

California Transparency Act

The California Transparency in Supply Chain Act of 2010 requires covered companies to disclose, beginning January 1, 2012, their efforts, if any, to eradicate slavery and human trafficking from their supply chains.

Texas Instruments (TI) believes that all employees should be treated with respect and dignity. We are committed to complying with the applicable laws of the countries in which we operate and we pledge to uphold human rights, ethical practices and a safe environment at all our operations, regardless of location. Our business practices statement, ethics and values policy and business code of conduct demonstrate TI’s long standing commitment to doing the right things.

As a member of the Electronics Industry Citizenship Coalition (EICC), TI agrees to comply with the EICC Code of Conduct (Code) and expects its suppliers to do the same. The labor section of the EICC Code addresses standards such as Freely Chosen Employment, Child Labor Avoidance, Working Hours, Wages and Benefits, Humane Treatment, Non-Discrimination and Freedom of Association. The EICC Code can be found at http://www.eicc.info/eicc_code.shtml.

A summary of our efforts is included below:

Disclose Extent to which company:	TI’s Disclosures
Verify product chains to evaluate/address risks of human trafficking and slavery. Must specify if verification is not conducted by a third party.	<ul style="list-style-type: none"> • New suppliers are educated on our standards and expectations. Announced, on-site inspections, not third party audits. • Suppliers agree to purchase orders or contracts that require compliance with applicable laws. • TI’s expectations are conveyed through various communications.
Conduct audits of suppliers to evaluate supplier compliance with company standards for trafficking and slavery in supply chains. Must specify if verification is not an independent, unannounced audit	<ul style="list-style-type: none"> • Targeted risk assessments and select in-depth reviews. • TI does not currently use independent, unannounced audits.
Requires direct suppliers to certify that materials incorporated into products comply with local laws regarding slavery/human trafficking.	<ul style="list-style-type: none"> • Suppliers agree to purchase orders/contracts that require compliance with applicable laws
Maintain internal accountability standards and procedures for employees or contractors failing to meet company standards regarding slavery and human trafficking.	<ul style="list-style-type: none"> • Formal open door policy for employees. • Suppliers may contact our ethics office. • Suppliers who do not meet standards are subject to review and possible termination
Training on slavery/trafficking to company employees and management with direct responsibility for supply-chain management.	<ul style="list-style-type: none"> • Procurement employees receive training on how to address supply chain issues.