Tax Disclosure—United Kingdom Finance Act of 2016
Pursuant to paragraph 16(2) of the Finance Act of 2016, this disclosure relates to all United Kingdom (“UK”) operations of Texas Instruments Incorporated (“the Company” or “TI”) as of the disclosure’s publication date. This disclosure will be reviewed by TI’s team with financial responsibility, including the tax team 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”).

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, approves and defines the Company’s risk tolerance, including its risk tolerance with respect to UK taxation, as part of the Company’s broader business risk framework reviewed by the Audit Committee. 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 UK Tax Planning
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. 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. 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 Her 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. As described above, the Company’s risk tolerance with respect to UK taxation is approved by the CFO, supported by other members of the Company’s senior finance and operations leadership team, 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 tax authorities, including 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 comply with UK tax rules.

This strategy was published on December 4, 2019, and complies with paragraph 16(2) Schedule 19 FA 2016 for the financial year ended December 31, 2019.