



TE Connectivity Norge AS Norwegian Transparency Act Report 2023

Background

This is the annual Norwegian Transparency Act Report (Report) for TE Connectivity Norge AS (**TE Norge**). This Report has been prepared in accordance with the *Norwegian Transparency Act (lov 18. juni 2021 om virksomheters åpenhet og arbeid med grunnleggende menneskerettigheter og anstendige arbeidsforhold (åpenhetsloven))* (**the Act**) for the period 1 October 2022 to 30 September 2023 (**FY2023**).

TE Norge is committed to promoting and supporting a culture of corporate compliance and ethical behaviour and endorses the implementation and promotion of ethical business practices to protect the fundamental human rights and decent working conditions of workers in our value chain.

Structure, operations and supply chains of TE

TE Norge is an indirect wholly owned subsidiary of its global parent company, TE Connectivity Ltd (**TE**). TE is a public company listed on the New York stock exchange.

TE is a global designer and manufacturer of connectivity and sensor solutions serving customers and selling products in approximately 140 countries. As of September 2023, it manufactured products in over 25 countries worldwide.

TE operates in the following business segments:

1. Transportation Solutions;
2. Industrial Solutions; and
3. Communications Solutions.

TE's supply chain includes suppliers of raw materials, commodities, components, and services required to support its operations. As of September 2023, TE's global supply chain comprised approximately 31,000 active direct and indirect suppliers.

The business activities of TE Norge consist of engineering, sales & marketing and quality control activities. The sales and marketing activities mainly relate to the Aerospace & Defense and Energy markets. Products sold include connectors, relays, switches, fiber optics, sensors, filters and tubing. The engineering activities focus on development of Integrated Level and Quality sensor systems for DEF and fuel tanks for the Industrial and Commercial Transportation markets, including the truck, bus, agriculture and construction markets.

TE Norge's supply chain comprises approximately 40 direct and indirect suppliers, which includes services required to support its operations.

As of September 2023, TE Norge employed approximately 40 employees. All TE Norge employees are required to comply with the *TE Connectivity Guide to Ethical Conduct* as a condition of their employment and must undergo annual on-line Ethics training and certification.



Corporate Governance

TE's Human Rights Program. Our human rights program at TE is governed in partnership with the legal and human resources departments, who set forth policies, training and due diligence. Our Executive Vice President and General Counsel and Chief Human Resources Officer are briefed quarterly on our progress. TE and TE Norge's Board of Directors are also informed at least annually on the progress of our human rights program.

Establishment of TE Human Rights Committee. TE is in the process of establishing an enterprise-wide Human Rights Committee whose functions include, but are not limited to:

1. screening and assessing areas of the business to identify gaps or risks to the business in relation to Human Rights obligations;
2. preparing action plans to address any risks or gaps identified in relation to the above;
3. reviewing current company policies and suggesting and implementing any changes required as a result of those reviews;
4. implementing additional due diligence processes; and
5. generally evaluating salient Human Rights issues that may arise from time to time in relation to TE's value chains.

The committee is being assembled and is intended to include representatives from several departments in the business, including Human Resources, Government Affairs, Procurement, and Legal Counsel.

Labour and Human Rights Risks and Measures Taken

TE's Commitment and Framework (pertaining to all TE entities)

Since TE Norge is an indirect wholly owned subsidiary of TE and is subject to TE Global Policies which are explained in the following paragraphs, TE Norge relies upon its parent company's application of the TE Global Policies to provide a common enterprise-wide approach to managing human rights and related compliance.

TE, including TE Norge, is committed to conducting business in responsible ways and addresses fundamental human rights and decent working conditions through our foundational policies. All TE entities are required to adhere to TE's policies, including the following (collectively **TE Global Policies**):

1. **TE Connectivity Guide to Ethical Conduct (*Ethical Conduct Guide*)**, outlines TE's position on fair treatment and human rights for employees.
 - a. Amongst other requirements, the *Ethical Conduct Guide* sets out TE's commitment with respect to Human Rights, Social Responsibility, and Global Corporate Citizenship. It prohibits all forms of forced, trafficked or child labour, and any activity that violates individual dignity, and prohibits any form of physical punishment, abuse and harassment.
 - b. Every TE employee is required to participate annually in a training session on the *Ethical Conduct Guide* which includes human rights



topics, commit to acting in accordance with the principles outlined in the *Ethical Conduct Guide* when carrying out work activities, and to report any activity that may be deemed a violation of the *Ethical Conduct Guide*. In 2023, TE again had a 99%+ completion rate for this training among active employees on TE payroll at the time of the commitment campaign.

2. ***TE Connectivity Human Trafficking and Modern Slavery Policy (TEC-01-71)*** provides the following:

TE, including TE Norge, is committed to a work environment and supply chain that is free from human trafficking and slavery, which for purposes of this policy, includes forced labour and unlawful child labour.

- a. prohibits human trafficking and sets out TE's commitment to a work environment and supply chain that is free from human trafficking and slavery, which expressly includes forced labour and unlawful child labour;
- b. prohibits numerous practices connected with human trafficking;
- c. stipulates that TE will develop and deploy appropriate training, including annual training for third-party contractor personnel and TE employees who have direct responsibility for TE's operations and supply chain management;
- d. provides that any personnel who violate the policy may be subject to appropriate disciplinary and/or corrective action up to and including termination of employment or contract;
- e. stipulates that TE will communicate the principles and requirements set forth in the policy to suppliers, subcontractors and agents.

3. ***TE Connectivity Global Human Rights Policy (TEC-04-37)*** broadly defines how TE respects human rights in our operations, supply chain, and the communities in which we operate. TE has identified the following human rights issues as most salient for our operations:

- a. Child labour;
- b. Forced labour and human trafficking, including all forms of slavery;
- c. Health and safety;
- d. Harassment-free workplace, including equal treatment;
- e. Equal opportunity; and
- f. Respect and civility.

4. ***TE Connectivity Reporting and Investigating Misconduct Policy (TEC-01-57)*** is intended to establish procedures and responsibilities for reporting alleged violations of applicable laws or regulations, the *Ethical Conduct Guide*, TE policies and procedures, and for the investigation and any corrective action related to those reports. The policy also includes a prohibition against retaliation and an enhanced whistleblower protection relating to US federal contracts.

In addition to TE's Global Policies outlined above, TE also published the *TE Connectivity Declaration of Principles on Human Rights of the German Operating Legal Entities of the TE Connectivity Group in Germany (Declaration)* pursuant to the



German Supply Chain Due Diligence Act / Lieferkettensorgfaltspflichtgesetz, which can be found at <https://supplier.te.com/web/supplier-portal/home>. This Declaration outlines TE's commitment to human rights consistent with international standards, provides TE's guidelines and policies, and outlines our implementation process.

Risk Assessment and Due Diligence

Due Diligence Measures Undertaken Within TE

Enterprise Human Rights Risk Assessment. In FY2023, TE conducted a human rights risk assessment via a third-party service provider to understand potential risks and impacts across TE's value chain, including TE Norge, to strengthen due diligence and remediation processes. This assessment concluded in March 2023. During FY2023, TE reviewed the results of the assessment and began planning the implementation of recommendations starting in FY2024.

Employee Training. As part of TE's company-wide global training on TE's *Ethical Conduct Guide*, every TE employee is required to participate and certify annually in a training session, which includes protecting human rights including: (1) child labour, forced labour and human trafficking; (2) employee health and safety; (3) harassment-free workplace; (4) equal employment opportunity; and (5) respect and civility topics.

Human Resources (HR) Internal Human Rights Survey. In addition to our annual *Ethical Conduct Guide* training and certification, we seek a separate confirmation from our key HR leaders with global and/or regional responsibilities and members of the TE Law Department who have oversight of labour and employment-related matters that the individual is not aware of any labour and employment practice maintained by TE that would violate the *Ethical Conduct Guide* or evidence violations of human rights or decent working conditions.

Due Diligence Measures Undertaken With Suppliers

Policies and Standards. TE seeks to engage primary suppliers whose values and supply chain practices align with TE's commitment to complying with fundamental human rights and decent working conditions. TE has several policies and processes as part of our due diligence measures aimed to address supplier compliance, including the following:

1. **TE Connectivity Guide to Supplier Social Responsibility (TEC-1015) (SSR Guide).** TE developed the SSR Guide using best practices advocated by the Organization for Economic Co-operation and Development and the United Nations (UN) Global Compact, among others. It is aligned with our SSR activities, which are guided by principles in the Universal Declaration of Human Rights, the ILO Declaration on Fundamental Principles and Rights at Work, the Rio Declaration on Environment and Development, and the UN Convention Against Corruption. The SSR Guide was updated in December 2022 to incorporate TE's expectations for its suppliers with respect to business conduct, decision-making, and business interaction. It outlines key principles and behaviours, based on TE's Core Values (set out in the *Ethical Conduct Guide*), and emphasises the principles and behaviours required of suppliers. It addresses TE's labour and human rights expectations as follows:
 - a. freely chosen employment;



- b. prohibitions on child labour;
- c. working hours;
- d. wages and benefits;
- e. humane treatment;
- f. non-discrimination;
- g. freedom of association;
- h. metals materials / supplies from Conflict-Free Mines;
- i. environmental impact on local people;
- j. unlawful eviction of land; and
- k. prohibits violent security forces.

2. **Supplier approval and onboarding processes.** TE maintains and TE Norge follows an internal Supplier Onboarding Process to determine whether to engage a new supplier. The Supplier Onboarding Process requires, among other things, TE suppliers, including TE Norge suppliers, to agree to comply in principle with the SSR Guide as referenced above.

3. **Supply Chain Mapping.** In the December 2022 SSR Guide update, supply chain mapping criteria were introduced. Due to increasing business continuity, sustainability and compliance requirements, TE requires its suppliers to conduct and support necessary supply chain mapping initiatives, including but not limited to efforts sufficient to meet 'clear and convincing' documentation standards that demonstrate 'Supply Chain Mapping Evidence' which comprises:

- a. the identity and location of suppliers' subcontractors and suppliers; and
- b. the origin of its products and any component and raw materials in its products.

Supply Chain Mapping Evidence must meet the standards to comply with TE's request, applicable regulatory requirements, supply chain security programs, directives, or guidance from the applicable government authorities.

Business Partner Risk Assessment / Screening. TE has created a process for assessing the risk posed by its business partners including suppliers in relation to human rights practices in its operations and supply chains. This process involves:

1. **Screening TE's Business Partners.** TE screens business partners, including suppliers, as part of the onboarding process to determine if they are listed on any sanction or restricted party lists. We take a proactive risk management approach with certain material suppliers by monitoring their business conditions and using technology to receive alerts of potential associations with high-risk suppliers in their supply chain.
2. **Business Partner Management (BPM).** We further utilize a Business Partner Management (BPM) program that provides a targeted due diligence and screening process based upon objective risk assessments to retain and manage certain in-scope business partners ensuring their adherence to TE's Core Values and preventing potential harm to TE's brand and reputation by limiting our exposure to potential bribery and corruption. This process helps ensure that our business partners operate in a manner that



is ethical, in accordance with the law and reflects our Core Values. We utilize this BPM process through our supplier onboarding and through continuous monitoring of our existing business partners.

3. TE, including TE Norge, is in the process of strengthening our risk assessment process. As we continue to develop our process, we plan to take the following risk criteria into account: geography, market, commodity, and size.

Supplier Due Diligence, Findings & Remediation. TE also has established practices to help monitor, identify and assess potential adverse impacts on fundamental human rights and decent working conditions as part of our due diligence measures aimed to address supplier compliance, including the following:

1. **TE Supplier Social Responsibility (SSR) Audits.** TE manages SSR Audits performed by a third-party auditing firm. TE's third party auditor is appropriately qualified with technical expertise in supplier social responsibility assessment and the technical audit process.

The SSR Audit validates supplier's values and principles outlined in TE's SSR Guide and identifies areas of concern related to forced labour/human trafficking, child/young labour, discrimination, compensation, working hours, environment, health & safety, freedom of association, ethics and subcontracting. TE's third party auditor conducts detailed on-site audits and follow-up audits as needed to monitor corrective action plans.

In FY2023, TE conducted audits of suppliers primarily located in one high-risk region, which did not include any Norwegian suppliers. Most of the findings were related to compensation, working hours, health & safety, and environment. The following are examples of remediation conducted in FY2023:

- a. During a supplier audit, we discovered the supplier had no policy related to child labour and forced labour. We also found employee contracts did not include working hours or compensation information; nor had working hours been recorded and, in some cases, workers had not been explicitly granted paid time off. These findings were escalated within TE, as per our remediation process. As a result, the supplier established written policies—and communicated them to all workers—related to child and forced labour, as well as specifying compensation conditions in employment contracts. They also installed an attendance record machine system and ensured all workers had at least one day off for every seven.
- b. During another supplier audit, we discovered that the facility had no laws or regulations posted related to child labor, forced labor, non-discrimination, disciplinary practices, working hours, compensation and health and safety. However, in a follow-up audit, all the laws or regulation were posted and in addition established related written procedures. Also, with respect to freedom of association, the audit also revealed that there was no union or employee representatives. The follow up audit verified the facility had selected one employee representative by all employees freely. In addition, this facility added an attendance record machine to accurately track working hours and overtime if applicable.



2. **Human Trafficking and Slavery Survey.** TE conducts an annual Human Trafficking and Slavery Survey (**HTS Survey**) of certain suppliers using the Slavery and Trafficking Risk Template (**STRT**), an industry standard survey used to collect human trafficking and slavery data from supply chains. The HTS Survey and supplier information gathering is facilitated by a third-party compliance information gathering service (**TPCS**) provided by a leading software-as-a-service solution accessed by TE's suppliers. Supplier response to the HTS Survey is voluntary.
 - a. In December 2022, TE launched its second HTS Survey. TE surveyed approximately 3,700 high risk suppliers, including 10 TE Norge suppliers tripling the number of surveys sent to suppliers and increasing our response rate.
 - b. Since TE started the HTS Survey for data gathering, we are continuing to enhance our process in working to align any remediation plans, determined after the surveys are reviewed, with our SSR audit process, including any corrective action plans, audits, trainings, or any other actions necessary to ensure supplier compliance.

Grievance Mechanism

Office of the Ombudsman Program. The Office of the Ombudsman acts as an independent, impartial and confidential resource with whom employees, suppliers, investors, customers, and other third parties can ask questions or raise concerns about potential violations of applicable laws, regulations, the *Ethical Conduct Guide*, TE policies and procedures, and TE's Core Values. The Ombudsman reports directly to the Audit Committee of the TE Board of Directors and ensures that all reported issues are investigated, communicated to all affected stakeholders and resolved in an appropriate manner. Often, the post-investigation corrective actions enable TE to make process improvements or otherwise rectify an inefficiency for the benefit of TE or its employees.

The Office of the Ombudsman services all TE entities globally. Therefore, TE Norge employees are encouraged to use this service to report any actual or potential breaches of fundamental human rights or decent working conditions. Information about the program is publicly available on the TE website at [Office of the Ombudsman | TE Connectivity](#).

Based on TE's Corporate Responsibility Report (see link below), the total number of matters reported to the Office of Ombudsman related to Human Rights has been zero for the past three years from FY2020 through FY2022.

Continuous Improvement

TE applies a continuous improvement approach. Some strategies which TE is considering implementing over successive reporting periods include the following::

1. Creation and implementation of a Remediation Guideline Document. TE Norge intends to develop a structured remediation approach by drafting a guideline document. This document will set out defined procedures if a forced labour event is detected or eventuates, and will prescribe guiding principles to be considered in any approach to remediation;



2. TE intends to expand our SSR audits to other high-risk countries / regions;
3. TE intends to provide more in-depth training to employees with the most exposure to human rights issues;
4. Continuing to enforce and promote awareness of the *Ethical Conduct Guide* and Global Human Rights Policy; and
5. TE intends to apply for membership with the Responsible Business Alliance (RBA).

Conclusion

TE and TE Norge are demonstrably committed to ensuring that it complies with its human rights obligations. As described above, TE takes active steps to review and improve its fundamental human rights and decent working condition processes on an ongoing basis.

Additional detail on the TE human rights program may be found in TE's Corporate Responsibility Report at [Disclosures | Corporate Responsibility | TE Connectivity](#).

/S/ Malin Tränk

Malin Tränk, General Manager

Board Members: Malin Tränk, General Manager

Jue Liu

Jeroen Thomas

Harold G. Barksdale

For and on behalf of TE Connectivity Norge AS

This Report was approved by the General Manager and Board of Directors of TE Connectivity Norge AS at a duly noticed meeting and then executed. The Report shall be placed on the Corporate Responsibility section of the TE Connectivity website at [Disclosures | Corporate Responsibility | TE Connectivity](#).