September 2023

The Tyco Electronics (UK) Pension Plan ("the Plan")
Statement of Investment Principles

Scope of Statement

This document describes the investment policy being followed by the Trustees of the Tyco Electronics UK Pension Plan (the "Trustees") for governing, managing and administering the investment of the assets of the Tyco Electronics UK Pension Plan (the "Plan"). This Statement of Investment Principles ("SIP") sets out the Plan's policies in the following principal areas:

- Investment objective
- Investment strategy
- Implementation
- Risk
- Governance
- Direct investments

This SIP has been prepared in accordance with Section 35 of the Pensions Act 1995 (as amended by the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005). It has also been drafted to reflect the Myners Code of Best Practice.

This SIP covers the defined benefit section of the Plan.

The Trustees have consulted with the Employer, prior to writing this Statement and will take the Employer's comments into account when they believe it is appropriate to do so.

Investment Objective
The Trustees aim to invest the assets of the Plan prudently to ensure that the benefits promised to members are provided thereby reducing the Plans' dependency on contributions from the Company. In setting the investment strategy, the Trustees considered how to most effectively meet the long-term objective of the Plan. The investment strategy has been designed to target a higher return than the lowest risk strategy while maintaining a prudent approach to meeting the Plan's liabilities. The investment strategy should seek to provide the optimal level of long-term returns needed by the Plan to satisfy its liabilities at an acceptable level of risk.

Investment Strategy

The Trustees have agreed a long-term investment strategy for when the Plan reaches full funding on a Self-Sufficiency basis and have put in place a de-risking framework designed to transition the current investment strategy of the Plan towards the long-term investment strategy as the funding level improves. This framework has been designed so that the Plan continues to be expected to reach the funding objective by the target date of 2028. More details on the de-risking framework are set out in the Investment Policy Guidance Document ("IPGD").

Both the current and long-term investment strategy were determined with regard to the actuarial characteristics of the Plan, in particular the strength of the funding position and the liability profile. In setting this policy, the Trustees have assumed that the assets will generate a return above the liabilities over the long term. However, the Trustees recognise the potential volatility in these returns, particularly relative to the Plan's liabilities, and the risk that the Plan's assets do not achieve the target set. When choosing the Plan's current and long-term investment strategy the Trustees considered written advice from its investment advisers and, in doing so, addressed the following:

- The long-term nature of the Plan's liabilities
- The Plan's funding level

The investment strategy and de-risking framework should be recalibrated fully after each triennial valuation, or earlier if the Trustees believe it is required; for example, after a significant change to the benefit structure or membership.

Implementation

The Trustees have appointed Aon Investments Limited ('AIL') who are authorised and regulated by the Financial Conduct Authority (FCA), to manage the Plan's assets as their fiduciary manager. This has been done to further aid the diversification of the Plan's assets and to reduce the investment risk relative to the Plan's liabilities. AIL has also been selected as the Trustees investment consultant. The Trustees have taken advice from AIL regarding its suitability in this capacity and recognises that there exists a potential conflict of interest in AIL giving this advice. The Trustees have sought details of AIL's conflict management policy and procedures and is satisfied that such potential conflict is appropriately managed and that AIL has the necessary skills and competence to exercise the powers delegated to it.

The Trustees have delegated all day-to-day decisions in respect of the Plan's investments to AIL through a written contract including the allocation of assets between different asset classes and the appointment and monitoring of fund managers. When choosing asset classes and fund managers, AIL are required to have regard to the criteria for investment set out in the Occupational Pension Schemes (Investment) Regulations 2005 (regulation 4). AIL will invest the portfolio so that the underlying exposure to assets will be properly diversified in such a way as to avoid excessive reliance on any particular asset or manager and so as to avoid accumulation of risk in the portfolio as a whole. AIL may use pooled vehicles to help with diversification.
The day to day management of the Plan's underlying assets, including the realisation of investments, has been delegated to investment managers who are authorised and regulated by the Financial Conduct Authority.

Risk

The Trustees recognise that the key risk to the Plan is that it has insufficient assets to make provisions for 100% of its liabilities ("funding risk"). The Trustees have identified a number of risks which have the potential to cause a deterioration in the Plan's funding level and therefore contribute to funding risk. These are as follows:

- The risk of a significant difference in the sensitivity of asset and liability values to changes in financial and demographic factors ("mismatching risk"). The Trustees and their advisers considered this mismatching risk when setting the investment strategy.
- The risk of a shortfall of liquid assets relative to the Plan's immediate liabilities ("cash flow risk"). The Trustees and their advisers will manage the Plan's cash flows taking into account the timing of future payments in order to minimise the probability that this occurs.
- The failure by the fund managers to achieve the rate of investment return assumed by the Trustees ("manager risk"). This risk is managed by AIL when selecting and monitoring the Plan's underlying managers.
- The failure to spread investment risk ("risk of lack of diversification"). AIL considers this risk when setting the Plan's underlying asset allocation.
- The possibility of failure of the Plan's sponsoring employer ("covenant risk"). The Trustees and their advisers considered this risk when setting investment strategy and consulted with the sponsoring employer as to the suitability of the proposed strategy.
- The risk of fraud, poor advice or acts of negligence ("operational risk"). The Trustees have sought to minimise such risk by ensuring that all advisers and third-party service providers are suitably qualified and experienced, and that suitable liability and compensation clauses are included in all contracts for professional services received.

Due to the complex and interrelated nature of these risks, the Trustees consider the majority of these risks in a qualitative rather than quantitative manner as part of each formal investment strategy review (normally triennially). Some of these risks may also be modelled explicitly during the course of such reviews.

The Trustees have agreed a funding arrangement with the Principal Employer to reach full funding on the self-sufficiency basis by 2028. The funding level of the Plan will be assessed at each Triennial Valuation relative to the Recovery Plan, and should the Plan be behind target the Principle Employer will make a contribution into the Charged Custody Account, established for this arrangement, sufficient to bring the Plan's funding level up to target. Putting in place this arrangement helps mitigate the risk of the Plan having insufficient assets to make provision for 100% of its liabilities as valued on the self-sufficiency basis.

The Trustees' policy is to monitor, where possible, these risks periodically. The Trustees review periodic reports provided by their investment adviser, fiduciary manager, actuary, and the sponsoring employer regarding:

- Funded Status of the Plan versus the Recovery Plan.
- Performance of AIL versus their target.
- Any significant issues with the fiduciary manager or underlying fund managers that may impact their ability to meet the performance target set by the Trustees.
- Credit reports of the Plan's sponsoring employer.
- Annual assessment of performance of AIL relative to investment consultant objectives set by the Trustees
- Compliance report / performance review of other service providers.

Arrangements with the Fiduciary Manager and Fund Managers

In setting the Plan's investment strategy, the Trustees' primary concern is to act in the best financial interests of the Plan and its beneficiaries, seeking the best return that is consistent with a prudent and appropriate level of risk. These risks include, among many other things; the risk that environmental, social and governance factors including climate change negatively impact the value of investments held if not understood and evaluated properly.

The Trustees recognise that the arrangements with their fiduciary manager, and correspondingly the underlying asset managers, are important to ensure that interests are aligned. In particular, the Trustees seek to ensure that AIL is incentivised to operate in a manner that generates the best long-term results for the Plan and its beneficiaries.

The Trustees request to receive regular reports and verbal updates from AIL on various items including the investment strategy, performance, and longer-term positioning of the portfolio. The Trustees focus on longer-term performance when considering the ongoing suitability of the investment strategy in relation to the Plan's objective and assess the fiduciary manager over 3-year periods.

The Trustees also receive annual stewardship reports on the monitoring and engagement activities carried out by AIL, which supports the Trustees in determining the extent to which the Plan's engagement policy has been followed throughout the year.

The Trustees have shared the policies, as set out in this SIP, with AIL and request that they review and confirm whether their approach is in alignment with the Trustees' policies.

The Trustees delegate the ongoing monitoring of underlying asset managers to the AIL. AIL monitor the Plan's investments to consider the extent to which the investment strategy and decisions of the underlying asset managers are aligned with the investment objectives of the Plan.

This includes monitoring the extent to which the underlying asset managers:

- make decisions based on assessments about medium- to long-term financial and non-financial performance of an issuer of debt or equity; and
- engage with issuers of debt or equity in order to improve their performance in the medium- to long-term.

If a case should arise when the Trustees consider AIL to have made a decision or action that is not in line with the Trustees' policies, expectations, or the other considerations set out above, the Trustees will seek to engage with AIL to understand the circumstances and materiality of the decisions made and take appropriate action.

There is typically no set duration for arrangements with AIL, although the continued appointment will be formally reviewed periodically. Similarly, there are no set durations for arrangements with the underlying asset managers that AIL invests in, although this is regularly reviewed as part of the manager research and portfolio management processes in place.

Costs and Performance

The Trustees are aware of the importance of monitoring their asset managers' total costs and the impact these costs can have on the overall value of the Plan's assets. The Trustees recognise that in addition to annual management charges, there are other costs incurred by asset managers that can increase the overall cost incurred by their investments.

The Trustees receive annual cost transparency reports from AIL. These reports present information in line with prevailing regulatory requirements for fiduciary managers. They clearly set out on an itemised basis:

- The total amount of investment costs incurred by the Plan;
- The fees paid to AIL (including investment consultancy fees)
- The fees paid to the investment managers appointed by AIL;
- The amount of portfolio turnover costs (transaction costs) incurred by the investment managers appointed by AIL;
- The trustees define portfolio turnover costs as the costs incurred in buying and selling underlying securities held within the funds of the investment managers appointed by the fiduciary manager;
- Any charges incurred through the use of pooled funds (custody, administration, and audit fees)
- The impact of costs on the investment return achieved by the Plan.

The Trustees acknowledge that portfolio turnover costs are a necessary cost to generate investment returns and that the level of these costs varies across asset classes and manager. AIL monitors the level of portfolio turnover (defined broadly as the amount of purchases plus sales) of all the investment managers appointed on behalf of the Trustees.

The Trustees benefit from the economies of scale provided by the fiduciary manager in two key cost areas:

- The ability of AIL to negotiate reduced annual management charges with the appointed investment managers;
- The ability of AIL to monitor ongoing investment costs (including additional fund expenses and portfolio turnover) incurred by the investment managers and achieve efficiencies where possible;

Evaluation of performance and remuneration:

The Trustees assess the (net of all costs) performance of AIL on a rolling three-year basis against the Plan's specific liability benchmark and investment objective. The remuneration paid to AIL, and fees incurred by third parties appointed by AIL are provided annually by the fiduciary manager to the Trustees. This cost information is set out alongside the performance of AIL to provide context. The Trustees monitor these costs and performance trends over time.

AIL is remunerated on a fixed fee basis calculated as a percentage of the assets under management. Additional tasks outside of the fixed fee will be charged on a time and materials basis or a fee agreed for the project in advance.

Stewardship – Voting and Engagement

The Trustees aim to annually review the stewardship activity of AIL to ensure the Plan's stewardship policy is being appropriately implemented in practice. The Trustees receive annual reports on stewardship activity carried out by AIL, these reports include detailed voting and engagement information from underlying asset managers.

The Trustees have delegated all voting and engagement activities to the Plan's investment managers, via AIL. The Trustees accept responsibility for how the manager stewards assets on its behalf, including the casting of votes in line with each managers' individual voting policies, The Trustees review manager voting and engagement activities on an annual basis from AIL to ensure they are in line with the Trustees expectations and in the members' best interests.

As part of the AIL's management of the Plan's assets, the Trustees expect them to:

- Ensure that (where appropriate) underlying asset managers exercise the Trustees' voting rights in relation to the Plan's assets; and
- Report to the Trustees on stewardship activity by underlying asset managers as required.

Managers are expected to vote at company meetings and engage with companies on the Trustees behalf in relation to ESG considerations and other relevant matters (such as the companies' performance, strategy, risks, capital structure, and management of conflicts of interest).

Where possible, the transparency for voting should include voting actions and rationale with relevance to the Plan, in particular where:

- Votes were cast against management;
- Votes against management generally were significant;
- Votes were abstained; and
- Voting differed from the voting policy of the Trustee

Where voting is concerned, the Trustees expect the Underlying Managers to recall stock lending, as necessary, in order to carry out voting actions.

The Trustees recognise that their collaborative behaviours can further work to mitigate the risks for the Plan that we have identified above.

The Trustees may engage with AIL, who in turn is able to engage with underlying asset managers, investee company or other stakeholders, on matters including the performance, strategy, risks, social and environmental impact, corporate governance, capital structure, and management of actual or potential conflicts of interest, of the underlying investments made. Where a significant concern is identified, the Trustees will consider, on a case by case basis, a range of methods by which they would monitor and engage so as to bring about the best long-term outcomes for the Plan.

Should the Trustees monitoring process reveal that a manager's voting and engagement policies and actions are not aligned with the Trustee's expectations, the Trustees will engage with AIL to discuss how alignment may be improved to bring about the best long-term outcomes for the Scheme.

Members' Views and Non-Financial Factors

In setting and implementing the Plan's investment strategy the Trustees do not take into account the views of Plan members and beneficiaries in relation to ethical considerations, social and environmental impact, or present and future quality of life matters (defined as "non-financial factors").

Securities Lending

Securities owned by the Plan, but held in custody by another party, such as a bank custodian, will not be loaned to any other party for any purpose, unless such securities lending is pursuant to a separate agreement which the Trustees have approved, or the Plan is invested in a pooled fund that permits securities lending.

Prohibited Investments/Derivatives

The following investments are generally prohibited, barring specific Trustees approval unless investment is made in a pooled fund and the Trustees have approved investment into the fund:

- Short sales
- Margin transactions
- Purchases or sales of physical commodities or commodities contracts
- Restricted stock

- Investments representing more than 10% of any security or issuer other than the UK Government and its instrumentalities
- Transactions prohibited by the Pensions Act 1995 (and amended by the Pensions Act 2004, and the Occupational Pension Schemes (Investment) Regulations 2005).

Investment in securities of TE Connectivity Ltd. (NYSE ticker: TEL) and its subsidiaries are permitted only in pooled funds, provided that the investment is consistent with the Investment Manager guidelines. Investments in such securities will be limited to no more than 5% of total Plan assets.

Governance

The Trustees are responsible for the investment of the Plan's assets. The Trustees take some decisions themselves and delegate others. When deciding which decisions to take themselves and which to delegate, the Trustees have taken into account whether they have the appropriate training and expert advice in order to take an informed decision. The Trustees have established the following decision-making structure:

Trustees • Setting, reviewing, and revising the SIP, investment objectives, and constraints consistent with risk tolerance. • Evaluate success of the overall investment strategy. • Select / Monitor / retain / terminate investment advisors the fiduciary manager, and other service providers including monitoring of fees • Set structures and processes for carrying out its role.
Investment Consultant • Advise on the investment objective, de-risking framework and level of hedging provided by the Plan's assets. • Review overall performance of the Plan's assets relative to this statement. • The training of the Trustees, where required, in all matters concerning investments.
Fiduciary Manager • Operate within the terms of this statement • Provide annual cost and stewardship report to assist the Trustees with meeting their regulatory requirements • Set the strategy for investing in different asset classes in line with the investment objective • Determine strategy for selecting fund managers • Implement the investment strategy • Select and appoint investment managers • Monitor investment managers • Adjust asset allocations to reflect medium term market expectations • Report on asset performance against the liability benchmark • Report on asset returns against objectives • Communicate any significant changes to the investment arrangements • Implement any trades as set out in the de-risking framework • Manage the Plan's cashflows and implement any trades required to meet benefit payments
Plan Actuary • Liaising with the investment consultant on the suitability of the Plan's investment strategy given the financial characteristics of the Plan. • Assessing the funding position of the Plan relative to the Technical Provisions and advising on the appropriate response to a shortfall. • Performing the triennial (or more frequently as required) valuations and advising on the appropriate contribution levels. • Providing funding level monitoring through the use of asset liability suite for the purpose of implementing the de-risking framework.

Direct Investments

The Pensions Act 1995 distinguishes between investments where the management is delegated to a fund manager with a written contract and those where a product is purchased directly, e.g. the purchase of an insurance policy or units in a pooled vehicle. The latter are known as direct investments.

The Trustees' policy is to review their direct investments and to obtain written advice about them regularly. When deciding whether or not to make any new direct investments the Trustees will obtain written advice and consider whether future decisions about those investments should be delegated to the fund managers.

The written advice will consider the issues set out in the Occupational Pension Schemes (Investment) Regulations 2005 and the principles contained in this statement. The regulations require all investments to be considered by the Trustees (or, to the extent delegated, by the fund managers) against a set criteria which takes into account the best interest of the member and beneficiaries, the security, quality, liquidity and profitability of the investments, as well as the nature and duration of liabilities. Also, of consideration is diversification, the ability to trade on regulated markets and the use of derivatives.

Other Governance Issues

The Trustees' investment adviser has the knowledge and experience required under the Pensions Act 1995 to act within an investment capacity for the Plan.

The Trustees expect the AIL and the underlying fund managers to manage the assets delegated to them under the terms of their respective contracts and to give effect to the principles in this statement so far as is reasonably practicable.

BNY Mellon have been appointed as the Plan's custodian. For each of the underlying pooled fund investments, the fund manager is responsible for the appointment and monitoring of the custodian of the fund's assets.

The custodian provides safekeeping for the Plan's assets and performs the administrative duties attached, such as the collection of interest and dividends and dealing with corporate actions.

Document Maintenance

The Trustees will review this SIP at least every three years and immediately following any significant change in investment policy. The Trustees will take investment advice and consult with the Sponsoring Employer over any changes to the SIP.

Signed on behalf of the Trustees of the Tyco Electronics (UK) Pension Plan

…………………………………………..	…………………………………………
Trustee	Trustee

Effective Date: