Introduction

Texas Instruments Incorporated ("the Company" or "TI") has published a Global Tax Strategy document which defines our global approach to tax. The scope of the Global Tax Strategy necessarily informs TI's approach to tax in the United Kingdom ("UK"). Key elements of that Global Tax Strategy document have been incorporated into the following UK tax disclosure.

Tax Disclosure—United Kingdom Finance Act of 2016

Pursuant to paragraph 19(2) of the Finance Act of 2016, this disclosure relates to all UK operations of the Company as of the disclosure's publication date. This disclosure will be reviewed by TI's team with financial responsibility, including the Tax Director and the UK finance manager, at least yearly, and will remain in effect until circumstances arise that require changes to the disclosure or any policies are changed by the Audit Committee of the TI Board of Directors ("Audit Committee").

The key components of TI's tax strategy are our tax principles, which define our approach to tax, the types of transactions we will engage in, and what tax risks are acceptable.

Our tax principles are:

1. We will abide by all applicable tax laws and regulations in the jurisdictions in which we operate.
2. We will seek to timely and accurately file all tax returns and other tax-related compliance documents.
3. We will seek to support sustainable growth while ensuring we operate in a tax efficient manner.
4. We do not condone, encourage, or support tax evasion, nor do we engage in abusive tax planning strategies.

Risk Management & Governance Arrangements

The Company manages its tax risk through appropriate risk management procedures in order to achieve certainty in its tax affairs. TI's Chief Financial Officer ("CFO"), supported by other members of the Company's senior finance and operations leadership team reporting to him (the Tax Review Committee), approves and defines the Company's tax risk tolerance as part of the Company's broader business risk framework reviewed by the Audit Committee. The Board of Directors is updated annually on our tax risks. The CFO, with the support of this leadership team, reviews and approves all material tax positions and the implementation of all risk mitigation programs.

Approach to Tax Planning

The Company believes that all tax planning should be business-led and business-aligned. The Company's approach to tax planning follows our tax principles.

Our tax principles inform the following tax planning commitments:

1. We only apply tax incentives and exemptions available to all market participants or where intended to benefit similarly situated companies.
2. We will not enter into transactions that lack commercial or economic substance.
3. We do not make use of tax haven jurisdictions for purposes of tax avoidance.
4. We follow the arm's length principle in our approach to transfer pricing.
5. We will pursue advance certainty and agreements with tax authorities regarding significant transactions and significant tax jurisdictions where reasonable.

The Company strives to be tax compliant and tax efficient while delivering sustainable growth in light of all stakeholder interests. This includes the Company's responsibility for corporate direct, indirect and employment taxes. Towards this end, the Company strives to improve operations and to achieve strong financial results, which includes an understanding that taxation is a cost of doing business.

Approach to UK Tax Planning

The Company seeks appropriate external tax advice where a tax law is unclear, and structures commercial transactions in a tax compliant and efficient manner while abiding by the letter and the spirit of the relevant law wherever we operate. Where offered and appropriate, we apply tax incentives and exemptions. We do not condone, encourage or support tax evasion. Transactions and their intended tax consequences are fully disclosed in relevant tax returns and filings and, where appropriate, the group would seek pre-transactional engagement with His Majesty's Revenue & Customs ("HMRC"), including clearances.

Risk Tolerance in Relation to UK Taxation

The Company is mindful of the need to abide by standards to protect its business reputation, and TI's approach to tax risk and its tax appetite is guided by the global tax principles. The Company's risk tolerance with respect to UK taxation is implicitly approved by the Tax Review Committee and is subject to the review of the Audit Committee.

Approach to Dealing with HMRC

The Company has and will continue to fully cooperate with HMRC to ensure full compliance with all applicable tax laws and to protect both the Company's business reputation and the interests of all stakeholders. The Company is pro-active in its dealings with HMRC and communicates in an open and honest manner while seeking to address uncertainty in advance where appropriate. As noted above, the Company uses external advisers, where appropriate, to assist the Company with meeting its UK tax compliance obligations.

This strategy complies with paragraph 19(2) Schedule 19 FA 2016 for the financial year ended December 31, 2023.