companies to ensure the effectiveness of our learning modalities. We also conduct internal and external audits to verify the quality and effectiveness of our processes. TI's needs and regulatory requirements determine competency requirements specific to job functions.
404-1	Average hours of employee training by gender and type	Employees globally received, on average, approximately 30 hours of training in 2020.
404-2	Programs for upgrading employee skills and transition assistance programs	Employees take part in a variety of development opportunities throughout their careers. See the Development section of TI's 2020 Corporate Citizenship Report. If workforce reductions occur, we make every effort to transfer impacted employees to other open positions within the company. When transfers are not possible, we provide severance packages that include assistance with resumes and job search.
404-3	Percentage of employees receiving performance development reviews	TI supports employees owning their development plans and does not track the number of employees receiving performance reviews. We have seen greater success in employee engagement, goal setting and alignment with the company priorities by encouraging better conversations between supervisors and employees, and providing access to online resources to guide these conversations. We regularly assess employees' understanding of their own goals and manager expectations. Employees and their managers may agree to more frequent reviews.

GRI continued

Social standards – Diversity and equal opportunity

Indicator	Description	Response
103-1 to 103-3	Disclosure on management approach	See the Diversity and Inclusion section of TI's 2020 Corporate Citizenship Report and Employment Disclosure of Management Approach in this GRI Index to learn more about the company's management approach. To assess our diversity strategy's effectiveness, we solicit feedback from employee resource group leaders, TIers and minority organizations to determine any necessary refinements. We also benchmark our programs and strategies against our peers, measure participation in diversity initiatives, and monitor reported concerns or grievances.
405-1	Diversity of governance bodies and employees	See the Governance and Diversity and Inclusion sections of TI's 2020 Corporate Citizenship Report for our governing bodies' and employees' diversity data.
405-2	The ratio of basic salary and remuneration of women to men	We pay our employees fairly and equitably. TI has long been committed to competitive and equitable compensation regardless of gender, race, ethnicity or other protected characteristics. We have designed checks and balances into our compensation system, including regular in-depth analyses, to ensure that we achieve it. In 2020, we conducted a separate compensation analysis examining gender and race pay parity (including base, bonus and equity) that considered job type, job level and country. Our analysis confirmed that within the U.S. and worldwide, TI pays women as much as men, and in the U.S., TI pays minorities as much as nonminorities.

Social standards – Nondiscrimination

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Employment Disclosure of Management Approach in this GRI Index, Living our values – TI's ambitions, values and code of conduct and Equal Employment Opportunity Policy to learn more about our nondiscrimination standards. We take measures to ensure that our recruiting efforts and workforce reflect the available talent pool and measure participation in our diversity initiatives. We also monitor concerns or grievances reported, benchmark our programs and strategies against our peers, and solicit feedback from minority industry associations to determine any necessary refinements.
406-1	Number of discrimination incidents and corrective actions taken	We investigate and work to resolve all inquiries related to discrimination and take appropriate remedial measures. We periodically review and reassess this information to ensure that TI's preventive measures are adequate and effective. For confidentiality reasons, we do not publicly report the number or nature of any such incidents.

Social standards – Human rights security practices

Indicator	Description	Response
103-1 to 103-3	Response of management approach	See the Human and Labor Rights at TI section of TI's 2020 Corporate Citizenship Report for more information about the company's management approach.
410-1	Security personnel trained in human rights policies or procedures	Our Worldwide Protective Services organization has a standard protocol for maintaining a safe and respectful working environment globally. This includes delivering targeted training that includes ethics, compliance and human rights components to 100% of our security personnel, including third-party security contractors.

GRI continued

Social standards – Human rights assessment

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Human and Labor Rights at TI section of TI's 2020 Corporate Citizenship Report for more information about the company's management approach. **Governance** The Audit Committee of our board of directors oversees human and labor rights-related efforts and receives updates on related issues at least annually. If a serious violation occurs, we promptly notify the committee chair. **Assessment** We require all worldwide manufacturing sites to complete third-party self-assessment questionnaires annually, focusing on human rights practices. In addition, TI personnel and third-party auditors assess select sites for human rights risks. We use our business practices statement and TI code of conduct, along with our membership in organizations such as the RBA, as reference points for our approach to managing human rights issues. **Policies and practices** We have policies that address diversity and nondiscrimination, workplace safety, child labor, forced labor and human trafficking, working hours and minimum wages, and data privacy. Additional policies guide our actions in specific areas, such as supply chain, environmental protection, health and safety, and privacy. We have several operating procedures to safeguard employees, suppliers and contractors' rights, including labor standards, training and awareness-building practices, freedom to associate, and incident reporting tools. **Resources** TI invests significant financial, human, training, information and engagement resources to protect human rights and make sure that employees and suppliers understand our expectations.
412-1	Operations that have been subject to human rights reviews or impact assessments	Each year, TI assesses all worldwide manufacturing sites using the RBA's self-assessment tools. As part of the RBA-validated audit process, we also conduct human rights audits of factory operations on a rotating basis. In 2020, we audited TI factories in Taiwan and China.
412-2	Employee training on human rights policies or procedures	We provide training modules related to human rights, ethics and compliance to help managers, security personnel and TIers worldwide – including those in higher-risk countries where we operate. This training helps create and maintain a respectful, humane and nondiscriminatory workplace. Training programs cover topics such as human rights, cross-cultural awareness and bullying. All of our TI sites are required to build awareness of human rights among employees, identify risks, and put processes in place to manage them. Noncompliance with our standards and related labor laws will result in corrective action. We train all employees on TI's values and ethics, specifically related to integrity and respect in the workplace. In 2020, TI launched a Living our values campaign, which included a refreshed TI code of conduct for all employees worldwide. The Living our values – TI's ambitions, values and code of conduct document address human rights and the methods for reporting any concerns for all employees globally.

GRI continued

Social standards – Local communities

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Giving and Volunteering section in TI's 2020 Corporate Citizenship Report to learn more about the company's management approach. **Assessment** We track our community investment programs' effectiveness and volunteer participation, and solicit feedback from employees and the nonprofits we serve, to help us assess our impact and expenditures and to make refinements if necessary. In support of our Matching Gifts program, we also track employee financial contributions and volunteer hours using an online management system. In the U.S., we have coordinated volunteer projects with the United Way and its service provider agencies since 1961. Outside of the U.S., TIers support various causes and organizations, from the Hope School program in China to the Youth for Seva in India. **Governance** Our director, with responsibility for corporate citizenship, oversees our employee giving, volunteer and grants programs. The board of directors' Governance and Stockholder Relations Committee receives updates at least annually. The TI Foundation is a separate nonprofit organization; its board meets quarterly. **Grievance channels** Stakeholders who have questions or concerns about our giving and volunteering programs can email citizenshipfeedback@list.ti.com or anonymously contact the TI Ethics Office. Organizations seeking more information about our education grants can contact giving@ti.com. **Resources** TI allocates extensive financial, human, information and engagement resources to help employees share their time, money and expertise to build stronger communities.
413-1	Operations with local community engagement, impact assessments and development programs	TI does not conduct formal community impact assessments because our sites are in existing industrial areas that do not negatively impact vulnerable populations. We assess environmental impacts and risks at all sites. At each of our sites, we engage with community leaders to identify local needs so that we may support them through corporate, TI Foundation and employee giving or by providing volunteers (see the Giving and Volunteering section of TI's 2020 Corporate Citizenship Report to learn more). Stakeholders with questions or concerns about our community, philanthropy and volunteering programs can email citizenshipfeedback@list.ti.com or anonymously contact the TI Ethics Office.
413-2	Operations with significant actual and potential negative impacts on local communities	TI announced in January 2020 the closure of two 150-mm wafer production sites in North Texas over the next three to five years. Each facility, which is more than 50 years old, has about 500 employees. While there were no immediate staffing changes, we are transferring many workers to other Dallas-area manufacturing sites. Those who do not get new roles will receive severance packages and transition assistance.

GRI continued

Social standards – Supplier social assessment

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Supply-Chain Responsibility section of TI's 2020 Corporate Citizenship Report and our Anti-Human Trafficking Statement to learn more about supplier social assessments.
414-1	Percentage of new suppliers screened using social criteria	We do not have a process to track the percentage of new suppliers screened. However, we screen any new supplier that is deemed critical or provides on-site services to our factories.
414-2	Significant negative social impacts in the supply chain and actions taken	See our Anti-Human Trafficking Statement for more information about how we manage social impacts in our supply chain. In 2020, we assessed over 250 suppliers and our findings revealed no significant negative social impacts or issues of concern. As a result, we did not terminate any relationships.

Social standards – Public policy

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See Public Policy in TI's 2020 Corporate Citizenship Report and Public Policy website to learn more about the company's management approach. **Governance** The vice president of Worldwide Government Relations provides a written quarterly update of government relations activities and progress to our leadership team and board of directors, and makes a formal presentation to the board's Governance and Stockholders Relations Committee annually. **Grievance channels** Employees and other stakeholders can contact our vice president of Worldwide Government Relations or the TI Ethics Office with any questions. **Resources** TI allocates extensive financial, human, information and engagement resources to help advocate for policies that help the company attract talent, drive innovation and promote competitiveness.
415-1	Political contributions	TI's political activities and contributions reflect U.S. activity only. We do not make political contributions in any country outside the U.S.

GRI continued

Social standards – Marketing and labeling

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See Product Quality and Reliability in TI's 2020 Corporate Citizenship Report to learn more about the company's management approach. **Governance** • The board of directors' Audit Committee oversees internal controls, compliance and performance. • The chief financial officer ensures that capital allocation for product development, manufacturing and sales aligns with TI's strategies. • The SVPs of each business line ensure that new designs and current products meet customer and regulatory requirements. **Resources** TI allocates extensive financial, human, information and engagement resources to comply with regulatory and customer marketing and labeling requirements.
417-1	Requirements for product and service information and labeling	Our customers and the countries where we operate have different label requirements based on the type of materials shipped to ensure that they meet substance restrictions and other requirements. For example, to consolidate global regulatory substance information for semiconductor products, packing labels meet the combined efforts of the Institute for Interconnecting and Packaging Electronic Circuits and Joint Electronic Device Engineering Council J-STD-609, along with the Chinese chasing arrow symbol. Our ongoing objective is to comply with these ever-changing regulations and import and export laws while still ensuring the timely delivery of our products. By default, we use TI standard labels and create semi-custom labels if customers require. We share information about our products' possible environmental and social impacts on our Eco-Info page and material content search tool. We also provide applicable safety information in our product literature. Our Restricted Chemicals and Materials program requires material suppliers and external manufacturing to provide appropriate information for TI to assess compliance with restricted chemicals and materials requirements at least annually. We assess and indicate on our labels and website the compliance status of integrated circuit components with all known regulatory and industry requirements.

GRI continued

Social standards – Customer privacy

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See the Information Protection section of TI's 2020 Corporate Citizenship Report to learn more about the company's management approach. **Governance** Our chief information officer oversees information protection, and we have governance and compliance structures in place to address or elevate issues if needed. • Senior leaders from major business units and support entities review current cybersecurity threats, prioritize security actions, and help build awareness and support within their organizations. • Our Confidential Information Protection Council focuses on ensuring that we appropriately classify and protect confidential information and trade secrets. • Our Privacy Committee, comprising cross-organizational representatives, helps ensure the appropriate protection of personally identifiable information of TIers, customers and business partners. **Assessment** We regularly review and test our controls to ensure that protections are functioning as they should. We do this by conducting external penetration tests, internal vulnerability assessments, and audits at the site and business level. We also evaluate our practices against industry standards and vet with external experts. We address any identified deficiencies. **Grievance channels** If employees identify potential threats or have questions or concerns about IT security, we have internal channels in place to assist them. Customers and suppliers also can contact us directly through their account managers and other channels. **Resources** TI allocates extensive financial, human, information and engagement resources to protect the company's intellectual property and employee and customer information.
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	Although recorded for internal review and action, we currently do not publicly report privacy complaints or breach incidents (unless required by regulation), since we consider such information confidential.

Social standards – Socioeconomic compliance

Indicator	Description	Response
103-1 to 103-3	Disclosure of management approach	See Ambitions, Values and Code of Conduct in TI's 2020 Corporate Citizenship Report to learn more about the company's management approach.
419-1	Noncompliance with laws and regulations in the social and economic area	TI received no material fines nor nonmonetary sanctions related to social and economic issues in 2020. We have not identified any material noncompliance with laws or regulations.

* Developed by TI.