



UNSDG REPORT

How TE is contributing to the United
Nations Sustainable Development Goals

November 2021

The 17 Sustainable Development Goals (SDGs), agreed by the Member States of the United Nations in 2015, provide a global roadmap for peace and prosperity for the planet and everyone who lives on it. As a global company with an extensive supply chain, we want to maximize the impact we can have on achieving the SDGs. Through One Connected World, we have identified the SDGs most closely aligned with our business and where we can make the biggest difference.



**UNITED NATIONS
SUSTAINABLE
DEVELOPMENT
GROUP**



We have identified seven of the 17 SDGs where we can make the greatest impact

Our Priorities

As a fundamental part of the development of our One Connected World strategy, we reviewed our business activities through the lens of the SDGs to identify where we can improve our business practices to improve our impact. We identified several areas where we can support significant progress against global efforts. For example, as a manufacturing company we have sites all over the world, all with their own environmental footprint. With a workforce of approximately 89,000 employees we can influence business attitudes to inclusion and diversity. And as a technology

company at the forefront of new product development, it is in our interest to invest in the next generation of innovators through improving access to education.

We work with more than 32,000 suppliers around the world and operate more than 100 manufacturing sites. We work at a local, national and international level. We apply strict standards to our supply chain and seek to use our influence generated by our size and market position to encourage our stakeholders and partners to join us as we strive to meet these ambitions. [Find out more about the UN SDGs.](#)

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Quality Education



Ensure inclusive and equitable quality education and promote lifelong learning opportunities for all

UNSDG Target: 1.4 By 2030, ensure that all men and women, in particular the poor and the vulnerable, have equal rights to economic resources, as well as access to basic services, ownership and control over land and other forms of property, inheritance, natural resources, appropriate new technology and financial services, including microfinance.

UNSDG Target: 4.4 By 2030, substantially increase the number of youth and adults who have relevant skills, including technical and vocational skills, for employment, decent jobs and entrepreneurship.

Why This is a Priority for TE

Technological advances are created through an ambition to break the barriers of what is known and push the boundaries of knowledge.

Harnessing the power of our core value of Innovation, the ingenuity of our more than 8,000 engineers and the crucial partnership of our customers, we are pursuing a transition to more sustainable and circular products.

We want all our people to be able to realize their potential. We want to create an environment for personal and professional growth, and we want to enable lifelong learning within and outside of TE to empower current and future generations of innovators, engineers and scientists to keep pushing the boundaries of knowledge.

Employee retention rate and professional development and training have an impact on the quality of the final product TE delivers. To provide customers with safe and reliable products, TE actively engages its employees through continuous training.

How TE is Contributing

Our corporate philanthropy centers around encouraging the next generation of innovators to pursue careers in science and technology. Additionally, the TE Connectivity Foundation works to strengthen global communities by enabling greater access to technology and engineering education for women and minorities.

We support nonprofit organizations and initiatives focused on growing science, technology, engineering and math (STEM) skills among young people, including through:

- A key partnership with DiscoverE, celebrating Engineers Week and Girl Day at more than 30 TE locations around the world.
- Supporting more than 100 robotics teams with FIRST®.
- Promoting engineering-focused entrepreneurial skills among university students in China through Enactus.
- Operating more than 40 apprenticeship programs worldwide including in the United States, Germany, Switzerland, China and Mexico.
- Supporting Girl Up, a United Nations Foundation program, which aims to inspire a generation of girls to be a source for gender equality and social change. Girl Up's leadership development programs have impacted 75,000 girls through 4,000 Clubs in nearly 125 countries and all 50 U.S. states.
- Supporting SMASH Academy, which provides a free, three year, intensive STEM focused college prep program that empowers students to deepen their talents and pursue STEM careers.
- Building a scholarship program to support the education and training of future leaders with African heritage. We hope to attract the best diverse talent in the nation by awarding top-performing students in universities, community colleges and technical schools with financial support.

Gender Equality



Achieve gender equality and empower all women and girls

UNSDG Target: 5.c Adopt and strengthen sound policies and enforceable legislation for the promotion of gender equality and the empowerment of all women and girls at all levels.

Why This is a Priority for TE

We work all over the world. Recognizing that difference is a strength and creativity comes from having the confidence to try new things means we must create an environment where all our employees are able to bring their whole selves to work.

The strongest businesses promote diversity and inclusion. In line with our sustainability aspiration to become a top performing inclusive and diverse global company, we are focused on creating a culture where women can thrive. This includes ensuring women are equally represented at all levels of our business and supporting initiatives that empower women and girls.

Globally, women are underrepresented in STEM education and jobs. This is reflected at TE, where women make up 42 percent of the workforce and only 24 percent of director level and above roles.

TE is actively working toward increasing diversity within the organization with the internally designed Conversations with Purpose program that will build coaching capabilities.

How TE is Contributing

- To strengthen the development of some of our diverse talent, TE has continued to invest in Women's Leadership Development. More than 200 women have participated in our Women's Leadership Development Programs over the last four years.
- TE's corporate philanthropy centers encourage the next generation of innovators to pursue STEM careers. To do this, TE collaborates with schools and nonprofit organizations focused on growing STEM skills among young people, with a specific focus on attracting girls into STEM to strengthen the diversity of our future workforce.
- In 2020 we refreshed our inclusion and diversity (I&D) strategy. The strategy establishes priorities for employee experience, employment brand, community partnerships and our business impact with an I&D lens. To drive business impact, we are focusing on building supplier diversity to foster a positive business relationship between TE and women and minority-owned businesses. Applying this approach will help our supplier network accurately reflects the markets in which we operate.
- Early in 2020, we launched our flexible working approach to support our employees in balancing their work and personal priorities.

Clean Water and Sanitation



Ensure availability and sustainable management of water and sanitation for all

UNSDG Target: 6.4 By 2030, substantially increase water-use efficiency across all sectors and ensure sustainable withdrawals and supply of freshwater to address water scarcity and substantially reduce the number of people suffering from water scarcity.

Why This is a Priority for TE

Safe drinking water is the most basic human need. Some of our manufacturing processes require water. All our sites require water for sanitation. While access to water is likely to become a more acute issue in more areas of the world as the impacts of climate change are realized, we are focusing our effort on water stressed areas to lessen our impact where we can make the most difference.

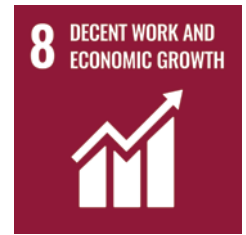
While TE's operations are not generally especially water intensive, there are some operations, such as running our compressors and our plating and extruding activities, which require greater water use.

In fiscal year 2020, we used the World Resources Institute's Aqueduct Water Risk Atlas to map TE locations and identify those in areas considered high or extremely high-water risk. This was a first step to identifying the scope and specific facilities we need to focus on to achieve our 2030 ambition for water.

How TE is Contributing

- We have a record of success in reducing our water usage around the world. Between fiscal year 2010 and fiscal year 2020, we have reduced our absolute water usage by 29 percent by reusing and recirculating water in plating, and by extruding and using lower flow fixtures.
- Our Qingdao, China plant used conductivity monitoring to reduce the amount of rinse water used in electroplating operations. This simple change cut water use at the plant by 35 percent.
- Our Hermosillo, Mexico supersite was designed to achieve a 45 percent reduction in water use compared to similar facilities in the area by incorporating zero wastewater discharge plating technology and landscaping with native plants and vegetation.
- At our Evora, Portugal site we refurbished the wastewater treatment system to use the rejected water from our plating processes in the bathrooms to flush the toilets. The water would previously have been discharged from the plant.
- We anticipate using best practices like these in our facilities in waterstressed areas to achieve our water reduction targets.
- Our analysis of TE locations in areas considered high or extremely high-water risk resulted in 60 facilities in 16 countries in water stressed areas, accounting for 33% of TE's total water usage equivalent to 288 million gallons.

Decent Work and Economic Growth



Promote sustained, inclusive and sustainable economic growth, full and productive employment, and decent work for all

UNSDG Target: 8.b By 2020, develop and operationalize a global strategy for youth employment and implement the Global Jobs Pact of the International Labour Organization.

UNSDG Target: 8.2 Achieve higher levels of economic productivity through diversification, technological upgrading and innovation, including through a focus on high-value added and labour-intensive sectors.

UNSDG Target: 8.5 By 2030, achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value.

UNSDG Target: 8.7 Take immediate and effective measures to eradicate forced labour, end modern slavery and human trafficking and secure the prohibition and elimination of the worst forms of child labour, including recruitment and use of child soldiers, and by 2025 end child labour in all its forms.

UNSDG Target: 8.8 Protect labour rights and promote safe and secure working environments for all workers, including migrant workers, in particular women migrants, and those in precarious employment.

Why This is a Priority for TE

TE has a complex global supply chain with operations around the world. Communities located around TE's operations can be affected by the company's economic activities. Communities, suppliers and employees can be negatively impacted if TE ceases its economic activity. Communities around these facilities can lose their main economic income and benefits from TE paying local taxes.

Human rights are a fundamental pillar of the world TE is building — not only in terms of access to life-changing technology but also through safe jobs, meaningful work and freedom from discrimination. We value our place in the global community and respect all applicable civil rights, human rights and labor laws in the locations where we operate. We require that our suppliers do the same.

How TE is Contributing

- This year we have engaged the Corporate Human Rights Benchmark to understand best practices and areas for improvement to prepare for the 2020 benchmark.
- We lead by example, applying high standards of human rights not only to our own sites but to our suppliers and their employees as well.
- An acceptable standard of human rights means freely chosen employment that provides employees with freedom of association, equal opportunities, clean and safe working environments, protection from any form of harassment, and all benefits mandated by applicable laws.
- We audit certain high-risk suppliers in our supply chain to evaluate that there is no child or forced labor. We closely monitor our facilities to protect fair and reasonable working hours, wages and benefits for all employees.
- We adhere to transparency requirements including the UK Modern Slavery Act and the California Transparency in Supply Chains Act.
- We have published a Human Trafficking and Modern Slavery policy, a first step to a more comprehensive and global human rights program.
- To support communities where TE employees live and work, TE has a funding system with two programs: Community Ambassador Program and Corporate Partnership grants.
- Using the Slavery & Trafficking Risk Template, we are conducting a supplier self-assessment of our direct suppliers as part of a larger supplier risk assessments to aid our efforts to identify and eliminate forced and trafficked labor in our supply chain.

Industry, Innovation and Infrastructure



Build resilient infrastructure, promote inclusive and sustainable industrialization, and foster innovation

UNSDG Target: 9.4 By 2030, upgrade infrastructure and retrofit industries to make them sustainable, with increased resource-use efficiency and greater adoption of clean and environmentally sound technologies and industrial processes, with all countries taking action in accordance with their respective capabilities.

UNSDG Target: 9.5 Enhance scientific research, upgrade the technological capabilities of industrial sectors in all countries, in particular developing countries, including, by 2030, encouraging innovation and substantially increasing the number of research and development workers per 1 million people and public and private research and development spending.

Why This is a Priority for TE

If we do not get all of the other material issues right, we will not be the supplier of choice. By focusing on partnerships with customers, and on high quality and high performing products, as well as sustainable development, TE can ensure the safety of end users and contribute to building more sustainable infrastructure with customers to help protect human rights, safety and the environment.

TE's innovations and partnerships with customers (co-creation) if not done correctly can have significant impacts on health and safety of end users, the environment and on human rights.

We leverage our core value of Innovation and strive to be a leader in embedding environmental standards across our industry. With every product that comes out of our facilities, we want to support a healthier climate and better resource use. That's the world we're sustainably co-creating.

As a manufacturer, we are net users of raw materials. The extraction, processing and transport of these materials all have an environmental impact.

How TE is Contributing

As a global manufacturer, we recognize our role in sustainable business leadership. Our efforts in recent years have had a significant impact on sustainability, but achieving this SDG requires a step-change in our approach. We have reviewed our performance and taken steps to drive further improvements:

- TE co-creates and innovates its products with its customers to improve health, energy efficiency and connectivity, making industry/infrastructure more efficient.
- Our Global Product Stewardship Committee, chaired by our Chief Technology Officer, is creating a 10-year roadmap to achieve our 2030 ambition, including collecting more information and data on great stewardship efforts already in place.
- In fiscal year 2020, TE began to fully realize the benefits of our strategic Digital Compliance approach. Thousands of part numbers now have their compliance status against key global regulations automatically calculated based on supplier declarations and a roll up across the electronic bill of materials.
- We work with more than 32,000 direct and indirect suppliers, with operations spanning almost every part of the globe. Our approach to responsible sourcing is detailed in TE's [Guide to Supplier Social Responsibility](#) (the SSR Guide), which states expectations and ethical principles for our suppliers.

Responsible Consumption and Production



Ensure sustainable consumption and production patterns

UNSDG Target: 12.2 By 2030, achieve the sustainable management and efficient use of natural resources.

UNSDG Target: 12.4 By 2020, achieve the environmentally sound management of chemicals and all wastes throughout their life cycle, in accordance with agreed international frameworks, and significantly reduce their release to air, water and soil in order to minimize their adverse impacts on human health and the environment.

UNSDG Target: 12.5 By 2030, substantially reduce waste generation through prevention, reduction, recycling and reuse.

Why This is a Priority for TE

Every day, TE engineers co-create a more sustainable future with our customers. As an electronic components manufacturer, we help our customers produce smaller, lighter and more energy-efficient products, reducing environmental impact through the life of a product.

As we think about the sustainable applications we enable, we also increasingly recognize the importance of viewing our products as part of the larger circular economy, and one in which our key stakeholders value sustainability at the core of the product.

We use various materials in our products that require proper handling throughout the entire product life cycle—from point of manufacture, through service life, to end-of-life disposal. Some of these materials, like plastic, have an environmental impact and therefore consequences on human health, well-being and environmental justice.

TE purchases raw materials around the world. To promote suppliers compliance with best practices, TE provides suppliers with trainings and employees with due diligence systems.

Hazardous and non-hazardous waste disposal and management from operations could have a potential negative impact on workers and local communities located around their operations, since TE generates 6,508 metric tons of hazardous waste yearly.

TE continues to use virgin materials to make its products and pack them. This affects the availability of already scarce raw materials.

How TE is Contributing

- Our product environmental compliance strategy guides how TE Connectivity will continue to meet our current legal obligations under global compliance legislation. The strategy also guides TE in embracing global best practices to synergize the efforts of engineering, operations, procurement, compliance and systems to address various sustainability challenges.
- Our One Connected World strategy seeks to embed sustainability into our product creation by 2030.
- We also work consistently to be efficient with our materials and minimize production waste. Our goal is that every scrap of metal is recycled by us or sold to recyclers. We work to improve segregating those metals for higher value and a useful second use post-production. This also includes using recycled metals in our manufacturing. All our efforts have resulted in recycling four times the amount of materials than we dispose as waste in our operations by weight.
- We maintain a **Conflict Minerals policy** and a management system dedicated to performing due diligence across our supply chain. This is managed by TE's Conflict Minerals core team, which is responsible for developing and maintaining work product, policies, standards and processes and serves as TE's designated conflict minerals subject matter experts.
- To ensure customers' and final users' safety, TE developed a compliance strategy that is foundational to operating safely and staying ahead of product regulations.



Climate Action

Take urgent action to combat climate change and its impacts

UNSDG Target: 13.1 Risks and opportunities posed by climate change that have the potential to generate substantive changes in operations, revenue, or expenditure.

UNSDG Target: 13.1(a) Total fuel consumption within the organization from non-renewable sources, in joules or multiples, and including fuel types used. Gross direct (Scope 1) GHG emissions in metric tons of CO₂equivalent. Gross location-based energy indirect (Scope 2) GHG emissions in metric tons of CO₂equivalent.

UNSDG Target 13.1(b) Total fuel consumption within the organization from renewable sources, in joules or multiples, and including fuel types used.

Why This is a Priority for TE

To keep global temperature rise below 2°C and avoid the worst impacts of climate change, businesses, governments, communities and individuals must be part of the aim of net zero carbon emissions.

Extreme weather patterns as a result of climate change may affect TE's operations and the livelihoods of our employees and people in our local communities. Prices of materials are subject to increase as they become more scarce and subject to increasing regulation.

Greenhouse gas (GHG) emissions represent our most significant environmental impact, with 95 percent of our Scope 1 and 2 GHG emissions are from our energy usage. TE consumes approximately 1.2 billion kilowatt hours of energy every year.

TE uses resin, a material that comes from fossil fuels, to mold our products. In order to create the final products, plants and facilities must be powered, and it is likely that this energy may come from fossil fuels as well, which releases a large amount of emissions to the atmosphere.

Our global supply chain and transportation of materials and end products is also resource intensive.

How TE is Contributing

- In fiscal year 2021, TE began integrating climate risks into our Enterprise Risk Management framework. For the first time, we have enhanced our internal reporting to give us a much clearer picture of our environmental performance. We have set a goal for each business unit and measure and report monthly. We establish and regularly review our environmental goals and progress with senior management and operations staff.
- We have a track record for success in reducing GHG emissions. We have set energy and GHG reduction targets for TE since 2009, and TE has already achieved a 40 percent reduction in GHG emissions as measured normalized to sales revenue measured from fiscal year 2010 to fiscal year 2020.
- We believe our company and our industry can help fight rising emissions, not only by reducing our own emissions, but by innovating to create products that use less energy and create fewer emissions.
- We challenged ourselves to find new ways to drive sustainability improvements. We have established and publicly reported a new goal to further reduce our greenhouse gas emissions in scopes 1 and 2 by more than 40%, on an absolute basis, by 2030.
- In fiscal year 2020, we established a new baseline for Scope 1 and Scope 2 emissions, continuing the reporting we've been doing since 2009.
- We have also established a TE Environmental, Health, and Safety and Facilities leadership team to enhance collaboration on GHG reduction initiatives.
- We are taking a strategic approach to further energy reduction. We have created a set of energy efficiency operating standards that we are requiring all of our sites to implement.
- We have mapped the energy use of our sites to understand where energy usage is highest.
- Through this work, we have discovered that molding is the greatest energy use on sites, while heating and cooling is our biggest area of energy use in plants. This gives us a useful starting point for driving down energy use in the coming year.
- TE has made measurable progress this year towards our carbon reduction goal through our energy levers which include sourcing renewable and carbon free energy. We have improved our energy efficiency through efficient solutions such as implementing operating standards and advancing our equipment infrastructure (LED lighting, compressor controls, and HVAC, for example).
- We collected and publicly reported our Scope 3 emissions for the first time to CDP.
- We have incorporated climate risks directly into our Enterprise Risk Management framework and published our first **Task Force on Climate-Related Financial Disclosures Report**.