

Texas Instruments Inc.

TICKER

NasdaqGS:TXN

MARKET CAPITALIZATION

US\$108 billion

HEADQUARTERS

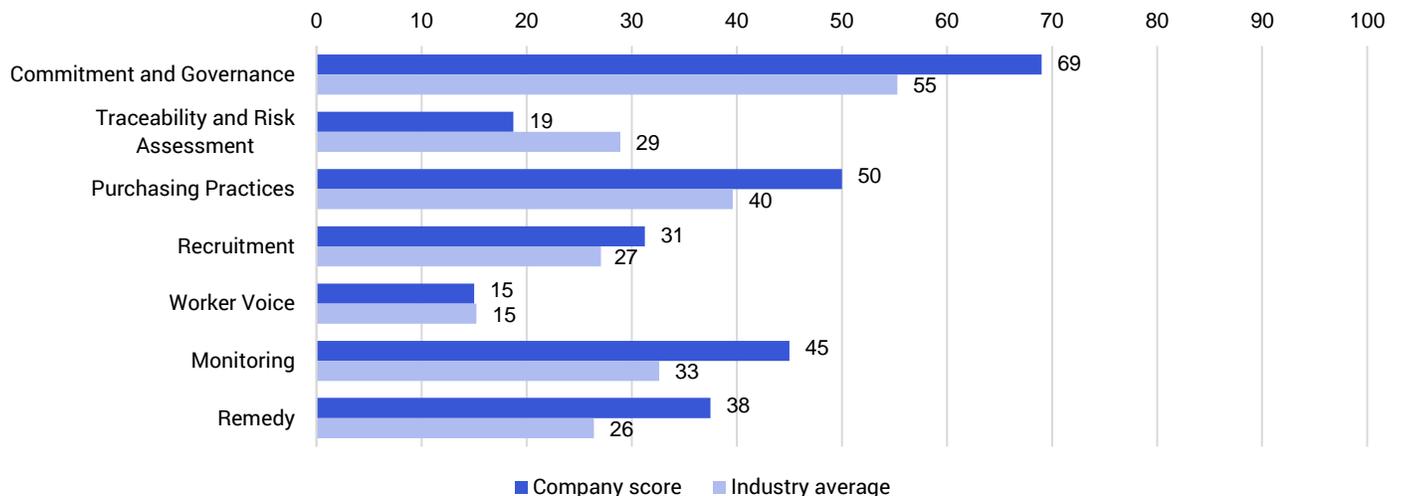
United States

COMPLIANCE
UK Modern Slavery Act: [Disclosure available, but not compliant](#)
California Transparency in Supply Chains Act: [Disclosure available, but not compliant](#)
COMMITMENTS
[None](#)
OVERALL RANKING
13 out of 40

(2016: 9 out of 20)

OVERALL SCORE
38 out of 100
SUMMARY

Texas Instruments Inc. (Texas Instruments), a semiconductor company supplying to companies such as Apple and Microsoft, ranks 13th out of 40 companies. It discloses more information on its forced labor policies and practices than its peers on all themes except traceability and risk assessment and worker voice. Compared to 2016, the company decreased its score from 48/100 to 38/100. The company is one of the few in the benchmark that does not seem to have strengthened its performance and disclosure since 2016, which due to a strengthened methodology means its score has decreased by ten points. The company has an opportunity to improve its performance and disclosure on the themes of traceability and risk assessment, recruitment, and worker voice.

THEME LEVEL SCORES


LEADING PRACTICES

None

NOTABLE FINDINGS

Commitment and Governance: Texas Instruments discloses that its CFO and its vice-president of global procurement and logistics oversee supply chain policies, performance, and risk management. The company discloses that its global buyers and procurement managers undergo annual training on forced labor and human trafficking. In addition, it notes that training on forced labor and human trafficking is provided annually to targeted existing suppliers as well to new suppliers. Texas Instruments further discloses that it has trained 35 suppliers online on forced labor using resources of the Responsible Business Alliance (RBA) and that it has held several in-person trainings for “region-specific suppliers”.

Purchasing Practices: Texas Instruments states that its purchase orders and contracts require suppliers to comply with the company's supplier code of conduct which covers forced labor. It states that "suppliers must have the necessary management systems in place to ensure workers' rights are protected throughout the supply chain". A provision to cascade standards is also included in the company's supplier code of conduct.

Monitoring: Texas Instruments discloses that it uses the RBA's Validated Audit Process (VAP) to audit at least 25% of its suppliers that are deemed high risk. The VAP includes a review of relevant documents, such as working hour records and payroll, formal and informal interviews with workers which are conducted privately, and visits to production facilities and workers' housing.

OPPORTUNITIES FOR IMPROVEMENT

Traceability and Risk Assessment: To demonstrate a strong understanding of its supply chains, the company may consider disclosing the names and addresses of first-tier suppliers, the sourcing countries of raw materials at high risk of forced labor, and information on its suppliers' workforces. The company is further encouraged to assess forced labor risks across its supply chains and disclose the risks identified.

Recruitment: The company may consider requiring employment recruitment agencies — and where relevant employment agencies — in its supply chains to uphold workers' fundamental rights and freedoms, and to disclose information on the recruitment agencies used by its suppliers. To avoid the exploitation of migrant workers in its supply chains, the company is encouraged to ensure that employment and/or recruitment agencies used in its supply chains are monitored, and to provide details of how it supports ethical recruitment in its supply chains (for example, by using ethical recruitment agencies or supporting the development of ethical recruitment schemes).

Worker Voice: To prevent and address forced labor and human trafficking risks in its supply chains, the company is encouraged to take steps to ensure that workers in its supply chains are educated on their rights and can exercise their right to freedom of association. While the company specifies that suppliers may report a concern to its Ethics Office, the company may consider ensuring this mechanism or another formal grievance mechanism is communicated to, trusted and used by suppliers' workers.

COMPANY PROVIDED ADDITIONAL DISCLOSURE

[No](#)