



2018 Corporate Citizenship Report:

Global Reporting Initiative Index

General disclosures



TI reports in accordance with the Global Reporting Initiative's (GRI) Sustainability Reporting Standards (GRI Standards). This table is an index of general and specific standard disclosures based on GRI guidance. The index provides a simple and standardized way to share information that is both relevant and important to TI and its stakeholders.

Indicator	Description	Location
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 our products, see SEC Form 10-K , Part I, pages 2-3.
102-3	Location of headquarters	Our headquarters is located at 12500 TI Boulevard, Dallas, Texas 75243.
102-4	Location of operations	View our major locations here .
102-5	Ownership and legal form	For company ownership information, see SEC Form 10-K , Part I.
102-6	Markets served	For information about the markets we serve, see SEC Form 10-K , Part I, pages 4-5.
102-7	Scale of the organization	On Dec. 31, 2018, TI had 29,888 employees and manufacturing, design and sales operations in more than 30 countries. We sold tens of thousands of products and generated \$15.78 billion in revenue (read more at SEC Form 10-K , Part I, Item 1, pages 2-12; Item 2, page 13). The percent revenue by region was Asia (59%), Americas (19%), Europe (15%), Japan (6%) and other (2%).
102-8	Information on employees and other workers	Please see employee data . TI does not track the number of employees by employment contract and our part-time workforce is negligible. Employees perform the majority of duties and are supported by supplemental contractors when needed. The number of these contractors varies throughout the year.
102-9	Supply chain description	Learn more about how TI manages our Supply chain and see our Anti-human trafficking statement .

Standard disclosures

Indicator	Description	Location
102-10	Significant changes to the organization and its supply chain	Rich Templeton was chairman for all of 2018. He was the company's president and chief executive officer in 2018 except from June 1, 2018, through July 17, 2018, when Brian Crutcher was chief executive officer and president. Mr. Crutcher resigned from the company effective July 17, 2018. Additionally, on April 1, 2019, we sold our manufacturing facility in Greenock, Scotland. For more information, see SEC Form 10-K , Part I, Item 2, page 13.
102-11	Precautionary principle or approach	We consider precautionary principles in many aspects of our operations. For example, our aggressive chemical and material screening process assures that we do not use materials whose hazards are not understood and able to be controlled.
102-12	External initiatives	See our voluntary standards to learn more about our external initiatives.
102-13	Membership of associations	TI belongs to many associations with which we work on various policy objectives. We are more active in some organizations than others, do not work on all issues with every association and may not align on all positions. We also collaborate with other outside groups and coalitions to advance policies that drive growth, promote competitiveness and support TI's shareholders, customers, employees and the communities in which we operate.
102-14	Statement from senior decision-maker	Read about our citizenship commitment in our executive statement .
102-16	Values, principles, standards and norms of behavior	TI published its first ethics guide in 1961, which is a historic foundation of our business practices. Our Code of Conduct reinforces our core values of integrity, innovation and commitment. All employees are trained on this code and required to certify compliance.
102-18	Governance structure	Read more about TI's governance structure .
102-40	List of stakeholder groups	We have many stakeholders, such as 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/or right to collective bargaining as provided by local statutes; therefore, we don't track the percentage of employees covered by such agreements.
102-42	Identifying and selecting stakeholders	We engage with stakeholders who directly influence or have interest in our operations. See Stakeholder engagement for more information.
102-43	Approach to stakeholder engagement	In 2017, we completed a formal stakeholder assessment to identify and better understand environmental, social and governance topics that are most important. The assessment included global peer benchmarking and surveying of managers/employees, suppliers, customers, community leaders, investors and trade associations. Participants were asked to rank our most significant environmental, social and governance impacts. For more information, see Stakeholder engagement . Our next assessment will be in 2019.

Standard disclosures

Indicator	Description	Location
102-44	Key topics and concerns raised	Through informal engagement with stakeholders in 2017, we learned the top questions or issues were: supplier management; suppliers' or TI's labor, human rights and environmental practices; conflict minerals; ethics and compliance; water and energy use; air quality/emissions; climate change; information protection/privacy; product innovation; diversity/inclusion; business and supply continuity; and severe weather events.
102-45	Entities included in consolidated financial statements	TI has two reportable segments: Analog and Embedded Processing. TI reports the results of its remaining business activities in Other (see SEC Form 10-K , Part I, Item 1, pages 2-3). This report covers citizenship topics for all entities included in our financial statements.
102-46	Defining report content and topic boundaries	To determine the focus of this report, we formally assess stakeholders biannually and consult with our Citizenship Steering Team. See Stakeholder engagement to learn more about our approach.
102-47	List of material topics	See Stakeholder engagement for our list of material topics.
102-48	Restatements of information	Any restatements of information are included on the footnotes page in our Performance summary .
102-49	Changes in reporting	TI continued using GRI Standards and reporting our disclosures at the Core level. In 2018, we reported on new GRI indicators related to occupational health and safety as well as water and wastewater.
102-50	Reporting period	The reporting period covers calendar year 2018.
102-51	Date of most recent report	Our 2017 report was released in May 2018.
102-52	Reporting cycle	We release an annual citizenship report.
102-53	Contact point for questions regarding the report	For questions about citizenship at TI or this report, contact citizenshipfeedback@list.ti.com .
102-54	Claims of reporting in accordance with the GRI Standards	This report has been prepared in accordance with the GRI Standards: Core option.
102-55	GRI content index	See our GRI Index to learn more about how we align with the GRI Standards.
102-56	External assurance	We maintained our established development processes to ensure the accuracy and auditability of the information and data presented in this report and on our Citizenship website in 2018. We do not currently seek independent assurance of citizenship-related data, with the exception of the TI Foundation, which is audited annually by EY.

Economic standards

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	Learn more about our management approach at About TI and Who We Are . See our SEC Form 10-K for details on our management approach.
201-1	Direct economic value generated and distributed	Our Annual Report provides information about our financial performance. For our philanthropic contributions, see community data .
201-2	Financial implications and other risks and opportunities due to climate change	We do not currently quantify the potential implications of climate change as a broad risk. We evaluate site-related risks (i.e., severe weather, droughts) and implement necessary controls to reduce operational and environmental impacts.
201-3	Defined benefit plan obligations and other retirement plans	We have various employee retirement plans, including defined contribution, defined benefit and retiree health care benefit plans. Contributions to these plans meet or exceed all minimum funding requirements. For more information, see SEC Form 10-K , Item 8, Note 9, pages 46-51: Post Retirement Benefit Plans.
201-4	Financial assistance received from government	TI received 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 5, pages 40-42 and tax policy for additional details.

Market presence

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Our employees to learn more about our 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 have verified that we are paying employees above local minimum wage in every country in which we operate. We compensate each employee based on legitimate work-related factors regardless of gender, race, ethnicity or other protected characteristics.
202-2	Proportion of senior management hired from the local community	TI's strategy is to hire the best and brightest individuals to work at our company, and 99 percent of our employees in senior positions are from the communities where we operate.

Procurement practices

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Supply chain management to learn more about our management approach.
204-2*	Proportion of spending on U.S. minority and women-owned enterprises	Our proportion of U.S. spend with minority and women-owned businesses was 9.2 percent.

Economic standards

Anti-corruption

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	For information about our anti-corruption policies, please see Ethics and our Code of Conduct .
205-1	Operations assessed for risks related to corruption	We assess 100 percent of our worldwide manufacturing operations for risks related to corruption as well as any suppliers that interface with the government on TI's behalf.
205-2	Communication and training about anti-corruption policies and procedures	TI provides Ethics and Compliance Awareness training annually that includes lessons on anti-corruption to all employees and 99.9 percent completed the training in 2018. We train third-parties and vendors using a myriad of tools on anti-corruption. Additionally, we provide awareness to our own employees and contractors on this topic in internal news articles.
205-3	Confirmed incidents of corruption and actions taken	Although recorded for internal review and action, we do not currently report corruption incidents publicly since we consider such information confidential. We work to successfully resolve any incidents related to corruption.

Anti-competitive behavior

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Ethics to learn more about our management approach.
206-1	Legal actions for anti-competitive behavior, anti-trust and monopoly practices	For material legal proceedings involving TI, see SEC Form 10-K , page 15.

Environmental standards

Materials

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Materials management to learn more about our management approach.
301-2	Recycled input materials used	The majority of the purchased materials required to manufacture our products are chemicals. Although most chemicals used in semiconductor processing 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. During construction projects, we give preference to materials containing recycled products, although we do not currently track the total amount of recycled material purchased for these projects.
301-3	Reclaimed products and their packaging materials	Currently, we are unable to determine the percentage of products reclaimed by customers or end users. TI participates in various recycling programs. Although TI cannot control how customers handle the semiconductors they place in their products, nor their products' end-of-life disposition, the company provides detailed information about the substances used in its components so that customers can make informed decisions about end-of-life disposal.

Energy

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Energy use to learn more about our management approach.
302-1	Energy consumption within the organization	See energy data . TI does not sell any energy outside of our company.
302-3	Energy intensity	Our energy intensity ratio is 0.35. We use energy consumed within TI from all sources as the numerator and the number of chips produced within TI as the denominator. This ratio is then reported as a normalized value, where 2005 = 1.
302-4	Reduction of energy consumption	Energy conservation savings are based on electricity, fuel and heating savings projects. The basis for calculation is the estimated annualized reduction for each project and the total is reported as the sum of all the annualized savings estimates. For capital investments over \$50,000, the savings also are validated by taking additional measurements on pre- and post-project consumption.
302-5	Reductions in energy requirements of products and services	The energy required to operate a chip for a year can be as little as 0.15 watt-hours. TI also works to reduce energy use in our products and is often able to achieve a reduction of 7 percent over prior designs when implementing a new design that performs an equivalent function.

Environment standards

Water

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Water and wastewater to learn more about our management approach.
303-1**	Interactions with water as a shared resource	See Water and wastewater to learn more about how TI interacts with water as a shared resource.
303-2**	Management of water discharge-related impacts	See Water and wastewater to learn more about how TI manages water discharges.
303-3**	Water withdrawal	See water use and wastewater discharge data . Water is supplied from municipal sources and groundwater, plus a small amount of collected rainwater at our Richardson fabrication site in Texas.
303-4**	Total waste discharge and priority discharges of concern for which discharges are treated	See water discharge data . There are no priority substances of concern and no incidents of non-compliance with discharge limits in 2018.
303-5**	Water consumption and storage	See water consumption data. There is a small amount of water storage (relative to overall usage) in facilities systems, but TI's year-over-year change is not significant.

Biodiversity

Indicator	Description	Location
304-1	Operational sites owned, leased, managed in, or adjacent to protected areas and areas of high biodiversity value outside protected areas	Learn more about our Biodiversity approach.

Emissions

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Air emissions and Climate change to learn more about our management approach.
305-1	Direct (Scope 1) GHG emissions	See direct (scope 1) emissions (total). Gases included in the calculation are CO ₂ , CH ₄ , N ₂ O, HFCs, PFCs, SF ₆ and NF ₃ . TI has no biogenic emissions. We adopted GHG reduction goals targeting 2020 based on a 2015 baseline. We have not made any significant changes in emissions that triggered recalculations of base year emissions. Our source of the emission factors and the global warming potential (GWP) rates used is U.S. Environmental Protection Agency's GHG MRR Final Rule. All calculations for scope 1 emissions follow either U.S. EPA MRR or IPCC Tier 2.

Environment standards

Emissions continued

Indicator	Description	Location
305-2	Energy indirect (Scope 2) GHG emissions	See indirect (scope 2) emissions (total). We adopted GHG reduction goals targeting 2020 based on a 2015 baseline. We have not made any significant changes in emissions that triggered recalculations of base year emissions. Our source of the emissions factors and the global warming potential rates used is U.S. Environmental Protection Agency's GHG MRR Final Rule. Scope 2 electric emissions 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 US EPA MRR or IPCC Tier 2.
305-4	GHG emissions intensity	See GHG emissions per chip . The ratio was calculated using both scope 1 and scope 2 emissions, which include CO ₂ , CH ₄ , N ₂ O, PFCs, SF ₆ and NF ₃ , as the numerator and the number of chips produced within TI as the denominator. This ratio is then reported as a normalized value where 2005 is 1.
305-5	Reduction of GHG emissions	TI's global scope 1 and scope 2 emissions decreased by 5 percent in 2018 through a combination of process upgrades using more efficient processes and updated emission factors. This is despite an increase in global semiconductor production at all TI manufacturing sites.
305-6	Emissions of ozone-depleting substances (ODS)	TI emitted zero ozone-depleting substances in 2018.
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	See air emissions data .

Effluents and waste

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Water and wastewater to learn more about our management approach.
306-1	Water discharge by quality and destination	See water data as well as Water and wastewater to learn more about how TI manages wastewater.
306-2	Waste by type and disposal method	See waste data . TI determines waste disposal methods based on regulations and recycles and reuses materials where possible.
306-3	Significant spills	No significant spills occurred in 2018.
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. Though 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	Location
103-1 to 103-3	Disclosure of management approach	See Environment, safety and health to learn more about our management approach.
307-1	Non-compliance with environmental laws and regulations	TI received no significant (greater than \$25,000) fines or sanctions in 2018.

Environmental compliance

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Supply chain management to learn more about our management approach.
308-2	Significant negative environmental impacts in the supply chain and actions taken	TI works with thousands of suppliers worldwide and communicates our expectations for responsible environmental performance. We assess strategic and high-risk suppliers against these and other criteria set by the Responsible Business Alliance's Code of Conduct – as well as our own policies and standards. In 2018, we evaluated more than 300 supplier sites and our findings revealed no significant negative environmental impacts or issues of concern. As a result, no relationships were terminated.

Social standards

Employment

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Our employees to learn more about our management approach.
401-1	New employee hires and employee turnover by age, region and gender	TI hired 2,783 employees (excluding interns) in 2018. See turnover data .
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	At TI, both full-time U.S.-based employees and employees 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	Parental leave	We offer paid parental leave to 100 percent of U.S. part- and full-time male and female employees who are eligible for benefits. We do not track return-to-work and retention rates after parental leave.
401-4*	Employee tenure at company by average years of service	The average employee tenure is as follows: Less than 10 years: 50.6 percent 10-20 years: 24.6 percent More than 20 years: 24.8 percent

Labor/management relations

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Our employees to learn more about our management approach.
402-1	Minimum notice periods regarding operational changes	In the U.S., TI's policy is to provide a minimum of one week's notice regarding shift changes and provides at least 60 days' notice (or pay in lieu of notice) for reductions in force. Outside the U.S., TI adheres to local labor laws.

Occupational health and safety

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Employee health and safety and Environment, safety and health to learn more about our management approach.
403-1**	Occupational health services	See Employee health and safety to learn more about these functions.
403-2**	Hazard identification, risk assessment and incident investigation	See Employee health and safety and Environment, safety and health to learn more about how TI identifies risks and hazards.
403-3**	Occupational health services	See Employee health and safety to learn more about these functions.

Social standards

Occupational health and safety continued

Indicator	Description	Location
403-4**	Worker participation, consultation and communication on occupational health and safety	See Employee health and safety to learn more about our consultation approach. TI sites have health and safety committees comprised of ESH staff, site management and employees that meet regularly regarding site-specific needs.
403-5**	Worker training on occupational health and safety	See Employee health and safety for details about our training programs.
403-6**	Promotion of worker health	See Employee health and safety to learn more about our wellness services.
403-7**	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	See Environment, safety and health to learn more about TI manages ESH impacts.
403-8**	Workers covered by an occupational health and safety management system	All employees (100 percent) and supplemental contractors at manufacturing sites (which averaged 1,689 in 2018) are covered by an internally audited and third-party certified occupational health and safety management system. Personnel excluded from the management system are temporary labor provided by turnkey suppliers or non-TI managed workers.
403-9**	Work-related injuries	See safety data and Employee health and safety . The rates are calculated based on 200,000 hours worked. The main types of injuries for employees and workers include overexertion/awkward posture/ergonomics; contact with object (struck by/against); fall on same level/slip/trip/loss of balance. Personnel excluded from this calculation are temporary labor provided by turnkey suppliers or non-TI managed workers.
403-10**	Work-related ill health	See safety data and Employee health and safety . The main types of ill health for employees and workers include overexertion, awkward posture and ergonomics. The hazards that caused or contributed to cases of ill health during the reporting period were ergonomics-related hazards and noise exposure. We corrected these by performing ergonomic job/risk assessments and putting corrective and preventative measures in place. Personnel excluded from this calculation are temporary labor provided by turnkey suppliers or non-TI managed workers.

Training and education

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Development to learn more about our management approach.
404-1	Average hours of training per year per employee	Employees globally received, on average, 31 hours of training.
404-2	Programs for upgrading employee skills and transition assistance programs	Employees take part in a variety of development opportunities over the course of their career.

Social standards

Training and education continued

Indicator	Description	Location
404-3	Percentage of employees receiving regular performance and career development reviews	We've seen greater success in employee engagement, goal-setting and alignment with the company priorities by instead encouraging better conversations between supervisors and employees and by 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. TI supports employees owning their development plans and therefore does not track the number of employees receiving performance reviews.

Diversity and equal opportunity

Indicator	Description	Location
103-1 to 103-3	Disclosure on management approach	See Diversity and inclusion and Compensation and benefits to learn more about our management approach.
405-1	Diversity of governance bodies and employees	View our governance and employee diversity data .
405-2	Ratio of basic salary and remuneration of women to men	We are confident that we pay our employees equitably. TI has long been committed to competitive and equitable compensation regardless of gender, race, or 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. We conducted a separate compensation analysis examining gender pay parity (including base, bonus and equity), which takes into account job type and job level. The analysis confirmed that within the U.S., we've achieved 100 percent gender pay parity. In fact, within our three most populous countries, including the U.S. (making up approximately 70 percent of our employee population), the same analysis also shows that women are paid as much as men. Additional information on TI's pay equity goals and policies can be found in Compensation and benefits .

Nondiscrimination

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Diversity and inclusion to learn more about our management approach.
406-1	Incidents of discrimination and corrective actions taken	Although we compile discrimination allegations for internal review and action, we do not currently report this information since we consider it confidential. We work to successfully resolve any inquiries related to discrimination.

Social standards

Security practices

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Ethics to learn more about our 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 percent of our security personnel.

Human rights assessment

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Human rights to learn more about our management approach.
412-1	Operations that have been subject to human rights reviews or impact assessments	TI successfully audited one factory operation for human rights as part of its Responsible Business Alliance (formerly known as EICC) validated audit process. We assessed 100 percent of our worldwide manufacturing sites using the RBA's self-assessment tools.
412-2	Employee training on human rights policies or procedures	All employees receive training and guidance on TI's values and ethics, specifically as it relates to integrity and respect in the workplace. In 2018, we provided ethics process awareness training, which addresses human rights and methods for reporting concerns, to all employees globally.

Local communities

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Enriching communities to learn more about our management approach.
413-1	Operations with local community engagement, impact assessments and development programs	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, foundation and employee giving as well as by providing volunteers (see Giving and Volunteerism to learn more about our community investments). TI does not conduct formal community impact assessments because our sites are located in existing industrial areas that do not negatively impact vulnerable populations. We provide many channels for our neighbors to contact TI with questions or concerns (see Stakeholder engagement).
413-2	Operations with significant actual and potential negative impacts on local communities	We are not aware of any TI operation that negatively impacted local communities in 2018. In 2016, we announced the closure of our Greenock site in Scotland and sought a buyer for the operations. On April 1, 2019, we sold the operation and transferred nearly 300 employees to the new owner, thus avoiding negative community impacts.

Social standards

Supplier social assessment

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Supply chain management and Anti-human trafficking statement to learn more about our management approach.
414-1	Percentage of new suppliers that were screened using social criteria.	We do not have a process to track the percentage of new suppliers being screened. However, we do screen any new supplier that is deemed critical or provides on-sites services to our factories.
414-2	Negative social impacts in the supply chain and actions taken	See our Anti-human trafficking statement for more information about social impacts.

Public policy

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Public policy to learn more about our management approach.
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 United States.

Marketing and labeling

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Responsible manufacturing to learn more about our management approach.
417-1	Requirements for product and service information and labeling	See packaging and labeling for more information about requirements.

Socioeconomic compliance

Indicator	Description	Location
103-1 to 103-3	Disclosure of management approach	See Ethics to learn more about our management approach.
419-1	Non-compliance with laws and regulations in the social and economic area	TI received no material fines and no material non-monetary sanctions.

*Developed by TI.

**GRI updated its water and wastewater and occupational health and safety standards in 2018, which called for new or revised data to be reported.