



Texas Instruments Incorporated
12500 TI Blvd, MS 8658
Dallas, Texas 75243

February 10, 2021

VIA EMAIL shareholderproposals@sec.gov

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F. Street, N.E.
Washington, D.C. 20549

Re: Texas Instruments Incorporated—Omission of Stockholder Proposal Pursuant to Rule 14a-8

Ladies and Gentlemen:

In a letter dated December 18, 2020, we requested that the staff of the Division of Corporate Finance concur that Texas Instruments Incorporated (the “**Company**”) could exclude from its proxy statement and form of proxy for its 2021 annual meeting of stockholders a stockholder proposal (the “**Proposal**”) submitted by the Green Century Equity Fund (the “**Proponent**”).

Enclosed as Exhibit A is confirmation from the Proponent, dated February 10, 2021, agreeing to withdraw the Proposal. In reliance thereon, we hereby withdraw the December 18, 2020 no-action request relating to the Company’s ability to exclude the Proposal pursuant to Rule 14a-8 under the Securities Exchange Act of 1934.

Please do not hesitate to call me at (214) 479-1296 with questions regarding this matter.

Very truly yours,

A handwritten signature in black ink that reads 'Katie Kane'.

Katharine E. Kane
Vice President, Assistant Secretary and
Assistant General Counsel

Attachment

cc: Andrea Ranger, Green Century Funds
(via email)

EXHIBIT A



February 10, 2021

Via email: shareholderproposals@sec.gov

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F. Street, N.E.
Washington, D.C. 20549

Re: Green Century Funds' Withdrawal of Shareholder Resolution - Climate Change Board Oversight –
with Texas Instruments Incorporated

Dear Sir or Madam,

Green Century Funds wishes to withdraw its shareholder resolution, Climate Change Board Oversight, (attached via email) for consideration on Texas Instruments Incorporated's 2021 shareholder proxy statement. Please feel free to contact me with any questions at aranger@greencentury.com.

Sincerely,

Andrea Ranger
Shareholder Advocate
Green Century Funds



Texas Instruments Incorporated
12500 TI Blvd, MS 8658
Dallas, Texas 75243

December 18, 2020

VIA EMAIL (shareholderproposals@sec.gov)

U.S. Securities and Exchange Commission
Division of Corporation Finance
Office of Chief Counsel
100 F. Street, N.E.
Washington, D.C. 20549

Re: Texas Instruments Incorporated—Omission of Stockholder Proposal by the Green Century Equity Fund Pursuant to Rule 14a-8

Ladies and Gentlemen:

This letter is submitted by Texas Instruments Incorporated, a Delaware corporation (the “**Company**”), pursuant to Rule 14a-8(j) under the Securities Exchange Act of 1934, as amended (the “**Exchange Act**”), to notify the Securities and Exchange Commission (the “**Commission**”) of the Company’s intention to exclude a stockholder proposal (the “**Proposal**”) submitted by the Green Century Equity Fund (the “**Proponent**”), from the Company’s proxy statement and form of proxy that the Company intends to distribute in connection with its 2021 annual meeting of stockholders (the “**Proxy Materials**”).

The Company hereby requests confirmation that the Staff of the Division of Corporation Finance (the “**Staff**”) will not recommend any enforcement action if, in reliance on Rule 14a-8, the Company omits the Proposal from the Proxy Materials. In accordance with Rule 14a-8(j), this letter is being filed with the Commission not less than 80 days before the Company plans to file its definitive proxy statement.

Pursuant to Staff Legal Bulletin No. 14D (CF), Shareholder Proposals (November 7, 2008), question C, the Company has submitted this letter and any related correspondence via email to shareholderproposals@sec.gov. Also, in accordance with Rule 14a-8(j), a copy of this submission is being sent simultaneously to the Proponent as instructed in its correspondence as notification of the Company’s intention to omit the Proposal from the Proxy Materials. This letter constitutes the Company’s statement of the reasons it deems the omission of the Proposal to be proper.

THE PROPOSAL

The Proposal asks that the shareholders of the Company adopt the following resolution:

RESOLVED: Shareholders request Texas Instruments take steps to establish comprehensive board oversight of the Company's climate change policies and programs and report to shareholders on steps taken or planned toward this within a time frame deemed reasonable by the board.

The Proposal includes a Supporting Statement that states the following:

To determine the best approach for Texas Instruments to strengthen board oversight of climate change in ways that best address its particular circumstances, we recommend consideration of the following:

- Formalize climate change oversight by creating a new board committee or assign responsibility to an existing committee within the board committee's charter;
- Identify climate change expertise as a board qualification and recruit candidates with climate change expertise onto the board;
- Include climate change goals and performance into executive compensation criteria;

AND

- Report regularly on the role of the board in overseeing climate change, including areas of focus, key decisions made and challenges faced.

A copy of the proposal, as well as related correspondence with the Proponent, is attached to this letter as Exhibit A.

GROUNDINGS FOR EXCLUSION

The Company believes the Proposal may be properly omitted from the Proxy Materials pursuant to either of the following paragraphs of Rule 14a-8:

- 14a-8(i)(10) because the Company has already substantially implemented the Proposal; or
- 14a-8(i)(7) because it relates to the Company's ordinary business operations.

ANALYSIS

I. Rule 14a-8(i)(10) – Substantial Implementation

The Proposal is properly excludable because the Company has already substantially implemented policies, practices and procedures addressing the underlying concerns and essential objectives of the Proposal. Rule 14a-8(i)(10) permits a company to exclude a proposal if the company has already substantially implemented the proposal. The general policy underlying the “substantially implemented” basis for exclusion is “to avoid the possibility of shareholders

having to consider matters which have already been favorably acted upon by management.” SEC Release No. 34-12598 (July 7, 1976). The Commission has stated that “substantial” implementation under the rule does not require implementation in full or exactly as presented by the proponent. Release No. 34-40018 (May 21, 1998, n. 30).

The Staff has concurred that a proposal is substantially implemented when a company can demonstrate that it has already taken action to address the underlying concerns and essential objective of a shareholder proposal or that a company’s particular policies, practices and procedures compare favorably with the guidelines of the proposal. *See Applied Materials, Inc.* (Dec. 21, 2018) (permitting exclusion of a proposal requesting the company establish a public policy committee because the company’s existing policies and procedures dealt with public policy issues); *Exxon Mobil Corp.* (Mar. 23, 2018) (permitting exclusion of a proposal requesting a report describing how the company could adapt its business model to align with a decarbonizing economy by altering its energy mix because the company already disclosed its plans to address the impact of a decarbonizing economy on its business); *PNM Resources, Inc.* (Mar. 20, 2018) (permitting exclusion of a proposal requesting the company establish more effective board oversight of its policies and programs addressing climate change and report to shareholders because the company’s existing climate change report was published with board oversight).

The Staff also has provided no-action relief under Rule 14a-8(i)(10) when a company has satisfied a proposal’s essential objective, and therefore substantially implemented the proposal, even if the company did not take the exact action requested by the proponent, did not implement the proposal in every detail, or exercised discretion in determining how to implement the proposal. *See Visa Inc.* (Oct. 11, 2019) (agreeing that a proposal requesting the company’s compensation committee reform its executive compensation program to include social factors was substantially implemented because the company’s philosophy was tied to its seven strategic pillars, which included certain social issues); *Dunkin’ Brands Group Inc.* (Mar. 6, 2019) (agreeing that a proposal requesting a report on the feasibility of integrating sustainability metrics into the company’s compensation program was substantially implemented where the company met the essential objective through existing disclosures); *Oracle Corp.* (Aug. 11, 2016) (permitting exclusion of a proxy access proposal notwithstanding that the company’s proxy access bylaw did not implement provisions that the proposal identified as “essential elements” of the proposal); *Walgreen Co.* (Sept. 26, 2013) (permitting exclusion of a proposal requesting an amendment to the company’s articles of incorporation that would eliminate all super-majority vote requirements, where the company eliminated all but one such requirement).

In evaluating whether a company has substantially implemented a proposal that requests a report, the Staff has taken into account a company’s existing disclosure, even if not issued in the form of a stand-alone report responding to the proposal. *See Hess Corp.* (Apr. 11, 2019) (permitting exclusion of a proposal requesting a report on reducing the company’s carbon footprint because the company had already addressed its climate change strategy and emission targets in existing reports); *Wal-Mart Stores, Inc.* (Feb. 21, 2017) (permitting exclusion of a proposal requesting that Wal-Mart report on goals for reducing U.S. food waste where Wal-Mart already detailed food waste goals and plans on its website’s global responsibility report); *Entergy Corp.* (Feb. 14, 2014) (permitting exclusion of a proposal requesting the board prepare a report

on reducing greenhouse gas emissions where the company's existing public disclosures substantially implemented the essential objective of the proposal, even if they did not include all six of the distinct guidelines outlined in the supporting statement.)

A. *The Company's board of directors already oversees the Company's climate change policies and programs, and reports that oversight to shareholders.*

The Company has substantially implemented the Proposal because its board of directors (the "**Board**") already oversees climate change, as reported in publicly available disclosures on the Company's website.

As described in the Company's Corporate Governance Guidelines, the Company is managed under the direction of the Board rather than by the Board. Direction includes (1) establishing broad policies for guidance of the organization, such as those contained in Living our Values: TI's ambitions, values and code of conduct ("**Living our Values**"); (2) implementing those policies by delegation of authority and assignment of responsibility to Board committees, the Chief Executive Officer, and other officers or employees as appropriate; and (3) monitoring and evaluating performance to assure that the stated policies are being followed.¹

Living our Values², which was approved by the Board, describes the Company's ambitions, which are the foundation of our approach to environmental, social and governance ("**ESG**") matters, including climate change:

For years, we've run our business and invested in our people and communities with three overarching ambitions in mind. First, we will act like owners who will own the company for decades. Second, we will adapt and succeed in a world that is ever-changing. And third, we will be a company that we're personally proud to be a part of and would want as our neighbor.³

Regarding environmental, safety and health, including harmful emissions that affect climate change, the Board approved in Living our Values the following statement about the Company's policies and programs:

Health and safety

We assess and are careful to address potential health, safety and environmental risks presented by our operations.... We care for our environment and work hard to prevent pollution by implementing practices such as recycling and reusing materials, controlling harmful emissions, and properly handling hazardous and restricted substances.⁴

¹ See Company's Corporate Governance Guidelines at page 1, available at www.ti.com/governance-guidelines.

² Available at www.ti.com/lit/szzb178.

³ See Company's citizenship website, at www.ti.com/citizenship.

⁴ See Living our Values at page 9, available at www.ti.com/lit/szzb178.

The Company's investor overview whitepaper, which the Board reviewed, builds on the foundation of Company ambitions and the importance of assessing health, safety and environmental risks, and describes how our products play a critical role reducing harmful impacts of climate change:

Being a good corporate citizen

Investors today are embracing environmental, social and governance (ESG), or sustainable investing. At TI, we refer to this as a commitment to being a good corporate citizen, and for many years we've published a Corporate Citizenship Report that provides insight into how we think about and how we perform in various ESG and sustainability areas relevant to our business.

The foundation of our approach to citizenship is a belief that in order for all stakeholders to benefit, the company must grow stronger over the long term. This is why our ambitions are so powerful – because when we're successful in achieving these ambitions, our employees, customers, communities and shareholders all benefit.

There are two important distinctions regarding our commitment to citizenship. First, our efforts are designed and embraced to help us build the company stronger for the long term, not just to report metrics or progress.

Second, as noted in our passion, semiconductors are and will play a critical role in helping to create a better world. For example, they reduce energy consumption by making electric motors smarter, they electrify vehicles for a cleaner environment and they make factory robotic machinery with advanced sensors for better precision and employee safety. There is a growing list of the ways that semiconductors help create a better world. We believe that the combination of these two approaches to being a good corporate citizen provides confidence that our efforts will be impactful and long-lasting.⁵

The Company's Corporate Citizenship Report⁶, citizenship website⁷, Climate Disclosure Project Report on Climate Change⁸, and Global Reporting Initiative Index⁹ detail how the Company implements the Board's policies to address the risks, challenges and opportunities relating to, among other things, climate change and greenhouse gas emissions. Our greenhouse gas ("GHG") strategy team – comprised of internal environmental leaders and government relations staff, as well as legal, air quality, chemistry and energy experts – coordinates and

⁵ Investor overview at page 2, available at www.ti.com/investor-overview.

⁶ Available at www.ti.com/lit/szso004.

⁷ Available at www.ti.com/citizenship.

⁸ Available at www.cdp.net, and attached as Exhibit B.

⁹ Available at www.ti.com/lit/szso009.

manages climate change initiatives.¹⁰ Our business units and government relations organization also monitor government initiatives and incentives, as well as business opportunities, so that we can apply our innovative technologies to enable energy savings and new energy sources, which can subsequently help reduce greenhouse gas emissions.¹¹ The Company expects employees to achieve continuous improvement toward objectives and targets appropriate to their function, including GHG reduction goals. For example, starting in 2021, the Company's global energy strategy will include a five-year goal to reduce absolute scope 1 and 2 greenhouse gas emissions by 25% by the end of 2025, and reduce energy intensity by 50% by the end of 2025.¹²

As described on the Company's citizenship website, the Board's Audit Committee oversees management's implementation of environmental, safety, and health matters, including climate change, in connection with its oversight of Company internal controls, compliance, and risk management program. The Worldwide Environmental, Safety and Health Director and the Vice President responsible for Worldwide Facilities provide risk assessments (inclusive of climate change, when material/relevant) to the Audit Committee.¹³

The Board's Governance and Stockholder Relations Committee (the "**GSR Committee**") also oversees ESG matters, including climate change, in connection with its responsibility to review public issues of interest to Company stakeholders.¹⁴ In connection with this oversight responsibility, management updates the GSR Committee at least annually on stockholder policies and proposals regarding ESG matters that are material/relevant to the Company.¹⁵

Accordingly, the Company has established Board oversight of climate change as appropriate in the Company's governance structure, through its role of establishing Company policy in Living our Values, delegating authority to implement that policy to Company officers, and monitoring performance on environmental, safety and health matters in a manner consistent with its governance structure. The Company has also disclosed that oversight to shareholders. Therefore, the Proposal has already been substantially implemented by the Company and may be appropriately excluded from the Company's Proxy Materials.

B. The Company has already substantially implemented the considerations suggested in the Proponent's supporting statement.

As described above, the Board already oversees climate change at the Company. The Proposal's supporting statement recommends that the Company consider several specific ways the Board could oversee climate change. Even though these are simply recommendations, and are not required to be considered for substantial implementation, the Board has already considered each of them and determined the best way to oversee climate change for the

¹⁰ See Company's 2020 Climate Disclosure Project Report on Climate Change at C1.1b, available at www.cdp.net, and attached as Exhibit B.

¹¹ *Id.*

¹² Available at www.ti.com/citizenship.

¹³ See Board oversight of ESG matters, available at www.ti.com/esg-oversight.

¹⁴ See Statement of Responsibilities for the GSR Committee (the "GSR Charter") at page 2, available at www.ti.com/gsr-committee.

¹⁵ See Board oversight of ESG matters, available at www.ti.com/esg-oversight.

Company's circumstances. The Company has, therefore, substantially implemented even the Proponent's suggested considerations contained in the supporting statement.

The Staff has recognized that when a proposal merely suggests that the company consider a proposal be implemented in a certain way, the proposal may be excluded where the company has addressed the requested, but not the suggested, matters. For example, in *ConAgra Foods, Inc.* (July 3, 2006), the Staff supported exclusion of a proposal requesting that the board issue a sustainability report based on the company's existing policies and procedures even though they did not address the specific guidelines recommended in the proposal's supporting statement. *See also MGM Resorts Int'l* (Feb. 28, 2012) (supporting exclusion of a proposal requesting a report on the company's sustainability policies and performance, including multiple, objective statistical indicators, even though company disclosures were not in the level of detail requested in the supporting statement); *Wal-Mart Stores, Inc. (AFL-CIO Reserve Fund)* (March 30, 2010) (supporting exclusion of a proposal requesting that the company adopt global warming principles, including six specific principles listed in the supporting statement, even though the company did not adopt the listed principles wholesale).

In the Proposal, the supporting statement mentions four considerations. The Company addresses each of these below for completeness, but notes that satisfaction of these considerations is not required to substantially implement the Proposal's essential objective—to provide board oversight of climate change policies and programs. To the extent these considerations are required by the Proposal, the Proposal impermissibly seeks to micromanage the Company by imposing specific methods to implement complex policy issues, as discussed in Section II below.

1. The Board already has formalized climate change oversight by committee because its Audit and GSR Committees oversee environmental matters.

As described above, the Board's Audit Committee oversees internal controls, compliance and performance, as well as the Company's risk management process.¹⁶ This includes overseeing environmental policies, plans and programs via regular report-outs from the Worldwide Environmental, Safety and Health Director and the Vice President responsible for Worldwide Facilities provide risk assessments (inclusive of climate change, when material/relevant) to the Audit Committee.¹⁷ Also, the GSR Committee regularly reviews public issues like climate change that are likely to generate expectations of the Company's stockholders, employees, customers, vendors, governments and the public, and the Company's position regarding those issues as well as matters bearing on the relationship between the Company and stockholders.¹⁸

¹⁶ See Statement of Responsibilities for the Audit Committee (the "Audit Charter") at page 3, available at www.ti.com/responsibilities.

¹⁷ See Company's 2020 Climate Disclosure Project Report on Climate Change at C1.1b, available at www.cdp.net, and attached as Exhibit B.

¹⁸ See GSR Charter at page 2, available at www.ti.com/gsr-committee.

2. *The Board's GSR Committee has determined the appropriate qualifications for potential board members.*

The Board has delegated authority to the GSR Committee to identify director nominees based on criteria established by the Board.¹⁹ In seeking and assessing director nominees, the GSR Committee takes into account the following qualifications, which it has considered and determined to be the qualifications that maintain the right balance of knowledge, experience, background and capability on the Board:

Demonstrated outstanding achievement in the prospective Board member's personal career; relevant commercial expertise; international operations experience; financial acumen; government experience; standards of integrity and soundness of judgment; ability to make independent, analytical inquiries; Board diversity (viewpoints, gender and ethnicity); willingness and ability to devote the time required to perform adequately Board activities (considering, for example, the number of other boards of directors on which a prospective Board member serves); and such other factors as the Governance and Stockholder Relations Committee deems appropriate given the current needs of the Board and the Company....²⁰

The Board and GSR Committee have determined that director nominees with these qualifications, rather than individual director candidates with single-issue expertise like climate change, lead to the right mix of director experience and perspectives on the Board.

3. *The Board's compensation program does not use performance targets or metrics, but is structured with the Company's long-term ambitions in mind.*

The Company's compensation program already accounts for ESG and sustainability factors, even though they are not in the form of identifiable performance targets.

The Board's Compensation Committee has determined not to use formulas, thresholds or multiples in its compensation program. The Committee believes this approach, which assesses the Company's relative performance in hindsight after year-end, gives it the insight to most effectively and critically judge results, encourages executives to pursue strategies that serve the long-term interest of the Company, promotes accuracy in its assessment and comparison to competition, and eliminates the need for adjustments to formulas, targets or thresholds.²¹

The Company's compensation program is structured to pay for performance and deliver rewards that encourage executives to think and act in both the short- and long-term interests of shareholders. Central to the Company's ambitions, which are the foundation of its approach to ESG, is a belief that in order for all stakeholders to benefit, the Company must grow stronger over the long term. Our compensation program is structured with these ambitions in mind.²²

¹⁹ See GSR Charter at page 1, available at www.ti.com/gsr-committee.

²⁰ See Company's Corporate Governance Guidelines at page 2, available at www.ti.com/governance-guidelines.

²¹ See Company's 2020 Proxy Statement at page 25 under the heading "Compensation Discussion and Analysis".

²² See Board oversight of ESG matters, available at www.ti.com/esg-oversight.

4. *The Company already reports on the Board's role in overseeing ESG and sustainability matters.*

The Board already reports its role in overseeing climate change on the Company's citizenship website and in its Climate Disclosure Project Report. The Company's Citizenship Report includes the Company's key areas of focus, key decisions made and challenges faced regarding climate change. For example:

- Key area of focus: The Citizenship Report notes that the Company "understand[s] the importance of addressing and responding to climate change. Setting realistic GHG emission and energy reduction goals and regularly assessing potential risks related to climate change that may affect the company over the long term makes TI more efficient and competitive."²³
- Key decision: The Company's citizenship website notes that starting in 2021, the Company's global energy strategy will include a five-year goal to reduce absolute scope 1 and 2 greenhouse gas emissions by 25% by the end of 2025, and reduce energy intensity by 50% by the end of 2025.²⁴
- Challenges faced: Regarding monitoring potential risks associated with climate change, the Citizenship Report notes that to maintain its commitment to environmental stewardship, the Company closely tracks global trends in environmental and energy policy, changes in regulations that apply to TI or its suppliers, and extreme weather events.²⁵

As described above, the Board already oversees climate change at the Company. The Proposal's supporting statement recommends that the Company consider several specific ways the Board could oversee climate change. Even though these are simply recommendations, and are not required to be considered for substantial implementation, the Board has already considered each of them and determined the best way to oversee climate change for TI's circumstances. The Company has, therefore, implemented even the Proponent's suggestions in the supporting statement.

Substantial implementation under Rule 14a-8(i)(10) requires that a company's actions satisfactorily address both the underlying concerns and the essential objective of the proposal. The Board already oversees climate change issues affecting the Company, and the Company's accompanying public disclosures address both the underlying concerns and essential objective of the Proposal. Accordingly, the Company may properly exclude the Proposal from the Proxy Materials pursuant to Rule 14a-8(i)(10).

II. Rule 14a-8(i)(7) – Ordinary Business Operations

If the Staff does not agree that the Proposal may be excluded because of substantial implementation, the proposal may be excluded under Rule 14a-8(i)(7) because it seeks to impose

²³ See Company's Corporate Citizenship Report at page 7, available at www.ti.com/lit/szzo004.

²⁴ See Company's Citizenship website, at www.ti.com/citizenship.

²⁵ See Company's Corporate Citizenship Report at page 9, available at www.ti.com/lit/szzo004.

specific strategies and actions for managing climate change. As described above, the Board already oversees climate change at the Company, and has considered the specific actions described in the supporting statement. However, if the Staff does not agree that the Company has substantially implemented the Proposal, the Proposal micromanages the Company because its requested actions unduly limit management and the Board's judgment to manage the complex issue of climate change with appropriate flexibility.

Under Rule 14a-8(i)(7), a shareholder proposal may be excluded from a company's proxy materials if the proposal "deals with matters relating to the company's ordinary business operations." In Exchange Act Release No. 34-40018 (May 21, 1998) (the "1998 Release"), the Commission stated that the policy underlying the ordinary business exclusion rests on two central considerations. The first recognizes that certain tasks are so fundamental to management's ability to run a company on a day-to-day basis that they could not, as a practical matter, be subject to direct shareholder oversight. The second consideration relates to the degree to which the proposal seeks to micromanage the company by probing too deeply into matters of a complex nature upon which shareholders, as a group, would not be in a position to make an informed judgment. A proposal might probe too deeply into matters of a complex nature if it "imposes a specific strategy, method, action, outcome or timeline for addressing an issue, thereby supplanting the judgment of management and the board." Staff Legal Bulletin 14K (October 16, 2019) ("SLB 14K").

The Staff has noted that a proposal might micromanage the company when it prescribes specific actions that management or the board must undertake without affording them sufficient flexibility or discretion to address the complex matter presented by the proposal. *See* SLB 14K; *Devon Energy Corp.* (March 4, 2019) (permitting exclusion of a proposal requesting that the company report on specific climate change goals because adopting the goals would result in changes in company operations); *Exxon Mobil Corp.* (March 6, 2020) (permitting exclusion where a proposal unduly limited the board's flexibility and discretion in determining how the board should oversee climate risk); *JPMorgan Chase & Co. (Harrington Investments, Inc.)* (March 30, 2018) (permitting exclusion of a proposal because it micromanaged the company by requesting that the board establish a human rights committee); *Royal Caribbean Cruises Ltd.* (March 14, 2019) (permitting exclusion of a proposal because it micromanaged the company by requiring stockholder approval for all company buybacks).

Under Rule 14a-8(i)(7), a proposal may micromanage the company when "the method of strategy for implementing the action requested by the proposal is overly prescriptive, thereby potentially limiting the judgment and discretion of the board and management." *SLB 14K*. The Staff has noted that that when assessing whether a proposal impermissibly micromanages a company, the Staff looks not only to the resolved clause, but to the proposal in its entirety, to determine the action the proposal requests. Thus, a supporting statement that modifies or re-focuses the intent of the resolved clause to effectively require some action in order to achieve the resolved clause might micromanage the company.

Read together, the Proposal's resolved clause and supporting statement impose specific actions the Company should take to address Board oversight of climate change, thereby removing from the Board's discretion oversight of the Company's climate policies and

programs. If the Board oversight of climate change described above is not enough to substantially implement the Proposal, then the Company would be required to adopt one or more of the specific actions in the supporting statement to sufficiently satisfy the Proposal. Imposing such a requirement would mean, for example:

- creating a new committee, or assigning specific responsibility to an existing committee, to oversee climate change concerns (even though the Board has already assigned responsibilities to both its Audit and GSR Committees);
- identifying climate change as a board qualification and recruiting director candidates specifically with climate change expertise (even though in selecting nominees the Board prefers to focus on broader qualifications that maintain the right balance of knowledge, experience, background, and capability on the Board, rather than single-issue expertise as the supporting statement would require);
- including climate change goals and performance metrics into executive compensation consideration (even though the Company does not use metrics, targets, or thresholds in its compensation program, and already considers ESG matters as part of the long-term focus of the program); and
- adding additional reporting regarding the Board's role in overseeing climate change (even though the Company already publishes several reports addressing environmental matters).

Given this, if the Proposal is read to require specific implementation of the supporting statement – rather than substantial implementation of the “Resolved” clause – it unduly limits management's and the Board's ability to manage the complex issue of climate change with the appropriate level of flexibility. The Proposal prescribes specific actions, and the methods for those actions, that the Board must undertake that includes (a) structuring its committees; (b) recruiting and selecting its members, (c) setting executive compensation, and (d) reporting. The Proposal also interferes with the Board's determination of the best way to oversee climate change in the Company's specific circumstances.

The level of prescriptiveness in the Proposal micromanages the Company by imposing actions, methods and outcomes on how the Board should carry out its roles, responsibilities and objectives. The Proposal thus fails to afford the board sufficient flexibility or discretion in addressing the complex matters presented by the Proposal, namely the oversight of climate risks on the Company. Accordingly, consistent with the Staff's previous interpretations of Rule 14a-8(i)(7), the Proposal is properly excludable as relating to the Company's ordinary business operations.

CONCLUSION

The Company believes that it has substantially implemented the Proposal through the Board's existing oversight of the Company's environmental policies and programs, and it is therefore excludable pursuant to Rule 14a-8(i)(10). If the Company's already-established Board oversight is not sufficient to substantially implement the Proposal, then it is inappropriately micromanaging the Company and is excludable under Rule 14a-8(i)(7). The Company respectfully requests that the Staff express its intention not to recommend enforcement action if the Proposal is omitted from the Proxy Materials for the reasons set forth above. If you have any questions regarding this request, or need any additional information, please telephone the undersigned at (214) 479-1296.

Very truly yours,



Katharine E. Kane
Vice President, Assistant Secretary and
Assistant General Counsel

Attachments

cc: Andrea Ranger
The Green Century Equity Funds
(via email)

EXHIBIT A

The Proposal and Related Correspondence



November 5, 2020

Cynthia Hoff Trochu
Senior Vice President, Secretary, General Counsel and Chief Compliance Officer
Texas Instruments Incorporated
12500 TI Boulevard, MS 8658,
Dallas, TX 75243

Dear Ms. Trochu,

The Green Century Equity Fund hereby submits the enclosed shareholder proposal with Texas Instruments Incorporated (TXN) for inclusion in the company's 2021 proxy statement in accordance with Rule 14a-8 of the General Rules and Regulations of the Securities and Exchange Act of 1934 (17 C.F.R. § 240.14a-8).

Per Rule 14a-8, the Green Century Equity Fund is the beneficial owner of at least \$2,000 worth of Texas Instruments Incorporated's stock. We have held the requisite number of shares for over one year, and we will continue to hold sufficient shares in the company through the date of the annual shareholders' meeting. Verification of ownership from a DTC participating bank is enclosed.

Due to the importance of the issue and our need to protect our rights as shareholders, we are filing the enclosed proposal for inclusion in the proxy statement for a vote at the next shareholders' meeting.

We welcome the opportunity to discuss the subject of the enclosed proposal with company representatives. The contact person is Andrea Ranger (aranger@greencentury.com).

Thank you for your attention to this matter.

Sincerely,

John Nolan
President
The Green Century Funds



November 5, 2020

John Nolan
Senior Vice President, Green Century Capital Management, Inc.
President, Green Century Funds
[114 State Street, Suite 200, Boston, MA 02109](https://www.gccm.com/locations/114-state-street-suite-200-boston-ma-02109)

This letter is to confirm that as of November 5, 2020, UMB Bank, N.A. 2450, a DTC participant, in its capacity as custodian, held 22,591 shares of Texas Instruments Inc on behalf of the Green Century Equity Fund. These shares are held in the Bank's position at the Depository Trust Company registered to the nominee name of Cede & Co.

Further, this is to confirm that the position in Texas Instruments Inc Common Stock held by the bank on behalf of the Green Century Equity Fund has been held continuously for a period of more than one year, including the period commencing prior to November 5, 2019 and through November 5, 2020. During that year prior to and including November 5, 2020 the holdings continuously exceeded \$2,000 in market value.

Sincerely,

Bryan K. Kennedy
Mgr I/Operations Team
UMB Bank, n.a.

UMB Bank, n.a.

928 Grand Boulevard
Kansas City, Missouri 64106

[umb.com](https://www.umb.com)

Member FDIC

Climate Change Board Oversight

Whereas:

Climate change poses one of the greatest economic threats of our time. The Economist Intelligence Unit estimates that climate change will cost the world economy \$7.9 trillion by 2050, and the Intergovernmental Panel on Climate Change estimates that, by 2100, global economic damage from climate change will be \$54 trillion, even under the most conservative warming scenario of the Paris Agreement.

Corporate boards have a responsibility to oversee material risks, in order to protect investors, who are now calling for expanded board oversight of corporate responses to climate change. For example, large institutional investors, CalPERS and CalSTRS, have amended their corporate governance principles calling for climate competence on boards of their portfolio companies. The CEO of Blackrock has called on the boards of portfolio companies to explain how structural trends like climate change affect potential growth, and State Street Global Advisors has issued guidance on how boards can improve oversight of climate change-related risks.

Explicitly incorporating climate change into a board committee's charter shows that climate change is being raised systemically as a part of board deliberations.

A number of Texas Instruments' peers have already established explicit board oversight of climate change. Hewlett Packard Enterprise's nominating, governance and social responsibility committee explicitly notes the committee's responsibilities in the areas of sustainability and corporate social responsibility. Similarly, the boards of Intel, Qualcomm and IBM formally oversee environmental and sustainability matters. Other companies, like Apple, Amazon, and PepsiCo, have added experts in climate change to their boards allowing for informed and in-depth deliberations on the issue. Going further, Verizon's board links 5% of the company's short-term incentive plan to diversity and sustainability metrics, with the goal of reducing its carbon intensity by at least 10% compared to the prior year.

Yet, Texas Instruments has not sufficiently informed shareholders on how its board manages issues related to climate change, nor is executive pay tied to carbon emission reduction goals. As a result, investors lack insight into how the Company will ensure long-term oversight of the material risks posed by climate change.

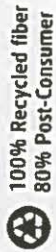
Resolved: Shareholders request that Texas Instruments take steps to establish comprehensive board oversight of the Company's climate change policies and programs and report to shareholders on steps taken or planned toward this within a time frame deemed reasonable by the board.

Supporting Statement: To determine the best approach for Texas Instruments to strengthen board oversight of climate change in ways that best address its particular circumstances, we recommend consideration of the following:

- Formalize climate change oversight by creating a new board committee or assign responsibility to an existing committee within the board committee's charter;
- Identify climate change expertise as a board qualification and recruit candidates with climate change expertise onto the board;
- Include climate change goals and performance into executive compensation criteria;

AND

- Report regularly on the role of the board in overseeing climate change, including areas of focus, key decisions made and challenges faced.



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ANDREA RANGER
(617) 233-0348
THE UPS STORE #2668
411A HIGHLAND AVE
SOMERVILLE MA 02144-2516

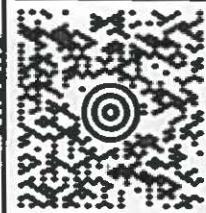
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SHP WT: LTR

VIDAL, ANA

Date: 11/09/2020 Time 10 48 02
TI Tracking # 1010343358

SHIP ATTN SECRETARY
TO: TEXAS INSTRUMENTS INC.
STOP 8658
12500 T I BLVD

DALLAS TX 75243-0592



TX 752 9-35



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TRACKING #: 1Z W3V 150 A2 5465 6723



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not recommended for shipments of electronic media
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01880250709 11/18 Unit

From: Kane, Katie
Sent: Monday, November 30, 2020 9:03 AM
To: Andrea Ranger
Cc: Bedell, Beth
Subject: RE: TXN proposal - call scheduling

Thanks, Andrea – I just sent an invitation. Looking forward to connecting.

Katie

From: Andrea Ranger [<mailto:aranger@greencentury.com>]
Sent: Tuesday, November 24, 2020 3:43 PM
To: Kane, Katie
Cc: Bedell, Beth
Subject: [EXTERNAL] RE: TXN proposal - call scheduling

Hi Katie,
Let's plan on meeting at 11:00 am on the 8th (Eastern time). Please let me know if you would like me to set up a video link. Thank you.
With best regards,
Andrea

From: Kane, Katie <k-kane@ti.com>
Sent: Tuesday, November 24, 2020 3:27 PM
To: Andrea Ranger <aranger@greencentury.com>
Cc: Bedell, Beth <bbedell@ti.com>
Subject: RE: TXN proposal - call scheduling

Great! Appreciate the flexibility. Beth and I could make 9-12 ET work on December 8? If you have a preference for a half hour block I can send an invitation.

Thanks, and have a happy Thanksgiving.

Katie

From: Andrea Ranger [<mailto:aranger@greencentury.com>]
Sent: Tuesday, November 24, 2020 7:56 AM
To: Kane, Katie
Cc: Bedell, Beth
Subject: [EXTERNAL] RE: TXN proposal - call scheduling

Hi Katie,
I have some flexibility around Dec 8, 9, 10 with a preference for morning hours – up to 1 pm ET. If that doesn't work, I can shuffle some meetings around if needed.
With best regards,
Andrea Ranger

From: Kane, Katie <k-kane@ti.com>
Sent: Friday, November 20, 2020 4:52 PM
To: Andrea Ranger <aranger@greencentury.com>
Cc: Bedell, Beth <bbedell@ti.com>
Subject: RE: TXN proposal - call scheduling

Understood, Andrea, my calendar is similar these days!

We were hoping to connect sooner ahead of our SEC no-action request deadline (approx. 12/18), and can make ourselves available at your convenience to do so. But if your calendar doesn't permit that, we are available any time the afternoon of 12/14 or the morning of December 15. The rest of that week, we are in all-day "off-site" meetings, but we can step out of if needed to have a conversation.

Please let us know what works for you, and we'll get something on the calendar.

Thank you,
Katie

From: Andrea Ranger [<mailto:aranger@greencentury.com>]
Sent: Friday, November 20, 2020 10:04 AM
To: Kane, Katie
Cc: Bedell, Beth
Subject: [EXTERNAL] RE: TXN proposal - call scheduling

Hello Katie,

Thanks for reaching out. I had seen your original email but have had back-to-back deadlines and hadn't had a chance to respond yet. We are opening to talking, and I wanted to offer up the week of December 14th – I have meetings scheduled but am generally flexible around that week.

Thanks,
Andrea Ranger

From: Kane, Katie <k-kane@ti.com>
Sent: Thursday, November 19, 2020 7:19 PM
To: Andrea Ranger <aranger@greencentury.com>
Cc: Bedell, Beth <bbedell@ti.com>
Subject: RE: TXN proposal - call scheduling

Hello, Ms. Ranger. Just checking in to make sure you saw my note below. Do you have any time in the next couple of weeks to discuss the proposal?

Thank you,
Katie

From: Kane, Katie
Sent: Monday, November 16, 2020 6:38 PM
To: aranger@greencentury.com
Cc: Bedell, Beth
Subject: TXN proposal - call scheduling

Ms. Ranger,

I'm writing to acknowledge receipt of the shareholder proposal Green Century Funds submitted for inclusion in TI's 2021 proxy statement.

We are hoping to set up a call with you to discuss the proposal. We are generally available this week or next, but schedules get harder to coordinate after that. Any chance you're available for a call during that time?

Thank you,
Katie

Katie Kane
Vice President, Assistant Secretary and Assistant General Counsel
Texas Instruments Incorporated
(214) 886-8940 (cell)

From: Andrea Ranger [<mailto:aranger@greencentury.com>]

Sent: Wednesday, December 16, 2020 7:56 AM

To: Kane, Katie

Subject: [EXTERNAL] RE: TXN proposal discussion

Hi Katie, thanks for reaching out. We have indeed been thinking about and discussing the proposal further and I will get back to you today.

Best regards,
Andrea

From: Kane, Katie <k-kane@ti.com>

Sent: Wednesday, December 16, 2020 8:54 AM

To: Andrea Ranger <aranger@greencentury.com>

Subject: RE: TXN proposal discussion

Hi Andrea,

Glad we got a chance to connect last week to discuss your proposal. As I mentioned, we are planning on submitting a no-action request to the SEC on Friday. Would it be possible to connect again before then? I can make myself available for a conversation if you have time.

Thank you,
Katie

From: Kane, Katie

Sent: Monday, December 7, 2020 4:22 PM

To: Andrea Ranger

Subject: RE: TXN proposal discussion

Ms. Ranger, my apologies for the delay in responding. Because our discussion tomorrow will be focused on the shareholder proposal that Green Century submitted, we would prefer to limit the call to your team and ours. Look forward to connecting tomorrow.

Thank you,
Katie

From: Andrea Ranger [<mailto:aranger@greencentury.com>]

Sent: Wednesday, December 2, 2020 10:29 AM

To: Kane, Katie

Subject: [EXTERNAL] RE: TXN proposal discussion

Hi Katie,

The New Jersey Department of Treasury was interested in co-filing with us on the issue of board oversight of climate, but they were unable to make the filing deadline. However, due to their expressed interest in Texas Instruments and climate and governance, I would ask that they join us on the meeting.

Would this work for you all?

Best regards,

Andrea Ranger

-----Original Appointment-----

From: Kane, Katie <k-kane@ti.com>

Sent: Monday, November 30, 2020 10:02 AM

To: Kane, Katie; Bedell, Beth; Andrea Ranger

Subject: TXN proposal discussion

When: Tuesday, December 8, 2020 10:00 AM-10:30 AM (UTC-06:00) Central Time (US & Canada).

Where:

Meeting connection information redacted

From: Andrea Ranger <aranger@greencentury.com>
Sent: Friday, December 18, 2020 11:16 AM
To: Kane, Katie
Subject: [EXTERNAL] RE: TXN Proposal Discussion on Board Oversight With Green Century

Hi Katie, I'm free January 6 – except for 10 and 1 CT and free January 7.
Please let me know what works for your schedule and I'll send you a meeting invite.
Thank you,
Andrea

From: Kane, Katie <k-kane@ti.com>
Sent: Friday, December 18, 2020 11:30 AM
To: Andrea Ranger <aranger@greencentury.com>
Subject: RE: TXN Proposal Discussion on Board Oversight With Green Century

Thanks, Andrea, and understood. I'll be returning to work on January 4, and can be available that Wednesday or Thursday for a discussion at your convenience.

Have a happy holiday season.

Katie

From: Andrea Ranger [<mailto:aranger@greencentury.com>]
Sent: Friday, December 18, 2020 8:19 AM
To: Kane, Katie
Subject: [EXTERNAL] RE: TXN Proposal Discussion on Board Oversight With Green Century

Hi Katie,
Unfortunately, I'm in a daylong meeting today and will not be able to give this the attention that it requires. I did carefully read through your email and attachment and will need to confer with my partners and colleagues as to whether we feel it meets our needs as investors. That said, I'm glad that you want to continue the conversation and will take you up on that offer.
I know that the SEC appreciates knowing when a company and investors are continuing to talk so that they can do triage on flood of no-action requests that they get. However, I leave that to your discretion.
In terms of availability, I'm in the office Mon and Tues next week and on Dec 30 and 31. And of course in the new year.
Thank you,
Andrea

From: Kane, Katie <k-kane@ti.com>
Sent: Thursday, December 17, 2020 5:48 PM
To: Andrea Ranger <aranger@greencentury.com>
Subject: RE: TXN Proposal Discussion on Board Oversight With Green Century

Andrea,

Thank you for your thoughtful response. Working through the request in your proposal caused us to pull together the attached draft description of Board and Committee oversight of ESG matters, including environmental. As you'll see, our approach starts with "Living our Values: TI's ambitions, values and code of conduct," which was approved by the Board,

and describes the Company's ambitions, which are the foundation of our approach to ESG matters, including climate change.

We agree that material risks should be identified and addressed in a systematic way, and we understand the importance of addressing and responding to climate change. With that in mind, if Green Century is willing to withdraw its shareholder proposal before we submit our SEC letter tomorrow, we will commit to disclose, in our next Citizenship Report, whether and how TI considered climate change as a part of its material risk assessment, including how climate change risks were factored into TI's risk prioritization.

We expect this offer is responsive to your email, and hope we can resolve this without involving the SEC. But if this does not suffice, we look forward to further discussions with you after we submit our letter on Friday afternoon.

Thank you,
Katie

From: Andrea Ranger [<mailto:aranger@greencentury.com>]
Sent: Wednesday, December 16, 2020 9:41 AM
To: Kane, Katie
Subject: [EXTERNAL] RE: TXN Proposal Discussion on Board Oversight With Green Century

With attachment this time.
Best,
Andrea

From: Andrea Ranger
Sent: Wednesday, December 16, 2020 10:28 AM
To: 'Kane, Katie' <k-kane@ti.com>
Subject: TXN Proposal Discussion on Board Oversight With Green Century

Hi Katie,

I want to reiterate that I appreciate the time that you and Beth took to meet with me last week.

I've had the time to give our conversation more thought. As you know, investors' primary concern is that material risks are identified and addressed in a systematic way. You had mentioned that Texas Instruments had completed a materiality assessment of financial risks, and I said that one should be completed that identifies ESG risks as well. What I should have said is that our expectation is that any materiality assessment that Texas Instruments conducts should incorporate ESG risks, as risks, particularly because issues like climate change have the potential to pose significant impacts on the company.

Relevant and important sources, such as a recent report on financial stability by the Federal Reserve in November, 2020, have unequivocally identified climate change as a near term risk to the financial system. Texas Instruments' peers like Intel, IBM, Hewlett Packard Enterprise, and Qualcomm have identified climate change as a material risk in their 10-K's. Additionally, investors who are a part of the SASB group have identified climate change and greenhouse gas emissions as material risks to your industry sector. Texas Instruments, on the other hand, does not mention climate change in its most recent 10-K filing. (Natural disaster, yes. Climate change, no).

The discussion of whether or not climate change was incorporated in a meaningful manner in Texas Instruments' materiality process becomes especially important given the discussion of the role of the Audit Committee in the 2020 CDP response:

Where climate related issues may have significance for TI, these matters are included in reviews to help the Audit Committee fulfil their oversight responsibilities. The Worldwide Environmental, Safety and Health Director and/or the VP, Worldwide Facilities provides risk assessments (inclusive of climate change, when material/relevant) to the Audit Committee.

Without a materiality assessment that includes a vigorous analysis of climate risk, it's hard to for investors to understand how issues related to climate change are considered appropriate to bring to the board and/or management's attention.

Where an issue is material, it automatically belongs on the agenda of the board and should be included in financial filings including the 10-K. By incorporating specific reference to climate change, ESG, or sustainability in their board committee charters, your peers have underscored that these issues are enough of a priority to their enterprises to have a "home" on the board, and allow them to be raised systematically as a part of board discussions.

Absent an explicit acknowledgement of climate change as a material risk to Texas Instruments and absent reference to climate change, ESG, or sustainability on a board committee charter, it is unclear to us as investors whether these issues are in fact being surfaced regularly to the board.

Therefore, we're calling on Texas Instruments to include reference to climate change at the board level. Failing this, we're calling on Texas Instruments to provide more discussion on whether and how climate change was considered as a part of its materiality exercise - and how the systemic risk of climate change was factored into decisions made on issues to prioritize.

A useful resource to look at is [Applying Enterprise Risk Management to Environmental, Social and Governance-related Risks](#), by the Committee of Sponsoring Organizations of the Treadway Commission (COSO) and World Business Council for Sustainable Development (WBCSD) which provides guidance on how companies can integrate ESG into existing ERM concepts and processes. Included in that document is the quote, "... over the last several decades – and particularly the last 10 years – the prevalence of ESG-related risks has accelerated rapidly. In addition to a clear rise in the number of environmental and social issues that entities now need to consider, the internal oversight, governance and culture for managing these risks also require greater focus." I've attached the report for your review.

With best regards,
Andrea Ranger

Andrea Ranger

Shareholder Advocate

Green Century Capital Management, Inc.

Green Century Funds

114 State Street, Suite 200, Boston, MA 02109

617-233-0348 (cell)

617-482-0800 (office)

aranger@greencentury.com

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Andrea Ranger

Shareholder Advocate

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EXHIBIT B

Texas Instruments Incorporated Climate Disclosure Project Report on Climate Change

Texas Instruments Incorporated - Climate Change 2020

C0. Introduction

C0.1

(C0.1) Give a general description and introduction to your organization.

Texas Instruments Incorporated (TI) is a global semiconductor manufacturing company, with 30,000 employees in 30 countries. For decades, we have operated with a passion to create a better world by making electronics more affordable through semiconductors. We were pioneers in the transition of the world from vacuum tubes to transistors and then to integrated circuits (ICs) – and we've been advancing IC technology and the ability to reliably produce ICs in high volumes for decades. Each generation of innovation builds upon the last to make technology smaller, more efficient, more reliable and more affordable – making it possible for semiconductors to go into electronics everywhere. Our passion to create a better world by making electronics more affordable through semiconductors is alive today as we help our customers develop new applications, particularly in the industrial and automotive markets.

We provide customers around the world with a vast array of technology, detailed in TI products on our website, at <http://www.ti.com>. We design, manufacture, test and sell analog and embedded semiconductors that help our nearly 100,000 customers around the globe create differentiated applications in markets that include industrial, automotive, personal electronics, communications equipment and enterprise systems.

Our broad portfolio of over 80,000 products helps our customers efficiently manage power, accurately sense and transmit data, and provide the core control or processing in their electronic systems. We partner with our customers to understand their toughest challenges, then apply our technology and system expertise and work persistently to overcome barriers and problem-solve. As each of these systems becomes smarter, safer, more connected and energy efficient, they require semiconductors, specifically analog and embedded chips like the ones we make. We're making the world a better place, one chip at a time.

We own our global manufacturing facilities so that we can reliably deliver the high-quality products our customers need, when they need them. Across our 14 manufacturing sites worldwide, we operate 10 wafer fabs, seven assembly and test factories, and multiple bump and probe facilities. We invent process and [packaging technologies](#) that help build highly differentiated components, which work the way they're intended to for the lifetime of our customers' products.

Our founders had the foresight to know that building a great company required a special culture to thrive for the long term. At TI, we refer to this as Living Our Values, and it's how we operate daily. Learn more by downloading "[Living our values: TI's ambitions, values, code of conduct and policies.](#)"

We understand the importance of addressing and responding to climate change. TI has a strong history of environmental stewardship and works to continuously improve environmental performance and efficiency at its sites worldwide. We make significant investments to operate efficiently and reduce water and energy consumption. We set both voluntary and regulatory goals to ensure the quality and reliability of our products as well as to maintain compliance with various environmental, safety and health (ESH) regulations. Setting realistic GHG emission and energy-reduction goals and regularly assessing potential risks related to climate change that may affect the company over the long term makes TI more efficient and competitive.

We invest in controls to reduce our greenhouse gas (GHG) emissions, which are emitted through our operations, product manufacturing and distribution processes. We have programs in place to reduce GHGs from TI sites worldwide. The bulk of our emissions occur from our scope 1 process emissions in manufacturing, and our scope 2 purchased electricity. We have specific programs and processes in place to minimize both of these GHG emission types.

C0.2

(C0.2) State the start and end date of the year for which you are reporting data.

	Start date	End date	Indicate if you are providing emissions data for past reporting	Select the number of past reporting years you will be providing emissions data for
--	------------	----------	---	--

			years	
Reporting year	January 1 2019	December 31 2019	No	<Not Applicable>

C0.3

(C0.3) Select the countries/areas for which you will be supplying data.

China
Germany
India
Israel
Japan
Malaysia
Mexico
Philippines
Taiwan, Greater China
United Kingdom of Great Britain and Northern Ireland
United States of America

C0.4

(C0.4) Select the currency used for all financial information disclosed throughout your response.

USD

C0.5

(C0.5) Select the option that describes the reporting boundary for which climate-related impacts on your business are being reported. Note that this option should align with your chosen approach for consolidating your GHG inventory.

Financial control

C1. Governance

C1.1

(C1.1) Is there board-level oversight of climate-related issues within your organization?

Yes

C1.1a

(C1.1a) Identify the position(s) (do not include any names) of the individual(s) on the board with responsibility for climate-related issues.

Position of individual(s)	Please explain
Board Chair	The positions and committee noted have oversight responsibilities for climate-related issues as part of their role in enterprise risk and compliance matters. Information on our Board can be found on our website: http://www.ti.com/corp/docs/investor_relations/leadership.html
Chief Executive Officer (CEO)	The positions and committee noted have oversight responsibilities for climate-related issues as part of their role in enterprise risk and compliance matters. Information on our Board can be found on our website: http://www.ti.com/corp/docs/investor_relations/leadership.html
Chief Financial Officer (CFO)	The company's CFO reviews the company's risk management process with the Audit Committee at least annually. The positions and committee noted have oversight responsibilities for climate-related issues as part of their role in enterprise risk and compliance matters. Information on our Board can be found on our website: http://www.ti.com/corp/docs/investor_relations/leadership.html
Other, please specify (Board Audit Committee)	The positions and committee noted have oversight responsibilities for climate-related issues as part of their role in enterprise risk and compliance matters. Information on our Board can be found on our website: http://www.ti.com/corp/docs/investor_relations/leadership.html
Other C-Suite Officer	CCC -Chief Compliance Counsel: The positions and committee noted have oversight responsibilities for climate and water-related issues as part of their role in enterprise risk and compliance matters. Information on our Board can be found on our website: http://www.ti.com/corp/docs/investor_relations/leadership.html

C1.1b

(C1.1b) Provide further details on the board's oversight of climate-related issues.

Frequency with which climate-related issues are a scheduled agenda item	Governance mechanisms into which climate-related issues are integrated	Scope of board-level oversight	Please explain
Scheduled – some meetings	Reviewing and guiding strategy	<Not Applicable>	The company's CFO reviews the company's risk management process with the Audit Committee at least annually. The company's vice president of Worldwide Facilities, who reports directly to the chief financial officer, oversees climate related issues. The Audit Committee of our board of directors oversees environmental compliance efforts and the risk assessment process. Where climate related issues may have significance for TI, these matters are included in reviews to help the Audit Committee fulfil their oversight responsibilities. The Worldwide Environmental, Safety and Health Director and/or the VP, Worldwide Facilities provides risk assessments (inclusive of climate change, when material/relevant) to the Audit Committee. Strategy and objectives are reviewed periodically with the Chief Compliance Counsel and CFO. Our GHG strategy team – comprised of internal environmental leaders and government relations staff, as well as legal, air quality, chemistry and energy experts – coordinates and manages climate change initiatives. Our business units and government relations organization also monitor government initiatives and incentives, as well as business opportunities, so that we can apply our innovative technologies to enable energy savings and new energy sources, which can subsequently help reduce greenhouse gas emissions. We also expect Tiers to achieve continuous improvement toward objectives and targets appropriate to their function, including GHG reduction goals.

C1.2

(C1.2) Provide the highest management-level position(s) or committee(s) with responsibility for climate-related issues.

Name of the position(s) and/or committee(s)	Reporting line	Responsibility	Coverage of responsibility	Frequency of reporting to the board on climate-related issues
Chief Financial Officer (CFO)	<Not Applicable>	Managing climate-related risks and opportunities	<Not Applicable>	Annually

C1.2a

(C1.2a) Describe where in the organizational structure this/these position(s) and/or committees lie, what their associated responsibilities are, and how climate-related issues are monitored (do not include the names of individuals).

At Texas Instruments, the CFO position incorporates the role of senior vice president, chief financial officer and chief accounting officer, Finance & Operations and is the senior executive responsible for managing the financial actions of Texas Instruments. The CFO is involved in the planning and development, and makes the final expenditure decisions for the company, including capital and other expenditures which may be used to address TI's GHG emissions.

The Worldwide Environmental, Safety and Health Director reviews climate-related issues, and works together with the CFO, the VP, Worldwide Facilities, and the Senior Vice President, Manufacturing, to develop the strategic plan and goals as it relates to Climate Change. The final outcome, the developed strategy, is then reviewed and monitored by Board, prior to implementation.

C1.3

(C1.3) Do you provide incentives for the management of climate-related issues, including the attainment of targets?

	Provide incentives for the management of climate-related issues	Comment
Row 1	No, and we do not plan to introduce them in the next two years	

C2. Risks and opportunities

C2.1

(C2.1) Does your organization have a process for identifying, assessing, and responding to climate-related risks and opportunities?

Yes

C2.1a

(C2.1a) How does your organization define short-, medium- and long-term time horizons?

	From (years)	To (years)	Comment
Short-term	0	1	TI applies the same time horizons to all strategic and financial planning decisions.
Medium-term	1	3	TI applies the same time horizons to all strategic and financial planning decisions.
Long-term	3	5	TI applies the same time horizons to all strategic and financial planning decisions.

C2.1b

(C2.1b) How does your organization define substantive financial or strategic impact on your business?

TI considers a “substantive financial or strategic” impact on our business to be one that is a material and lasting concern for our operations, which could result from any one of the following risk factors:

- Substantial competition that requires us to respond rapidly to product development and pricing pressures.
- Changes in expected demand for our products could have a material adverse effect on our results of operations.
- Domestic or international political, social, economic or other conditions.
- Breaches or disruptions of information technology systems.

- Natural events in the locations in which we operate.
- Rapid technological change in markets we serve requires us to develop new technologies and products.
- Supply chain and manufacturing risks.
- Warranty claims, product liability claims, product recalls or legal proceedings.
- Complex laws, rules and regulations to which our business is subject.
- Changes in tax-related matters.
- Customer or distributor suffers losses with respect to our inventory.
- Distributors' promotion of competing product lines or our distributors' financial performance.
- Varying margins.
- Ability to enforce intellectual property rights and to maintain freedom of operation.
- Debt or changes in the financial markets.
- Increases in health care and pension benefit costs.
- Ability to retain and recruit a sufficient number of qualified employees in a competitive environment.
- Ability to successfully implement business and organizational changes could affect our business plans and results of operations.
- Material impairments of our goodwill or intangible assets could adversely affect our results of operations.

C2.2

(C2.2) Describe your process(es) for identifying, assessing and responding to climate-related risks and opportunities.

Value chain stage(s) covered

Direct operations

Risk management process

Integrated into multi-disciplinary company-wide risk management process

Frequency of assessment

Every two years

Time horizon(s) covered

Short-term

Medium-term

Long-term

Description of process

TI considers over 150 types of risk which includes those associated with climate change as part of our Business Continuity Program (BCP) and Enterprise Risk Management programs. Since TI operates in many countries, all regions and countries in which we operate are evaluated by local facility leadership, 3rd party risk consultants and TI corporate risk experts. TI looks 3 years in to the future for risks that could have a substantial impact on operations, production location, and future revenue. Evaluation is conducted every 3 years and/or when significant events occur and/or as TI makes significant changes to its business environment. Ongoing assessments and results are reported through our BCP steering team representation.

C2.2a**(C2.2a) Which risk types are considered in your organization's climate-related risk assessments?**

	Relevance & inclusion	Please explain
Current regulation	Relevant, always included	Understanding and complying with current regulations is critical to TI's business. We comply with applicable GHG regulations in the regions in which we operate. For example, we are required to report our U.S. GHG emissions to the U.S. Environmental Protection Agency (EPA) to comply with its mandatory reporting requirements. The EPA requires the semiconductor industry (among other industries) to measure and report annual fluorinated GHG emissions (such as sulfur hexafluoride, perfluorocompounds and hydrochlorofluorocarbons) as well as GHG emissions from combustion sources. We routinely monitor GHG regulations and policies in the regions in which we operate to identify proposed revisions and amendments to such regulations and policies.
Emerging regulation	Relevant, always	Texas Instruments closely tracks and continuously assesses emerging and proposed laws, regulations, and policies at the international level and in the regions in which we operate. By

	included	taking these actions, TI is prepared to comply with forthcoming climate-related laws, regulations, and policies that will apply to TI internationally and in the regions in which we operate. This compliance readiness is part of TI's unwavering pledge to uphold human rights, ethical practices and a safe environment at all our operations, regardless of location. Changes in the regulation could result in compliance-related costs. We closely track global energy and environmental concerns and are committed to being part of the solution. We also work through associations to provide context and perspective on the potential impact of legislative and regulatory proposals. Our Worldwide Environmental, Safety and Health (ESH) organization monitors emerging legislative and regulatory programs on a global level to understand and evaluate impacts to our business and to the communities in which we operate. Currently, we do not believe these risks have potential to generate a substantive change in TI's business operations, revenue or expenditures.
Technology	Not relevant, explanation provided	As a leader in semiconductor manufacturing, TI is well-positioned to respond to technology needs as an industry leader in power management and ultralow-power solutions. TI has been enabling our customers to operate more efficiently for many years, through our low-power solutions.
Legal	Relevant, always included	While TI does not envision a scenario in which we would be subject to climate-related claims, we routinely monitor climate-related litigation and other legal and policy developments and GHG regulatory developments to understand and evaluate potential legal impacts to our business.
Market	Relevant, always included	Climate-related market risks are not significant to TI because our business is by nature diversified, and our products are used in multiple markets in a variety of ways.
Reputation	Relevant, always included	Climate related reputational risks are always considered and incorporated into our risk criteria. We have long believed that good corporate governance serves as the foundation for ethical and responsible business practices. Members of our board of directors are experienced and diverse in their backgrounds and thinking, and committed to responsible and effective corporate governance to oversee our global business strategy.
Acute physical	Relevant, always included	TI faces potential acute physical risks potentially associated with climate change. Currently, we do not believe that these risks have the potential to generate a substantive change in our business operations, revenue or expenditures. However, to ensure that we react appropriately to such potential risks, we closely track: trending global energy and environmental, legal regulatory and policy developments; changes in regulations that may apply to TI or its suppliers that could affect costs related to energy, raw materials, and compliance; and extreme weather events such as typhoons, hurricanes and droughts.
Chronic physical	Relevant, always included	TI faces potential chronic physical risks potentially associated with climate change. Currently, we do not believe that these risks have the potential to generate a substantive change in our business operations, revenue or expenditures. However, to ensure that we react appropriately to such potential risks, we closely track: trending global energy and environmental, legal regulatory and policy developments; changes in regulations that may apply to TI or its suppliers that could affect costs related to energy, raw materials, and compliance; and extreme weather events such as typhoons, hurricanes and droughts.

C2.3

(C2.3) Have you identified any inherent climate-related risks with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.3a

(C2.3a) Provide details of risks identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Risk 1

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Enhanced emissions-reporting obligations
---------------------	--

Primary potential financial impact

Other, please specify (No financial impact)

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

General environmental regulations, including planning may impact us at some of our locations in the future. Until a given regulatory change is proposed, it is not possible to determine the cost of any associated change. We track potential regulatory changes closely, and do not envision any impacts at this time. We are prepared to incorporate these into our Environmental, Safety and Health (ESH) Management System and processes, as needed.

Time horizon

Long-term

Likelihood

Virtually certain

Magnitude of impact

Medium-low

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Any financial impact is unknown at this point. Until a given regulatory change is proposed, it is not possible to determine the cost of any associated change.

Cost of response to risk

0

Description of response and explanation of cost calculation

All of our GHG metrics and related data are tracked in our Environmental, Health and Safety (ESH) metrics database. We would continue to expand and use our current system and incorporate into ESH Management System and additional data and processes, as needed.

Comment

Any financial impact is unknown at this point. Until a given regulatory change is proposed, it is not possible to determine the cost of any associated change. However, our ESH systems and process are robust and we have the capability for expansion as needed.

Identifier

Risk 2

Where in the value chain does the risk driver occur?

Direct operations

Risk type & Primary climate-related risk driver

Emerging regulation	Carbon pricing mechanisms
---------------------	---------------------------

Primary potential financial impact

Other, please specify (No financial impact)

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

Additional emissions reporting obligations may impact us at some of our locations in the future. Until a given regulatory change is proposed, it is not possible to determine the cost of any associated change. We do track potential regulatory changes closely, and do not envision any impacts at this time. We are prepared to incorporate these into our Environmental, Safety and Health (ESH) Management System and processes, as needed.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Any financial impact is unknown at this point. Until a given regulatory change is proposed, it is not possible to determine the cost of any associated change.

Cost of response to risk

0

Description of response and explanation of cost calculation

All of our GHG metrics and related data are tracked in our Environmental, Health and Safety (ESH) metrics database. We would continue to expand and use our current system and incorporate into ESH Management System and additional data and processes, as needed.

Comment

Any financial impact is unknown at this point. Until a given regulatory change is proposed, it is not possible to determine the cost of any associated change. However, our ESH systems and process are robust and we have the capability for expansion as needed.

Identifier

Risk 3

Where in the value chain does the risk driver occur?

Upstream

Risk type & Primary climate-related risk driver

Market	Increased cost of raw materials
--------	---------------------------------

Primary potential financial impact

Increased indirect (operating) costs

Climate risk type mapped to traditional financial services industry risk classification

<Not Applicable>

Company-specific description

It is very likely that increased operating costs for energy suppliers and raw material suppliers will impact us at some of our locations in the future due to general environmental regulations, including planning. We do track potential regulatory changes closely, and do not envision any impacts at this time.

Time horizon

Long-term

Likelihood

Very likely

Magnitude of impact

Unknown

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

Any financial impact is unknown at this point.

Cost of response to risk

0

Description of response and explanation of cost calculation

Changes in regulations that may apply to TI or its suppliers that could affect energy-, raw material- and compliance-related costs. We work with industry associations to provide context and perspective on the potential impact of legislative and regulatory proposals.

Comment

TI buys materials – for fabrication processes, factory equipment and maintenance, logistics services, and nonproduction supplies and services – from approximately 11,000 suppliers of various types and sizes. Effective supply chain management enables us to reduce costs and waste, streamline efficiencies, and increase our competitiveness. Integrating responsible business practices into our supply chain also helps mitigate risks in our vendors' businesses, labor and environment.

C2.4

(C2.4) Have you identified any climate-related opportunities with the potential to have a substantive financial or strategic impact on your business?

Yes

C2.4a

(C2.4a) Provide details of opportunities identified with the potential to have a substantive financial or strategic impact on your business.

Identifier

Opp1

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Products and services

Primary climate-related opportunity driver

Development of new products or services through R&D and innovation

Primary potential financial impact

Returns on investment in low-emission technology

Company-specific description

As a leader in semiconductor manufacturing, TI is well-positioned to respond to technology needs as an industry leader in power management and ultralow-power solutions. For many years, we have been providing the means to help our customers with technological improvements or innovations, supporting improvement in energy-efficiency. We invest in research and development and collaborate with partners to develop new energy technologies. We also opened on-site centers such the Solar Energy Systems Lab and LED Lab to develop breakthrough innovations in this space. Whether enabling smarter vehicles, power grids and entire cities, increasing energy efficiency, making vehicles safer or improving people's health, our technologies are providing a host of environmental and social benefits. With a broad portfolio of analog and embedded products, our recent advances include:

- A new family of highly accurate, single-chip TI millimeter-wave (mmWave) sensors, which enable applications ranging from automotive radar to industrial automation. These precision sensors give designers a platform to bring new levels of intelligence, safety and autonomy to automobiles, buildings, factories and drones.
- A new single, integrated chip – the MSP430FR6047 microcontroller (MCU) – gives utility companies the ability to measure the flow of water – as well as heat and natural gas – with precision and accuracy. The device uses soundwaves to calculate how much volume is flowing through pipes.
- Global energy demand is expected to double by 2050, which calls for a more efficient and reliable power infrastructure. Smart grids, enabled by TI technology, are reducing costs, saving energy, and improving how energy demand is monitored and managed. Utilities can use smart electrical meters to adjust (with permission) thermostats, appliance usage and HVAC settings in homes and businesses to avoid rolling brownouts or having to charge peak rates. This can reduce climate impacts.
- Industrialized and emerging countries are seeking ways to reduce carbon dioxide emissions from automobiles to support global climate-change initiatives. Our analog and embedded processing products allow hybrid and electric vehicles to reduce these impacts.

Time horizon

Medium-term

Likelihood

About as likely as not

Magnitude of impact

Medium-high

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not calculated specific financial implications although the net financial implications represent an opportunity for TI due to increased customer demands for low-energy, high-efficiency products.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

TI works to evaluate and implement opportunities to enable low power and product efficiency as part of our normal business processes.

Comment

Potential costs are estimated in our budgeting process so there are no significant risks around cost.

Identifier

Opp2

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Shift toward decentralized energy generation

Primary potential financial impact

Other, please specify (No financial impact)

Company-specific description

We expect that any regulations around renewable energy will drive an increased pressure to

use energy efficiency products, reducing emissions. This in turn will drive an increased demand for TI's existing low-power product solutions.

Time horizon

Medium-term

Likelihood

Likely

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not calculated financial implications although the net financial implications represent an opportunity for TI due to increased customer demands for low-power products.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

TI works to evaluate and implement opportunities to enable renewable energy as part of our normal business processes.

Comment

Potential costs are estimated in our budgeting process so there are no significant risks around cost.

Identifier

Opp3

Where in the value chain does the opportunity occur?

Direct operations

Opportunity type

Energy source

Primary climate-related opportunity driver

Use of new technologies

Primary potential financial impact

Returns on investment in low-emission technology

Company-specific description

We believe there may be future regulatory drivers to encourage investment in smart grid and other efficiency projects, which will represent an opportunity for TI due to increased customer demands for low-power products.

Time horizon

Long-term

Likelihood

More likely than not

Magnitude of impact

Medium

Are you able to provide a potential financial impact figure?

No, we do not have this figure

Potential financial impact figure (currency)

<Not Applicable>

Potential financial impact figure – minimum (currency)

<Not Applicable>

Potential financial impact figure – maximum (currency)

<Not Applicable>

Explanation of financial impact figure

We have not calculated financial implications although the net financial implications represent an opportunity for TI due to increased customer demands for low-power products.

Cost to realize opportunity

0

Strategy to realize opportunity and explanation of cost calculation

TI works to evaluate and implement opportunities to enable product efficiency and smart

energy use as part of our normal business processes.

Comment

Potential costs are estimated in our budgeting process so there are no significant risks around cost.

C3. Business Strategy

C3.1

(C3.1) Have climate-related risks and opportunities influenced your organization's strategy and/or financial planning?

Yes

C3.1a

(C3.1a) Does your organization use climate-related scenario analysis to inform its strategy?

No, but we anticipate using qualitative and/or quantitative analysis in the next two years

C3.1c

(C3.1c) Why does your organization not use climate-related scenario analysis to inform its strategy?

TI uses forward-looking scenario analysis to consider a variety of possible impacts to our business, strategy, and financial planning. However our analysis does not as yet include a climate related science based target or 2oC scenario. To reduce climate impacts, we have an existing goal to lower absolute worldwide scope 1 and scope 2 GHG emissions by 15% between 2015 and end of 2020. Our GHG goal is based on quantitative and qualitative assessments of where we are able to make the most significant reductions in our scope 1 and scope 2 GHG

emissions.

We understand that there is an increasing need and a growing expectation by our stakeholders to conduct more thorough quantitative assessments using a scenario analysis mechanism. We plan to review our existing mechanisms to include more quantitative aspects within the next 2 years.

C3.1d

(C3.1d) Describe where and how climate-related risks and opportunities have influenced your strategy.

	Have climate-related risks and opportunities influenced your strategy in this area?	Description of influence
Products and services	Yes	Climate related risks and opportunities have influenced our products and services strategy through our focus on research and development into ultralow-power products. As a leader in semiconductor manufacturing, TI is well-positioned to respond to technology needs as an industry leader in power management and ultralow-power solutions. We make significant investments in research and development to improve existing technology and products, develop new products to meet changing customer demands, and improve our production processes.
Supply chain and/or value chain	Yes	Climate related risks have influenced our supply chain strategy. We rely on third parties to supply us with goods and services in a cost-effective and timely manner. Our access to needed goods and services may be adversely affected by disruptions in our suppliers' operations as a result of, for example, natural events or health epidemics in the locations in which our suppliers operate; or limited or delayed access to key raw materials, natural resources and utilities. In particular, our manufacturing processes and critical manufacturing equipment require that certain key raw materials, natural resources and utilities be available. Limited or delayed access to and high costs of these items as a result of climate related impacts could adversely affect our results of operations. We subcontract a portion of our wafer fabrication and assembly and testing of our products, and we depend on third parties to provide advanced logic manufacturing process technology development. We do not have long-term contracts with all of these suppliers, and the number of alternate suppliers is limited. Reliance on these suppliers involves risks, including possible shortages of capacity in periods of high demand, suppliers' inability to develop and deliver advanced logic manufacturing process technology in a timely, cost effective, and appropriate manner, the possibility of suppliers' imposition of increased costs on us and the unauthorized disclosure or use of our

		intellectual property. As a member of the RBA (Responsible Business Alliance), we use the RBA Code of Conduct, a set of social environmental and ethical industry standards, as the basis for our Supplier Code of Conduct. This allows us to track a variety of risks within our supply chain. For critical suppliers, their performance on the above described risk assessments are included in a bi-annual supplier performance measurement program called CETRAQ. The CETRAQ program enables us to identify risk in the areas of Cost, Environment and Social Responsibility, Technology, Assurance of supply and Quality to be reviewed together by TI and the suppliers' management team. We are also able to assess suppliers' compliance to our quality, labor, ethics and human rights standards as well as their risk management performance.
Investment in R&D	Yes	The opportunities driving our investment in R&D are primarily dictated by customer needs and requirements. This includes emphasis on power management products, smart grids, etc. Climate related risks and opportunities have influenced our products and services strategy through our focus on research and development into ultralow-power products. As a leader in semiconductor manufacturing, TI is well-positioned to respond to technology needs as an industry leader in power management and ultralow-power solutions. We make significant investments in research and development to improve existing technology and products, develop new products to meet changing customer demands, and improve our production processes.
Operations	Yes	Climate related risks and opportunities have influenced our operations strategy to the extent that extremes in weather may impact our operations. We have manufacturing, data and design facilities and other operations in locations subject to natural occurrences such as severe weather, geological events or health epidemics that could disrupt operations. A natural disaster that results in a prolonged disruption, particularly where we have principal manufacturing and design operations, may adversely affect our results and financial condition. Our inability to timely implement new manufacturing technologies or install manufacturing equipment could adversely affect our results of operations. We have made significant adjustments in our operations, in order to reduce climate-related risks and to meet our aggressive 2020 GHG emissions reduction goal. Through installation of thermal point-of-use abatement devices that treat the exhaust of gases used in semiconductor manufacturing, we have significantly reduced GHG emissions, allowing us to meet our 5 year GHG goal within 4 years. We continue to develop this strategy by focusing on eliminating nonessential fluorinated gases, using alternative gases and reusing gases.

C3.1e

(C3.1e) Describe where and how climate-related risks and opportunities have influenced your financial planning.

Financial planning elements that have been influenced	Description of influence

Row 1	Indirect costs Capital expenditures Acquisitions and divestments	<p>Capital Expenditure: We take great care to reduce the impacts of our operations worldwide. We have controls in place to use energy efficiently to minimize our GHG emissions. These reduction efforts and controls impact our capital expenditures and capital allocations. TI is addressing climate change by developing new manufacturing technologies, using abatement devices and alternative chemicals, reusing chemicals, and eliminating nonessential uses of perfluorocompounds (PFCs). The tools and equipment purchased are high cost and impact our capital expenditure budget. Indirect Cost: Indirect costs are part of our ongoing financial planning. We rely on third parties to supply us with goods and services in a cost-effective and timely manner. Our access to needed goods and services may be adversely affected by disruptions in our suppliers' operations as a result of, for example, natural events or health epidemics in the locations in which our suppliers operate; or limited or delayed access to key raw materials, natural resources and utilities. In particular, our manufacturing processes and critical manufacturing equipment require that certain key raw materials, natural resources and utilities be available. Limited or delayed access to and high costs of these items as a result of climate related impacts could adversely affect our results of operations. We subcontract a portion of our wafer fabrication and assembly and testing of our products, and we depend on third parties to provide advanced logic manufacturing process technology development. We do not have long-term contracts with all of these suppliers, and the number of alternate suppliers is limited. Reliance on these suppliers involves risks, including possible shortages of capacity in periods of high demand, suppliers' inability to develop and deliver advanced logic manufacturing process technology in a timely, cost effective, and appropriate manner, the possibility of suppliers' imposition of increased costs on us and the unauthorized disclosure or use of our intellectual property. Acquisitions and Divestments: In the next few years, we plan to close two older manufacturing facilities – in Sherman, Texas, and Dallas, Texas – and we have construction underway on a new 300-mm advanced analog fabrication plant in Richardson, Texas. We expect that these changes will improve our environmental and financial performance. Moving production to the more efficient 300 mm will reduce energy consumption per chip by approximately 56% and water consumption by about 21%. Most of the GHGs that TI emits are fluorinated gases needed to produce silicon wafers and keep equipment clean. Our older 150- and 200-mm wafer fabrication plants use fluorine gases that generate more GHGs than modern factories. Our newer 300-mm fabs use a fluorinated gas that emits fewer GHGs. Additionally, the larger 300-mm wafers produce more chips per wafer, which requires less water and energy and reduces production costs.</p>
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C3.1f

(C3.1f) Provide any additional information on how climate-related risks and opportunities have influenced your strategy and financial planning (optional).

C4. Targets and performance

C4.1

(C4.1) Did you have an emissions target that was active in the reporting year?

Absolute target

C4.1a

(C4.1a) Provide details of your absolute emissions target(s) and progress made against those targets.

Target reference number

Abs 1

Year target was set

2016

Target coverage

Company-wide

Scope(s) (or Scope 3 category)

Scope 1+2 (location-based)

Base year

2015

Covered emissions in base year (metric tons CO2e)

2408435

Covered emissions in base year as % of total base year emissions in selected Scope(s) (or Scope 3 category)

100

Target year

2020

Targeted reduction from base year (%)

15

Covered emissions in target year (metric tons CO2e) [auto-calculated]

2047169.75

Covered emissions in reporting year (metric tons CO2e)

2034760

% of target achieved [auto-calculated]

103.435079903201

Target status in reporting year

Achieved

Is this a science-based target?

No, and we do not anticipate setting one in the next 2 years

Please explain (including target coverage)

TI has implemented several planned projects throughout the last 5 years, designed to achieve the absolute target by the end of 2020. Most of these projects are capital expenditure intensive and require some time to implement, and therefore it has taken some time to see the effects of the planned GHG reductions. The impact of these projects has become more evident as the project implementations have come to a close. Due to the capital expenditure involved, equipment was installed on a planned implementation schedule per quarter over the last 4 years. In 2019, we realized a significant decrease in absolute emissions due to our emissions reduction strategies. When normalizing our emissions on a per chip basis we were able to achieve close to 5.8% GHG emission reductions in 2019, which is indicative of the effectiveness our GHG management and energy efficiency programs.

C4.2

(C4.2) Did you have any other climate-related targets that were active in the reporting year?

No other climate-related targets

C4.3

(C4.3) Did you have emissions reduction initiatives that were active within the reporting year? Note that this can include those in the planning and/or implementation phases.

Yes

C4.3a

(C4.3a) Identify the total number of initiatives at each stage of development, and for those in the implementation stages, the estimated CO2e savings.

	Number of initiatives	Total estimated annual CO2e savings in metric tonnes CO2e (only for rows marked *)
Under investigation	1	50
To be implemented*	1	250
Implementation commenced*	1	200
Implemented*	268	28126
Not to be implemented	0	0

C4.3b

(C4.3b) Provide details on the initiatives implemented in the reporting year in the table below.

Initiative category & Initiative type

Energy efficiency in production processes	Other, please specify (Chilled water plant optimization)
---	--

Estimated annual CO2e savings (metric tonnes CO2e)

3853

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

660

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

11-15 years

Comment

We had several sites that optimized the operation sequences and set-points of their chiller plants resulting in savings. Additionally, chillers were replaced with more efficient ones at our Bangalore site.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (LED upgrades)
--------------------------------	--------------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

2393

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

657

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

LED lighting upgrades at several locations.

Initiative category & Initiative type

Non-energy industrial process emissions reductions	Process equipment replacement
--	-------------------------------

Estimated annual CO2e savings (metric tonnes CO2e)

120000

Scope(s)

Scope 1

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

136000

Investment required (unit currency – as specified in C0.4)

720000

Payback period

11-15 years

Estimated lifetime of the initiative

Ongoing

Comment

TI implemented various Remote Plasma Clean (RPC) tool upgrade projects in our North American manufacturing locations. The project lifetime typically will last for as long as the equipment OEM warranties are in place.

Initiative category & Initiative type

Energy efficiency in buildings	Other, please specify (Various energy efficiency projects)
--------------------------------	--

Estimated annual CO2e savings (metric tonnes CO2e)

21830

Scope(s)

Scope 2 (location-based)

Voluntary/Mandatory

Voluntary

Annual monetary savings (unit currency – as specified in C0.4)

3914000

Investment required (unit currency – as specified in C0.4)

Payback period

1-3 years

Estimated lifetime of the initiative

6-10 years

Comment

This is a combination of energy efficiency projects, which represents the remainder of our

energy savings projects total contributions for 2019.

C4.3c

(C4.3c) What methods do you use to drive investment in emissions reduction activities?

Method	Comment
Dedicated budget for energy efficiency	Each year, we implement more than 200 efficiency projects that reduce our GHGs and collectively save an average of more than \$6.5 million in energy costs. Since 2015, TI has conserved 1,395,286 million British thermal units (MMBtu) of energy – the equivalent of powering more than 37,000 homes for a year. During that same time, we implemented more than 1,400 efficiency projects that saved \$34.4 million in utility costs. Our manufacturing and assembly/test operations account for more than 90 percent of our total energy use and are the focal point for our global energy strategy. Our sites voluntarily establish specific energy reduction goals annually to lower costs and this reduction also results in fewer GHG emissions. We fund energy efficiency projects at our sites to help them achieve these goals. Funding is set aside every year solely for implementing energy efficiency projects. This can be a wide variety of projects, but all are considered based on the needs of the site, and efficiency improvements. Some typical examples of projects funded in 2019 include installing LED lighting at several sites, chiller plant optimization and upgrade, investing in more efficient tool chillers, and various other miscellaneous projects implemented to achieve more efficient operations.

C4.5

(C4.5) Do you classify any of your existing goods and/or services as low-carbon products or do they enable a third party to avoid GHG emissions?

No

C5. Emissions methodology

C5.1

(C5.1) Provide your base year and base year emissions (Scopes 1 and 2).

Scope 1

Base year start

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

1085622

Comment**Scope 2 (location-based)****Base year start**

January 1 2015

Base year end

December 31 2015

Base year emissions (metric tons CO2e)

1322813

Comment**Scope 2 (market-based)****Base year start****Base year end****Base year emissions (metric tons CO2e)****Comment****C5.2****(C5.2) Select the name of the standard, protocol, or methodology you have used to collect activity data and calculate emissions.**

IPCC Guidelines for National Greenhouse Gas Inventories, 2006

ISO 14064-1

Taiwan - GHG Reduction Act

The Greenhouse Gas Protocol: A Corporate Accounting and Reporting Standard (Revised

Edition)

US EPA Center for Corporate Climate Leadership: Direct Emissions from Stationary Combustion Sources

US EPA Mandatory Greenhouse Gas Reporting Rule

C6. Emissions data

C6.1

(C6.1) What were your organization's gross global Scope 1 emissions in metric tons CO₂e?

Reporting year

Gross global Scope 1 emissions (metric tons CO₂e)

966579

Start date

<Not Applicable>

End date

<Not Applicable>

Comment

C6.2

(C6.2) Describe your organization's approach to reporting Scope 2 emissions.

Row 1

Scope 2, location-based

We are reporting a Scope 2, location-based figure

Scope 2, market-based

We are reporting a Scope 2, market-based figure

Comment

Our market based Scope 2 figure is based on renewable energy purchased.

C6.3

(C6.3) What were your organization's gross global Scope 2 emissions in metric tons CO2e?

Reporting year**Scope 2, location-based**

1054751

Scope 2, market-based (if applicable)

13430

Start date

<Not Applicable>

End date

<Not Applicable>

Comment**C6.4**

(C6.4) Are there any sources (e.g. facilities, specific GHGs, activities, geographies, etc.) of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure?

Yes

C6.4a

(C6.4a) Provide details of the sources of Scope 1 and Scope 2 emissions that are within your selected reporting boundary which are not included in your disclosure.

Source

Sales offices and design centers smaller than 50,000 square feet.

Relevance of Scope 1 emissions from this source

No emissions excluded

Relevance of location-based Scope 2 emissions from this source

Emissions are relevant and calculated, but not disclosed

Relevance of market-based Scope 2 emissions from this source (if applicable)

No emissions excluded

Explain why this source is excluded

TI's multiple small sales offices and design centers in total account for less than 1 percent of the company's total GHG emissions.

C6.5

(C6.5) Account for your organization's gross global Scope 3 emissions, disclosing and explaining any exclusions.

Purchased goods and services

Evaluation status

Relevant, not yet calculated

Metric tonnes CO₂e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We have not fully assessed this category due to the complexity of our supply chain and the number of suppliers involved. However, we believe these emissions will form a significant percentage of our scope 3 emissions. In order to fully quantify this category, we will need to incorporate modelling tools and further engagement with our key suppliers to determine estimated emissions from these sources.

Capital goods

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We have not fully assessed this category due to the complexity of our supply chain and the number of suppliers involved. However, we believe these emissions will form a significant percentage of our scope 3 emissions. In order to fully quantify this category, we will need to incorporate modelling tools and further engagement with our key suppliers to determine estimated emissions from these sources.

Fuel-and-energy-related activities (not included in Scope 1 or 2)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Fuel-and-energy-related activities do not result in material Scope 3 emissions for TI. We estimate that emissions associated with the delivery of energy resources (from either a generator or well to TI) and emissions associated with the production of the energy resource not included in Scope 1 or 2 reporting would be minimal.

Upstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

We have assessed data from our top service providers, equivalent to approximately 90% of our spend in this category. We have analyzed the data received, and understand that this category could form part of our significant Scope 3 emissions. However due to the complexity of our transportation and distribution requirements, we believe further review of our supplier data is needed in order to achieve accurate and reliable calculations of our Scope 3 emissions. We will continue to engage with our suppliers to ensure the most efficient and cost effective modes of transportation and distribution are used.

Waste generated in operations**Evaluation status**

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TI has long aspired to efficiently use, reuse or recycle materials across its operations. Not only does reducing waste save the company money on custodial and disposal costs, but it also keeps non-biodegradable and other undesirable items out of local landfills. Conservation and recycling activities also remind employees to do their part to protect the environment and facilitate operational efficiency, which improves shareholder value. We work to maximize the

efficiency of the materials we purchase and reduce our potential environmental impact by sourcing materials responsibly, and appropriately managing waste handling and disposal. Our worldwide environmental, safety and health (ESH) standards require all sites to implement both engineering and administrative controls to reduce waste.

Business travel

Evaluation status

Relevant, calculated

Metric tonnes CO2e

27544

Emissions calculation methodology

Business travel includes travel by air, rail and car rentals. Calculation of GHG emissions from travel is captured and calculated by TI's Global Travel Agency. Emission methodology used: Greenhouse Gas Protocol - calculations tools for calculating CO2 emissions for business travel.

Percentage of emissions calculated using data obtained from suppliers or value chain partners

100

Please explain

Business travel includes all TI employee business travel by air (except private jet), rail and car rentals, as captured and calculated by TI's Global Travel Agency. There is an error margin of approximately 10% due to bookings made and either exchanged or not traveled. Our 2019 emissions from air travel indicate a 20% reduction on those reported the previous year. This year, we have extended GHG emissions from business travel to include business travel by rail, and car rental (based on miles traveled). TI actively encourages employees to conduct meetings using our Web-Ex and IP telephone to minimize both costs and GHG emissions, however we recognize those times when face to face meetings are necessary. All business travel is pre-approved and costs are monitored so TI can actively manage costs, and the associated emissions.

Employee commuting

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TI's employee transportation needs vary depending on work location, proximity to congested areas, distance from home to work and individual circumstances. Although we do not currently track emissions associated with employee commuting, we voluntarily and aggressively promote reasonable alternatives to driving to work alone through our Commute Solutions program. The program subsidizes vanpools and mass transit and offers bicycle-friendly amenities, shuttle service between sites and flexible work options, among other benefits.

Upstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Any leased assets are included in TI's calculations of Scope 1 and Scope 2 emissions. We do not have any Scope 3 leased assets.

Downstream transportation and distribution

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain

partners

<Not Applicable>

Please explain

We have assessed data from our top service providers, equivalent to approximately 90% of our spend in this category. We have analyzed the data received, and understand that this category could form part of our significant Scope 3 emissions. However due to the complexity of our transportation and distribution requirements, we believe further review of our supplier data is needed in order to achieve accurate and reliable calculations of our Scope 3 emissions. We will continue to engage with our suppliers to ensure the most efficient and cost effective modes of transportation and distribution are used.

Processing of sold products**Evaluation status**

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TI produces over 100,000 products, and conducting a life-cycle assessment on each is prohibitive. However, TI makes some of the industry's most efficient power-management chips, enabling devices to use up to 96 percent of the energy that comes into them from batteries or power cords. The company makes products that are helping reduce the amount of electricity needed. TI engineers are stepping-up the pace of power-management innovations, such as moving from power supplies that are always turned on to those that are only on when needed – but are instantly revived upon demand. We estimate that up to 15 percent additional savings in energy usage is possible among consumer electronics alone. Additional potential energy savings extend throughout the electrical grid. For example, in each step along the way from a windmill farm to storage and distribution of power, TI is developing innovative approaches to ensure every microwatt possible makes it from the wind to the outlets in homes.

Use of sold products

Evaluation status

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TI produces over 100,000 products, and conducting a life-cycle assessment on each is prohibitive. However, TI makes some of the industry's most efficient power-management chips, enabling devices to use up to 96 percent of the energy that comes into them from batteries or power cords. The company makes products that are helping reduce the amount of electricity needed. TI engineers are stepping-up the pace of power-management innovations, such as moving from power supplies that are always turned on to those that are only on when needed – but are instantly revived upon demand. We estimate that up to 15 percent additional savings in energy usage is possible among consumer electronics alone. Additional potential energy savings extend throughout the electrical grid. For example, in each step along the way from a windmill farm to storage and distribution of power, TI is developing innovative approaches to ensure every microwatt possible makes it from the wind to the outlets in homes.

End of life treatment of sold products**Evaluation status**

Relevant, not yet calculated

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

Although we cannot control how customers handle the semiconductors they place in their

products, nor their products' end-of-life issues, we provide customers with detailed information about the substances used in our components so they can make informed decisions about end-of-life disposal. In addition, TI works to reduce waste by designing Education Technology products with flash technology, which enables consumers to download software applications from Education Technology's website, extending the products' life span and long-term value. We also design our calculators to withstand years of classroom use. We currently participate in take-back programs in the European Union, where under the Waste Electrical and Electronic Equipment Directive, all companies that sell such equipment must have end-of-life collection for electronic or electrical products. We contract with qualified third parties to manage this program. Outside the European Union, government jurisdictions have different policies and regulations regarding management of electronic waste. To ensure compliance, we continuously monitor the varying obligations for registration and certification, labeling, batteries, and product packaging. When customers return Education Technology units that are still under warranty, we send those products to a de-manufacturer for recycling.

Downstream leased assets

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TI does not lease downstream assets that could be included in calculations of Scope 3 emissions.

Franchises

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TI does not operate or authorize any franchises.

Investments**Evaluation status**

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TI does not own investments that could be included in calculations of Scope 3 emissions.

Other (upstream)**Evaluation status**

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TI has not identified any additional upstream emissions

Other (downstream)

Evaluation status

Not relevant, explanation provided

Metric tonnes CO2e

<Not Applicable>

Emissions calculation methodology

<Not Applicable>

Percentage of emissions calculated using data obtained from suppliers or value chain partners

<Not Applicable>

Please explain

TI has not identified any further downstream emissions

C6.7

(C6.7) Are carbon dioxide emissions from biogenic carbon relevant to your organization?

No

C6.10

(C6.10) Describe your gross global combined Scope 1 and 2 emissions for the reporting year in metric tons CO2e per unit currency total revenue and provide any additional intensity metrics that are appropriate to your business operations.

Intensity figure

0.00014

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2034760

Metric denominator

unit total revenue

Metric denominator: Unit total

14380000

Scope 2 figure used

Location-based

% change from previous year

0

Direction of change

No change

Reason for change

Intensity figure

0.36

Metric numerator (Gross global combined Scope 1 and 2 emissions, metric tons CO2e)

2034760

Metric denominator

unit of production

Metric denominator: Unit total**Scope 2 figure used**

Location-based

% change from previous year

2.7

Direction of change

Decreased

Reason for change

The metric denominator (unit of production) is not disclosed here, as we consider this to be confidential business information. The intensity figure provided is a calculation of the normalized intensity number per chip for 2019 year.

C7. Emissions breakdowns

C7.1

(C7.1) Does your organization break down its Scope 1 emissions by greenhouse gas type?

Yes

C7.1a

(C7.1a) Break down your total gross global Scope 1 emissions by greenhouse gas type and provide the source of each used greenhouse warming potential (GWP).

Greenhouse gas	Scope 1 emissions (metric tons of CO ₂ e)	GWP Reference
CO ₂	78571	IPCC Fourth Assessment Report (AR4 - 100 year)
CH ₄	1251	IPCC Fourth Assessment Report (AR4 - 100 year)
N ₂ O	23512	IPCC Fourth Assessment Report (AR4 - 100 year)
HFCs	36553	IPCC Fourth Assessment Report (AR4 - 100 year)
PFCs	697120	IPCC Fourth Assessment Report (AR4 - 100 year)
SF ₆	54645	IPCC Fourth Assessment Report (AR4 - 100 year)
NF ₃	74927	IPCC Fourth Assessment Report (AR4 - 100 year)

C7.2

(C7.2) Break down your total gross global Scope 1 emissions by country/region.

Country/Region	Scope 1 emissions (metric tons CO ₂ e)
China	6691
Germany	16969
Japan	100911
Malaysia	3232
Mexico	64
Philippines	2163
Taiwan, Greater China	82
United Kingdom of Great Britain and Northern Ireland	7710
United States of America	828583
India	174

C7.3

(C7.3) Indicate which gross global Scope 1 emissions breakdowns you are able to provide.

By activity

C7.3c

(C7.3c) Break down your total gross global Scope 1 emissions by business activity.

Activity	Scope 1 emissions (metric tons CO2e)
Manufacturing	960864
Assembly / Test	5715

C7.5

(C7.5) Break down your total gross global Scope 2 emissions by country/region.

Country/Region	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)	Purchased and consumed electricity, heat, steam or cooling (MWh)	Purchased and consumed low-carbon electricity, heat, steam or cooling accounted for in Scope 2 market-based approach (MWh)
China	82993	0	131666	0
Germany	59285	0	127624	0
India	8583	0	11745	0
Israel	850	0	1496	0
Japan	135318	0	247779	0
Malaysia	140509	0	213660	0
Mexico	7572	0	16266	0
Philippines	0	13430	360924	356152
United Kingdom of Great Britain	2665	0	9522	0

and Northern Ireland				
Taiwan, Greater China	75998	0	128870	0
United States of America	540978	0	1314604	0

C7.6

(C7.6) Indicate which gross global Scope 2 emissions breakdowns you are able to provide.

By activity

C7.6c

(C7.6c) Break down your total gross global Scope 2 emissions by business activity.

Activity	Scope 2, location-based (metric tons CO2e)	Scope 2, market-based (metric tons CO2e)
Manufacturing	821239	0
Assembly / Test	224079	13430
Non-Manufacturing	9433	0

C7.9

(C7.9) How do your gross global emissions (Scope 1 and 2 combined) for the reporting year compare to those of the previous reporting year?

Decreased

C7.9a

(C7.9a) Identify the reasons for any change in your gross global emissions (Scope 1 and 2 combined), and for each of them specify how your emissions compare to the previous

year.

	Change in emissions (metric tons CO2e)	Direction of change	Emissions value (percentage)	Please explain calculation
Change in renewable energy consumption	0	No change	0	We changed electricity suppliers at one site during 2017 to a lower carbon renewable supplier.
Other emissions reduction activities	30666	Decreased	1.4	Energy efficiency projects resulted in overall (absolute) emissions reductions. This is calculated by taking the overall savings reported from those projects x our average CO2e/kwh for electricity and dividing that by our overall emissions and multiplying the final result by 100.
Divestment	7995	Decreased	0.35	Site sold at end of 1Q2019. Reduction calculated by taking that site's 1Q emissions and projecting out what full year would have been.
Acquisitions	0	No change	0	None this reporting year
Mergers	0	No change	0	None this reporting year
Change in output	0	No change	0	We do not disclose production output numbers publicly.
Change in methodology	0	No change	0	None this reporting year
Change in boundary	283	Decreased	0.01	Our site in Israel is below our reporting size limitation of 50,000 ft2 and was dropped from our metrics after 3Q19. Reduction estimated by using the average for first 3 quarters.
Change in physical operating conditions	0	No change	0	While weather does impact our energy consumption, we are not able to quantify the impact and assumed that on balance there was no net impact.
Unidentified	0	No change	0	None this reporting year
Other	194664	Decreased	8.6	Calculated by looking at all other changes in our emissions divided by our total 2019 emissions x 100.

C7.9b

(C7.9b) Are your emissions performance calculations in C7.9 and C7.9a based on a location-based Scope 2 emissions figure or a market-based Scope 2 emissions figure?

Location-based

C8. Energy

C8.1

(C8.1) What percentage of your total operational spend in the reporting year was on energy?

More than 5% but less than or equal to 10%

C8.2

(C8.2) Select which energy-related activities your organization has undertaken.

	Indicate whether your organization undertook this energy-related activity in the reporting year
Consumption of fuel (excluding feedstocks)	Yes
Consumption of purchased or acquired electricity	Yes
Consumption of purchased or acquired heat	Yes
Consumption of purchased or acquired steam	No
Consumption of purchased or acquired cooling	No
Generation of electricity, heat, steam, or cooling	Yes

C8.2a

(C8.2a) Report your organization's energy consumption totals (excluding feedstocks) in MWh.

	Heating value	MWh from renewable sources	MWh from non-renewable sources	Total (renewable and non-renewable) MWh
Consumption of fuel (excluding feedstock)	HHV (higher heating value)	0	429995	429995
Consumption of purchased or acquired electricity	<Not Applicable>	356152	2194037	2550189
Consumption of purchased or acquired heat	<Not Applicable>	0	14055	14055
Consumption of purchased or acquired steam	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of purchased or acquired cooling	<Not Applicable>	<Not Applicable>	<Not Applicable>	<Not Applicable>
Consumption of self-generated non-fuel renewable energy	<Not Applicable>	0	<Not Applicable>	0
Total energy consumption	<Not Applicable>	356152	2638087	2994239

C8.2b

(C8.2b) Select the applications of your organization's consumption of fuel.

	Indicate whether your organization undertakes this fuel application
Consumption of fuel for the generation of electricity	Yes
Consumption of fuel for the generation of heat	Yes
Consumption of fuel for the generation of steam	Yes
Consumption of fuel for the generation of cooling	No
Consumption of fuel for co-generation or tri-generation	No

C8.2c

(C8.2c) State how much fuel in MWh your organization has consumed (excluding feedstocks) by fuel type.

Fuels (excluding feedstocks)

Diesel

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

9718

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

10.21

Unit

kg CO2e per gallon

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories 2014

Comment

Value is average for diesel used in both mobile and stationary combustion sources.

Fuels (excluding feedstocks)

Fuel Oil Number 6

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

3644

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

11.265

Unit

kg CO2e per gallon

Emissions factor source

Value is average for diesel used in both mobile and stationary combustion sources

Comment

Fuels (excluding feedstocks)

Liquefied Petroleum Gas (LPG)

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

19693

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.00298

Unit

kg CO2e per liter

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories 2014

Comment

Fuels (excluding feedstocks)

Natural Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

376634

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

0.05306

Unit

kg CO2 per million Btu

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories 2014

Comment

Fuels (excluding feedstocks)

Propane Gas

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

19536

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

5.593

Unit

kg CO2 per gallon

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories 2014

Comment

Fuels (excluding feedstocks)

Motor Gasoline

Heating value

HHV (higher heating value)

Total fuel MWh consumed by the organization

769

MWh fuel consumed for self-generation of electricity

0

MWh fuel consumed for self-generation of heat

0

MWh fuel consumed for self-generation of steam

0

MWh fuel consumed for self-generation of cooling

<Not Applicable>

MWh fuel consumed for self-cogeneration or self-trigeneration

<Not Applicable>

Emission factor

8.81

Unit

kg CO2e per gallon

Emissions factor source

EPA Emission Factors for Greenhouse Gas Inventories 2014

Comment**C8.2d**

(C8.2d) Provide details on the electricity, heat, steam, and cooling your organization has generated and consumed in the reporting year.

	Total Gross generation (MWh)	Generation that is consumed by the organization (MWh)	Gross generation from renewable sources (MWh)	Generation from renewable sources that is consumed by the organization (MWh)
Electricity	0	0	0	0

Heat	0	0	0	0
Steam	0	0	0	0
Cooling	0	0	0	0

C8.2e

(C8.2e) Provide details on the electricity, heat, steam, and/or cooling amounts that were accounted for at a zero emission factor in the market-based Scope 2 figure reported in C6.3.

Sourcing method

Power purchase agreement (PPA) with a grid-connected generator without energy attribute certificates

Low-carbon technology type

Geothermal

Country/region of consumption of low-carbon electricity, heat, steam or cooling

Philippines

MWh consumed accounted for at a zero emission factor

356152

Comment

Emissions factor calculated using weighted average of emissions from two plants supplying our site.

C9. Additional metrics

C9.1

(C9.1) Provide any additional climate-related metrics relevant to your business.

C10. Verification

C10.1

(C10.1) Indicate the verification/assurance status that applies to your reported emissions.

	Verification/assurance status
Scope 1	No third-party verification or assurance
Scope 2 (location-based or market-based)	No third-party verification or assurance
Scope 3	No third-party verification or assurance

C10.2

(C10.2) Do you verify any climate-related information reported in your CDP disclosure other than the emissions figures reported in C6.1, C6.3, and C6.5?

No, we do not verify any other climate-related information reported in our CDP disclosure

C11. Carbon pricing

C11.1

(C11.1) Are any of your operations or activities regulated by a carbon pricing system (i.e. ETS, Cap & Trade or Carbon Tax)?

No, and we do not anticipate being regulated in the next three years

C11.2

(C11.2) Has your organization originated or purchased any project-based carbon credits within the reporting period?

No

C11.3

(C11.3) Does your organization use an internal price on carbon?

No, and we do not currently anticipate doing so in the next two years

C12. Engagement

C12.1

(C12.1) Do you engage with your value chain on climate-related issues?

Yes, our suppliers

C12.1a

(C12.1a) Provide details of your climate-related supplier engagement strategy.

Type of engagement

Compliance & onboarding

Details of engagement

Climate change is integrated into supplier evaluation processes

% of suppliers by number

% total procurement spend (direct and indirect)

% of supplier-related Scope 3 emissions as reported in C6.5

Rationale for the coverage of your engagement

Impact of engagement, including measures of success

Comment

C12.3

(C12.3) Do you engage in activities that could either directly or indirectly influence public policy on climate-related issues through any of the following?

Trade associations

C12.3b

(C12.3b) Are you on the board of any trade associations or do you provide funding beyond membership?

Yes

C12.3c

(C12.3c) Enter the details of those trade associations that are likely to take a position on climate change legislation.

Trade association

Semiconductor Industry Association (SIA)

Is your position on climate change consistent with theirs?

Consistent

Please explain the trade association's position

The SIA's position is stated online:

https://www.semiconductors.org/issues/environment/environment_safety_health/. The U.S. semiconductor industry, one of the country's top export sectors, is responsible for a fraction of one percent of U.S. greenhouse gas (GHG) emissions, according to the EPA's most recent

GHG Reporting Program data (2014). The EPA data shows that out of 5.7 million metric tons of carbon dioxide equivalents (mmt CO₂e) emitted by industrial facilities in the U.S., only 3,204 mmt CO₂e -- or 0.177 percent -- is emitted by electronics manufacturers, including semiconductor manufacturers. Most of the industry's emissions are associated with the use of fluorinated gases (F-gases) used in complex manufacturing processes, without which advanced semiconductor manufacturing is not technically feasible. Although the industry contributes only a very small amount of GHG emissions, SIA and its members have been engaged in ongoing efforts to reduce these emissions. Under a Memorandum of Understanding (MOU) with EPA, SIA members voluntarily reported on their emissions of PFCs, a category of GHGs. Under this agreement, SIA members reduced their collective absolute US emissions of F-gases by more than 35% since 1995; and down 50% from their peak in 1999. SIA and its members have participated in the efforts of the World Semiconductor Council (WSC) to reduce emissions of PFCs. The global industry committed to a 10 percent reduction from a baseline year, and in 2011 the industry announced that it far surpassed this goal and achieved a reduction of 32 percent in absolute emissions. To build on this success, the global industry is implementing a new 10-year reduction goal. TI is active member of the Semiconductor Industry Associations in China (CSIA), Europe (ESIA), Chinese Taipei (SIACT), Japan (JSIA) with similar supporting positions through the World Semiconductor Council.

How have you influenced, or are you attempting to influence their position?

TI is actively involved in creating technical information in support of industry's use of data for GHG reporting and permitting. Throughout 2018, we were a key contributor through the SIA to improve the accounting protocol developed by the IPCC as part of the next iteration of worldwide guidance for our industry. Through collaboration, we ensure that the protocol is in alignment with the US EPA Subpart I mandatory reporting requirements, and other GHG accounting protocols. Our GHG specialists contribute regularly to this collaborative effort, and ensure that the updates made to the protocol are feasible.

C12.3f

(C12.3f) What processes do you have in place to ensure that all of your direct and indirect activities that influence policy are consistent with your overall climate change strategy?

TI employs multiple technical specialists which meet regularly to discuss various issues around our overall policies and strategy, such as our Citizenship Stakeholder Team (CST),

Environmental, Safety and Health (ESH) group and Facilities teams. Experts within our organization who work on these issues cover both the strategic elements and the issues presented within the trade associations. We also meet before large strategic meetings to ensure alignment on positions.

Through 2018-2019, TI's experts were on an IPCC sub-committee, providing technical support and industry expertise to the development of the 2019 IPCC methodology revision specific to the semiconductor industry, to ensure it is technically accurate, and provide input to the actual process within the semiconductor industry, enabling accurate calculations and processes to minimize climate change impacts. We are now working to globally implement the protocol agreed upon in the updated IPCC guideline based on the 2018-2019 IPCC work.

C12.4

(C12.4) Have you published information about your organization's response to climate change and GHG emissions performance for this reporting year in places other than in your CDP response? If so, please attach the publication(s).

Publication

In voluntary sustainability report

Status

Underway – previous year attached

Attach the document

[2018 CCR Performance Summary.pdf](#)

[2018 GRI Report.pdf](#)

Page/Section reference

<https://www.ti.com/about-ti/citizenship-community/texas-instruments-citizenship.html>

Content elements

Governance

Strategy

Risks & opportunities

Emissions figures

Emission targets

Other metrics

Comment

TI's 2019 Corporate Citizenship Report (CCR) will be published on August 31st 2020, and available at this link: <https://www.ti.com/about-ti/citizenship-community/texas-instruments-citizenship.html>. Our 2018 CCR Performance Summary is provided in the documents attached, along with our CCR GRI Index.

C15. Signoff**C-FI**

(C-FI) Use this field to provide any additional information or context that you feel is relevant to your organization's response. Please note that this field is optional and is not scored.

C15.1

(C15.1) Provide details for the person that has signed off (approved) your CDP climate change response.

	Job title	Corresponding job category
Row 1	Director, Worldwide Environmental, Safety and Health	Environment/Sustainability manager



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