

TE Connectivity Ltd.  
Form DEF 14A  
January 18, 2019

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UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
Washington, D.C. 20549

**SCHEDULE 14A**  
**(RULE 14a-101)**

INFORMATION REQUIRED IN PROXY STATEMENT  
SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of  
the Securities Exchange Act of 1934 (Amendment No. )

Filed by the Registrant

Filed by a Party other than the Registrant

Check the appropriate box:

- Preliminary Proxy Statement
- Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- Definitive Proxy Statement
- Definitive Additional Materials
- Soliciting Material under §240.14a-12

**TE CONNECTIVITY LTD.**

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(Name of Registrant as Specified In Its Charter)

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(Name of Person(s) Filing Proxy Statement, if other than the Registrant)

Payment of Filing Fee (Check the appropriate box):

- No fee required.
- Fee computed on table below per Exchange Act Rules 14a-6(i)(1) and 0-11.  
(1) Title of each class of securities to which transaction applies:

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- (2) Aggregate number of securities to which transaction applies:
  - (3) Per unit price or other underlying value of transaction computed pursuant to Exchange Act Rule 0-11 (set forth the amount on which the filing fee is calculated and state how it was determined):
  - (4) Proposed maximum aggregate value of transaction:
  - (5) Total fee paid:
- o Fee paid previously with preliminary materials.
  - o Check box if any part of the fee is offset as provided by Exchange Act Rule 0-11(a)(2) and identify the filing for which the offsetting fee was paid previously. Identify the previous filing by registration statement number, or the Form or Schedule and the date of its filing.
    - (1) Amount Previously Paid:
    - (2) Form, Schedule or Registration Statement No.:
    - (3) Filing Party:
    - (4) Date Filed:
-

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January 18, 2019

Dear Shareholder,

You are invited to attend the 2019 Annual General Meeting of Shareholders of TE Connectivity Ltd., to be held on Wednesday, March 13, 2019 at 2:00 p.m., Central European Time (9:00 a.m., Eastern Daylight Time), at the Park Hyatt Zürich, Beethoven-Strasse 21, 8002 Zürich, Switzerland. Details of the business to be presented at the meeting can be found in the accompanying Invitation to the Annual General Meeting of Shareholders and Proxy Statement.

If you cannot attend, you can ensure that your shares are represented at the meeting by casting your vote either electronically at your earliest convenience or by promptly completing, signing, dating and returning your proxy card.

We look forward to seeing you at the meeting.

Sincerely,

Thomas J. Lynch  
Chairman of the Board

TE Connectivity Ltd.  
Rheinstrasse 20  
CH-8200 Schaffhausen, Switzerland

Tel: +41 (0)52 633 66 61  
Fax: +41 (0)52 633 66 99

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**TE CONNECTIVITY LTD.**

**Rheinstrasse 20**

**CH-8200 Schaffhausen, Switzerland**

**Invitation to the Annual General Meeting of Shareholders**

|                |   |
|----------------|---|
| Time and Date: | 2:00 p.m., Central European Time (9:00 a.m., Eastern Daylight Time), on March 13, 2019  |
| Place:         | The Park Hyatt Zürich, Beethoven-Strasse 21, 8002 Zürich, Switzerland   |
| Agenda Items:  | <ol style="list-style-type: none"><li>1. Election of twelve (12) director nominees proposed by the Board of Directors;</li><li>2. Election of the Chairman of the Board of Directors;</li><li>3. Election of the members of the Management Development and Compensation Committee;</li><li>4. Election of the Independent Proxy;</li><li>5. Approval of (i) the 2018 Annual Report of TE Connectivity Ltd. (excluding the statutory financial statements for the fiscal year ended September 28, 2018, the consolidated financial statements for the fiscal year ended September 28, 2018 and the Swiss Compensation Report for the fiscal year ended September 28, 2018), (ii) the statutory financial statements of TE Connectivity Ltd. for the fiscal year ended September 28, 2018, and (iii) the consolidated financial statements of TE Connectivity Ltd. for the fiscal year ended September 28, 2018;</li><li>6. Release of the members of the Board of Directors and executive officers of TE Connectivity for activities during the fiscal year ended September 28, 2018;</li><li>7. Election of (i) Deloitte &amp; Touche LLP as our independent registered public accounting firm for fiscal year 2019, (ii) Deloitte AG, Zurich, Switzerland, as our Swiss registered auditor until our next annual general meeting, and (iii) PricewaterhouseCoopers AG, Zurich, Switzerland, as our special auditor until our next annual general meeting;</li><li>8. Advisory Vote to Approve Named Executive Officer Compensation;</li><li>9. Binding vote to approve fiscal year 2020 maximum aggregate compensation amount for executive management;</li><li>10. Binding vote to approve fiscal year 2020 maximum aggregate compensation amount for the Board of Directors;</li><li>11. Carryforward of unappropriated accumulated earnings;</li><li>12. Declaration of dividend;</li><li>13. Authorization relating to share repurchase program;</li><li>14. Approval of share capital reduction for shares acquired under our share repurchase program;</li><li>15. Approval of any adjournments or postponements of the meeting.</li></ol> |

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Persons Who Will Receive  
Proxy Materials:

Under rules of the Securities and Exchange Commission ("SEC"), we have elected to provide access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials, or the Notice, to our shareholders registered in our share register as of the close of business (Eastern Standard Time) on **January 9, 2019**. All shareholders will have the ability to access the proxy materials on the website referred to in the Notice or to request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice. The Notice also instructs you on how you may submit your proxy over the Internet or via mail. You will not receive a printed copy of the proxy materials unless you request one in the manner set forth in the Notice or as otherwise described in the next paragraph. This permits us to conserve natural resources and reduce our printing costs, while giving shareholders a convenient and efficient way to access our proxy materials and vote their shares.

A copy of the proxy materials, including a proxy card, also will be sent to any additional shareholders who are registered in our share register as shareholders with voting rights, or who become beneficial owners through a nominee registered in our share register as a shareholder with voting rights, as of the close of business (Eastern Standard Time) on **February 21, 2019**.

Admission to Meeting and  
Persons Eligible to Vote:

Shareholders who are registered with voting rights in our share register as of the close of business (Eastern Standard Time) on **February 21, 2019** have the right to attend the Annual General Meeting and vote their shares, or may grant a proxy to vote on each of the agenda items in this invitation and any other matter properly presented at the meeting for consideration.

Shareholders who hold their shares in the name of a bank, broker or other nominee ("Beneficial Owners") should follow the instructions provided by their bank, broker or nominee. Beneficial Owners who have not obtained a proxy from their bank, broker or nominee are not entitled to vote in person at the Annual General Meeting.

Granting of Proxy:

Shareholders of record with voting rights who do not wish to attend the Annual General Meeting have the right to appoint Dr. René Schwarzenbach, Proxy Voting Services GmbH, as independent proxy, pursuant to article 9 of the Swiss Ordinance Against Excessive Compensation at Listed Corporations (the "Swiss Ordinance"), with full rights of substitution, by appointing the independent proxy and voting electronically or submitting a proxy card with your votes. The Swiss Ordinance prohibits from acting as proxies company officers (*Organstimmrechtsvertretung*) and institutions subject to the Swiss Federal Law on Banks and Savings Banks as well as professional asset managers that hold proxies for holders of record concerning deposited shares (*Depotstimmrechtsvertretung*).

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The proxies granted to the independent proxy must be received no later than 5:00 p.m., Central European Time (12:00 p.m., Eastern Daylight Time) on March 12, 2019. A shareholder of record who gives a proxy may revoke it at any time before it is exercised by giving notice in person of the revocation and voting in person at the meeting, or, subject to timing limitations, by delivering a revocation letter and subsequent proxy card to the independent proxy.

With regard to the items listed on the agenda, or if new agenda items (other than those on the agenda) or new proposals or motions regarding agenda items set out in this Invitation to the Annual General Meeting are being put forth at the meeting, the independent proxy will vote in accordance with the specific instructions of the shareholder, or if selected by the shareholder in granting the proxy as a general instruction, in accordance with the recommendation of the company's Board of Directors at the meeting, or abstain from voting if the shareholder did not provide instructions.

Date of Availability:

Our proxy materials are being made available on or about January 18, 2019 to each shareholder of record of TE Connectivity registered shares at the close of business (Eastern Standard Time) on January 9, 2019.

By order of the Board of Directors,

Harold G. Barksdale  
Corporate Secretary

January 18, 2019



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**PROXY STATEMENT  
FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF**

**TE CONNECTIVITY LTD.  
TO BE HELD ON WEDNESDAY, MARCH 13, 2019**

**QUESTIONS AND ANSWERS ABOUT THIS PROXY STATEMENT AND VOTING**

**Why am I receiving these materials?**

TE Connectivity's Board of Directors is soliciting your proxy to vote at the Annual General Meeting to be held at 2:00 p.m., Central European Time (9:00 a.m., Eastern Daylight Time), on March 13, 2019, at The Park Hyatt Zürich, Beethoven-Strasse 21, 8002 Zürich, Switzerland. The information provided in this proxy statement is for your use in determining how you will vote on the agenda items described within.

We have made available our proxy materials to each person who is registered as a holder of our shares in the register of shareholders (such owners are often referred to as "holders of record" or "record holders") as of the close of business (Eastern Standard Time) on January 9, 2019. We also will send a copy of the proxy materials, including the proxy card, to any holder of record who requests them in the manner set forth in the Notice and to any additional shareholders who become registered in our share register after the close of business (Eastern Standard Time) on January 9, 2019 and continue to be registered in our share register at the close of business (Eastern Standard Time) on February 21, 2019. Distribution to shareholders of the Notice of Internet Availability of Proxy Materials (the "Notice"), is scheduled to begin on or about January 18, 2019.

We have requested that banks, brokerage firms and other nominees who hold TE Connectivity shares on behalf of the owners of the shares (such owners are often referred to, and we refer to them below, as "beneficial owners," "beneficial shareholders" or "street name holders") as of the close of business (Eastern Standard Time) on January 9, 2019 forward the Notice to those beneficial shareholders and forward the proxy materials, along with a voting instruction card, for any additional beneficial owners who acquire their shares after January 9, 2019 and continue to hold them at the close of business (Eastern Standard Time) on February 21, 2019. We have agreed to pay the reasonable expenses of the banks, brokerage firms and other nominees for forwarding these materials. We also have provided for the proxy materials to be sent to persons who have interests in our shares through participation in our employee share purchase plans. These individuals are not eligible to vote directly at the Annual General Meeting, but they may instruct the trustees of these plans how to vote the shares represented by their interests. The proxy card also will serve as voting instructions for the trustees of the plans.

**Are proxy materials available on the Internet?**

Yes.

**Important Notice Regarding the Availability of Proxy Materials for the Annual General Meeting to be Held on March 13, 2019.**

**Our proxy statement for the Annual General Meeting to be held on March 13, 2019, other proxy material and our annual report to shareholders for fiscal year 2018 is available at <http://www.te.com/TEAnnualMeeting>.**

Under SEC rules, we have elected to provide access to our proxy materials over the Internet. Accordingly, we are sending a Notice of Internet Availability of Proxy Materials to our shareholders registered in our share register as of the close of business (Eastern Standard Time) on January 9, 2019.

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All shareholders will have the ability to access the proxy materials on the website referred to in the Notice or to request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the Internet or to request a printed copy may be found in the Notice. The Notice also instructs you on how you may submit your proxy over the Internet or via mail. You will not receive a printed copy of the proxy materials unless you request one in the manner set forth in the Notice or you acquire your shares after January 9, 2019 and continue to be registered in our share register at the close of business (Eastern Standard Time) on February 21, 2019, in which case we will send you the proxy materials. This permits us to conserve natural resources and reduce our printing costs, while giving shareholders a convenient and efficient way to access our proxy materials and vote their shares. Our proxy materials are being made available on or about January 18, 2019.

**What agenda items are scheduled to be voted on at the meeting?**

The fifteen (15) agenda items scheduled for a vote are:

Agenda Item No. 1: To elect twelve (12) nominees proposed by the Board of Directors as directors to hold office until the next annual general meeting of shareholders;

Agenda Item No. 2: To elect the Chairman of the Board of Directors;

Agenda Item No. 3: To elect the members of the Management Development and Compensation Committee;

Agenda Item No. 4: To elect the independent proxy for the 2020 annual general meeting of shareholders;

Agenda Item No. 5: To approve (i) the 2018 Annual Report of TE Connectivity Ltd. (excluding the statutory financial statements for the fiscal year ended September 28, 2018, the consolidated financial statements for the fiscal year ended September 28, 2018 and the Swiss Compensation Report for the fiscal year ended September 28, 2018), (ii) the statutory financial statements of TE Connectivity Ltd. for the fiscal year ended September 28, 2018, and (iii) the consolidated financial statements of TE Connectivity Ltd. for the fiscal year ended September 28, 2018;

Agenda Item No. 6: To release the members of the Board of Directors and executive officers of TE Connectivity for activities during the fiscal year ended September 28, 2018;

Agenda Item No. 7: To elect (i) Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2019, (ii) Deloitte AG, Zurich, Switzerland, as our Swiss registered auditor until our next annual general meeting, and (iii) PricewaterhouseCoopers AG, Zurich, Switzerland, as our special auditor until our next annual general meeting;

Agenda Item No. 8: To cast an advisory vote to approve named executive officer compensation;

Agenda Item No. 9: To cast a binding vote to approve fiscal year 2020 maximum aggregate compensation amount for executive management;

Agenda Item No. 10: To cast a binding vote to approve fiscal year 2020 maximum aggregate compensation amount for the Board of Directors;

Agenda Item No. 11: To approve the carryforward of unappropriated accumulated earnings;

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Agenda Item No. 12: To approve a dividend payment to shareholders equal to \$1.84 per issued share to be paid in four equal quarterly installments of \$0.46 starting with the third

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fiscal quarter of 2019 and ending in the second fiscal quarter of 2020 pursuant to the terms of the dividend resolution;

Agenda Item No. 13: To approve an authorization relating to our share repurchase program;

Agenda Item No. 14: To approve a share capital reduction for shares acquired under our share repurchase program and related amendments to our articles of association; and

Agenda Item No. 15: To approve any adjournments or postponements of the meeting.

**What is the recommendation of the Board of Directors on each of the agenda items scheduled to be voted on at the meeting? How do the Board of Directors and executive officers intend to vote with respect to the agenda items?**

TE Connectivity's Board of Directors recommends that you vote **FOR** each of the agenda items listed above as recommended by our Board of Directors. Our directors and executive officers have indicated that they intend to vote their shares in favor of each of the agenda items, except for Agenda Item No. 6 (Release of the Members of the Board of Directors and Executive Officers of TE Connectivity for Activities during the Fiscal Year ended September 28, 2018), where they are by law precluded from voting their shares. On January 9, 2019, our directors and executive officers and their affiliates beneficially owned approximately 0.8% of the outstanding shares.

**What is the difference between being a shareholder of record and a beneficial owner?**

If your shares are registered directly in your name in our share register operated by our stock transfer agent, you are considered the "shareholder of record" of those shares.

If your shares are held in a stock brokerage account or by a bank or other nominee on your behalf and the broker, bank or nominee is registered in our share register as a shareholder with voting rights, your broker, bank or other nominee is considered the shareholder of record and you are considered the "beneficial owner" or "street name holder" of those shares. In this case, the shareholder of record that is registered as a shareholder with voting rights has forwarded either the Notice or the proxy materials, as applicable, and separate voting instructions, to you. As the beneficial owner, you have the right to direct the shareholder of record how to vote your shares by following the voting instructions they have provided to you. Because you are not the shareholder of record, you may not vote your shares in person at the meeting unless you receive a valid proxy from your broker, bank or other nominee that holds your shares giving you the right to vote the shares in person at the meeting.

**Who is entitled to vote?**

***Shareholders of record***

All shareholders registered in our share register at the close of business (Eastern Standard Time) on **February 21, 2019** are entitled to vote on the matters set forth in this proxy statement and any other matter properly presented at the meeting for consideration, provided such shareholders become registered as shareholders with voting rights by that time. See " I am a shareholder of record. How do I become registered as a shareholder with voting rights?"

***Beneficial owners***

Beneficial owners whose banks, brokers or nominees are shareholders registered in our share register with respect to the beneficial owners' shares at the close of business (Eastern Standard Time) on **February 21, 2019** are entitled to vote on the matters set forth in this proxy statement and any other matter properly presented at the meeting for consideration, provided such banks, brokers or nominees



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become registered as shareholders with voting rights. See " I am a shareholder of record. How do I become registered as a shareholder with voting rights?"

**What if I am the record holder or beneficial owner of shares at the close of business (Eastern Standard Time) on January 9, 2019, but sell or otherwise transfer those shares before the close of business (Eastern Standard Time) on February 21, 2019?**

Holders of record and beneficial owners will not be entitled to vote their shares or provide instructions to vote with respect to their shares if they hold shares at the close of business (Eastern Standard Time) on January 9, 2019 but sell or otherwise transfer those shares before the close of business (Eastern Standard Time) on February 21, 2019.

**I am a shareholder of record. How do I become registered as a shareholder with voting rights?**

If you are a shareholder of record, you have been registered as a shareholder with voting rights in our share register, unless in certain circumstances (such as failure to comply with particular disclosure requirements set forth in our articles of association) we have specifically advised you that you are registered as a shareholder without voting rights.

**How do I attend the Annual General Meeting?**

For admission to the meeting, shareholders and their authorized representatives must bring a valid government-issued photo identification, such as a driver's license or a passport. Shareholders of record with voting rights should bring the Notice or Admission Ticket they have received to the check-in area, where their ownership will be verified. Those who have beneficial ownership of registered shares held by a bank, brokerage firm or other nominee which has voting rights must bring to the check-in area a valid proxy from their banks, brokers or nominees showing that they own TE Connectivity registered shares as of the close of business (Eastern Standard Time) on February 21, 2019.

Registration at the meeting will begin at 1:00 p.m., Central European Time (8:00 a.m., Eastern Daylight Time) and close at 1:45 p.m., Central European Time (8:45 a.m., Eastern Daylight Time), and the meeting will begin at 2:00 p.m., Central European Time (9:00 a.m., Eastern Daylight Time). See " How do I vote if I am a shareholder of record?" and " How do I vote if I am a beneficial shareholder?" for a discussion of who is eligible and how to vote in person at the Annual General Meeting.

Security measures will be in place at the meeting to help ensure the safety of attendees. Cameras, sound recording devices, signs, photographs and visual displays are not permitted in the meeting without the prior permission of TE Connectivity. We reserve the right to inspect bags, backpacks, briefcases or other packages brought to the meeting. Cell phones and other sound transmitting devices must be turned off during the meeting.

**How do I vote if I am a shareholder of record?**

If you are a registered shareholder, you can vote in the following ways:

**At the Annual General Meeting:** If you are a shareholder of record with voting rights of TE Connectivity registered shares who plans to attend the Annual General Meeting and wishes to vote your shares in person, we will give you a ballot at the meeting.

**Even if you plan to be present at the Annual General Meeting, we encourage you to vote by the Internet or complete and mail the proxy card to vote your shares by proxy. If you are a holder of record, you may still attend the Annual General Meeting and vote in person.**

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**By Internet:** You can vote over the Internet at [www.proxyvote.com](http://www.proxyvote.com) by following the instructions in the Notice of Internet Availability of Proxy Materials previously sent to you or on the proxy card. By casting votes electronically, you will authorize the independent proxy, Dr. René Schwarzenbach, with full rights of substitution, to vote your shares on your behalf.

**By Mail:** You can vote by marking, dating and signing the proxy card (which will be sent to you at your request in accordance with instructions provided in the Notice) and returning it by mail for receipt by no later than indicated below. By marking, dating, signing and mailing the proxy card as instructed, you authorize the independent proxy, Dr. René Schwarzenbach, with full rights of substitution, to vote your shares on your behalf. If you vote by proxy card/mail, you will need to return via mail your completed proxy card to the independent proxy, Dr. René Schwarzenbach, Proxy Voting Services GmbH, in the postage pre-paid return envelope provided with the proxy card.

**In order to assure that your votes are tabulated in time to be voted at the Annual General Meeting, you must vote electronically by 5:00 p.m., Central European Time (12:00 p.m., Eastern Daylight Time) on March 12, 2019, or submit your proxy card by mail so that it is received by 5:00 p.m., Central European Time (12:00 p.m., Eastern Daylight Time) on March 12, 2019.**

If you have voted electronically or timely submitted a properly executed proxy card, your shares will be voted by the independent proxy as you have instructed. If any other matters are properly presented at the meeting, the independent proxy will either (i) vote the shares represented by your completed proxy in accordance with the specific instructions given by you, (ii) if selected by you in granting your proxy (as a general instruction), in accordance with the recommendation of the company's Board of Directors at the meeting, or (iii) if no instructions are given, abstain from voting your shares.

**How do I vote if I am a beneficial shareholder?**

**General:** If you hold your shares in street name, you should provide instructions to your bank or broker on how you wish your vote to be recorded by following the instructions on your voting instruction form supplied by your bank or broker with these proxy materials.

**At the Annual General Meeting:** If you are a shareholder who owns shares in street name, you are not entitled to vote in person at the Annual General Meeting unless you have a valid proxy, executed in your favor, from the bank, broker or nominee holder of record of your shares. We will then give you a ballot at the meeting.

**Can I vote by Internet?**

Yes. If you are a shareholder of record, see the Internet voting instructions provided on the Notice or proxy card. If you are a beneficial owner, see the voting instruction card provided by your bank, broker or other nominee.

**Can I vote by telephone?**

If you are a shareholder of record, you cannot vote by telephone. If you are a beneficial owner, see the voting instruction card provided by your broker, bank or other nominee for telephone voting instructions.

**Can I appoint TE Connectivity officers as my proxy?**

In accordance with Swiss regulations, shareholders may not appoint company officers as proxies.

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**If my shares are held in "street name" by my broker, will my broker vote my shares for me?**

We recommend that you contact your broker. Your broker can give you directions on how to instruct the broker to vote your shares. If you have not provided instructions to the broker, your broker will be able to vote your shares with respect to "routine" matters but not "non-routine" matters pursuant to New York Stock Exchange ("NYSE") rules. We believe the following agenda items will be considered non-routine under NYSE rules and therefore your broker will not be able to vote your shares with respect to these agenda items unless the broker receives appropriate instructions from you: Agenda Item No. 1 (Election of Directors), Agenda Item No. 2 (Election of Chairman of the Board), Agenda Item No. 3 (Election of Members of Management Development and Compensation Committee), Agenda Item No. 6 (Release of the Members of the Board of Directors and Executive Officers of TE Connectivity for Activities During the Fiscal Year Ended September 28, 2018), Agenda Item No. 8 (Advisory Vote to Approve Named Executive Officer Compensation), Agenda Item No. 9 (Binding Vote to Approve Fiscal Year 2020 Maximum Aggregate Compensation Amount for Executive Management) and Agenda Item No. 10 (Binding Vote to Approve Fiscal Year 2020 Maximum Aggregate Compensation Amount for the Board of Directors).

**What will happen if I don't vote my shares?**

If you are a shareholder of record and you do not vote electronically or sign and return a proxy card with votes indicated, no votes will be cast on your behalf on any of the items of business at the meeting. If you are a shareholder of record and you return a signed proxy card but make no specific direction as to how your shares are to be voted, the independent proxy will vote your shares in accordance with the general instruction "FOR" each of the director nominees and "FOR" each of the other agenda items (including each subpart thereof) and in accordance with the recommendation of the Board of Directors.

If you are a beneficial shareholder and you do not provide voting instructions to your bank or broker, subject to any contractual arrangements, your bank or broker may vote your shares in its discretion on all agenda items except Agenda Item No. 1 (Election of Directors), Agenda Item No. 2 (Election of Chairman of the Board), Agenda Item No. 3 (Election of Members of Management Development and Compensation Committee), Agenda Item No. 6 (Release of the Members of the Board of Directors and Executive Officers of TE Connectivity for Activities During the Fiscal Year Ended September 28, 2018), Agenda Item No. 8 (Advisory Vote to Approve Named Executive Officer Compensation), Agenda Item No. 9 (Binding Vote to Approve Fiscal Year 2020 Maximum Aggregate Compensation Amount for Executive Management) and Agenda Item No. 10 (Binding Vote to Approve Fiscal Year 2020 Maximum Aggregate Compensation Amount for the Board of Directors), and no votes will be cast on your behalf on Agenda Items No. 1, No. 2, No. 3, No. 6, No. 8, No. 9 and No. 10.

**How many shares can vote at the Annual General Meeting?**

Our registered shares are our only class of voting stock. As of January 9, 2019, there were 339,176,767 registered shares issued and outstanding and entitled to vote; however, shareholders who are not registered in our share register as shareholders or do not become registered as shareholders with voting rights as of the close of business (Eastern Standard Time) on February 21, 2019 will not be entitled to attend, vote at or grant proxies to vote at, the Annual General Meeting. See " I am a shareholder of record. How do I become registered as a shareholder with voting rights?" Shares duly represented at the Annual General Meeting will be entitled to one vote per share for each matter presented at the Annual General Meeting. Shareholders who are registered in our share register as of the close of business (Eastern Standard Time) on February 21, 2019 and who are registered with voting rights may vote in person at the Annual General Meeting as discussed under " How do I vote if I am a shareholder of record? At the Annual General Meeting."



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**What quorum is required for the Annual General Meeting?**

The presence, in person or by proxy, of at least the majority of the registered shares entitled to vote constitutes a quorum for the conduct of business at the Annual General Meeting.

**What vote is required for approval of each agenda item and what is the effect of broker non-votes and abstentions?**

The following agenda items require the affirmative vote of a majority of the votes cast at the Annual General Meeting, whether in person or by proxy. A majority means at least half plus one additional vote of the votes which are cast at a general meeting of shareholders.

Agenda Item No. 1: Election of twelve (12) director nominees proposed by the Board of Directors;

Agenda Item No. 2: Election of the Chairman of the Board of Directors;

Agenda Item No. 3: Election of the members of the Management Development and Compensation Committee;

Agenda Item No. 4: Election of the Independent Proxy;

Agenda Item Nos. 5.1, 5.2 and 5.3: Approval of (i) the 2018 Annual Report of TE Connectivity Ltd. (excluding the statutory financial statements for the fiscal year ended September 28, 2018, the consolidated financial statements for the fiscal year ended September 28, 2018 and the Swiss Compensation Report for the fiscal year ended September 28, 2018), (ii) the statutory financial statements of TE Connectivity Ltd. for the fiscal year ended September 28, 2018, and (iii) the consolidated financial statements of TE Connectivity Ltd. for the fiscal year ended September 28, 2018;

Agenda Item Nos. 7.1, 7.2 and 7.3: Election of (i) Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2019, (ii) Deloitte AG, Zurich, Switzerland, as our Swiss registered auditor until our next annual general meeting, and (iii) PricewaterhouseCoopers AG, Zurich, Switzerland, as our special auditor until our next annual general meeting;

Agenda Item No. 8: Advisory Vote to Approve Named Executive Officer Compensation;

Agenda Item No. 9: Binding vote to approve fiscal year 2020 maximum aggregate compensation amount for executive management;

Agenda Item No. 10: Binding vote to approve fiscal year 2020 maximum aggregate compensation amount for the Board of Directors;

Agenda Item No. 11: Carryforward of unappropriated accumulated earnings;

Agenda Item No. 12: Declaration of dividend;

Agenda Item No. 13: Authorization relating to share repurchase program;

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Agenda Item No. 14: Share capital reduction for shares acquired under our share repurchase program; and

Agenda Item No. 15: Approval of any adjournments or postponements of the meeting.

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The following agenda item requires the affirmative vote of a majority of the votes cast at the Annual General Meeting, whether in person or by proxy, not counting the votes of any member of the Board of Directors or any executive officer of TE Connectivity.

Agenda Item No. 6: The release of the members of the Board of Directors and executive officers for activities during the fiscal year ended September 28, 2018.

Registered shares which are represented by broker non-votes (which occur when a broker holding shares for a beneficial owner does not vote on a particular agenda item because the broker does not have discretionary voting power for that particular item and has not received instructions from the beneficial owner) and registered shares which are cast as abstentions on any matter, are counted towards the determination of a quorum but will not be counted as a vote cast and will be disregarded and have no effect on the proposal.

**Who will count the votes and certify the results?**

An independent vote tabulator will count the votes. Broadridge Financial Solutions has been appointed by the Board of Directors as the independent inspector of election and will determine the existence of a quorum, validity of proxies and ballots, and certify the results of the voting.

**If I vote and then want to change or revoke my vote, may I?**

If you are a shareholder of record and have (i) voted via the Internet, you may change your vote and revoke your proxy by submitting subsequent voting instructions via the Internet by the deadline for Internet voting; (ii) submitted a proxy card to the independent proxy, you may change or revoke your vote by submitting a revocation letter and new proxy card directly to the independent proxy so that it is received by no later than 5:00 p.m., Central European Time (12:00 p.m., Eastern Daylight Time) on March 12, 2019; or (iii) either voted via the Internet or submitted a proxy card to the independent proxy, you may appear in person at the meeting and give notice in person of the revocation of your prior vote by the applicable method and vote in person by ballot.

Written revocations to the independent proxy should be directed to the following address: Dr. René Schwarzenbach, Proxy Voting Services GmbH, Grossmunsterplatz 1, Postfach 173, CH-8024 Zurich, Switzerland.

Your presence without voting at the meeting will not automatically revoke your proxy, and any revocation during the meeting will not affect votes previously taken at the meeting.

If your shares are held in a stock brokerage account or by a bank or other nominee on your behalf, follow the voting instructions provided to you with these materials to determine how you may change your vote.

**Can I sell my shares before the meeting if I have voted?**

Yes. TE Connectivity does not block the transfer of shares before the meeting. However, unless you are a shareholder of record with voting rights at the close of business (Eastern Standard Time) on February 21, 2019, your vote will not be counted.

**Are shareholders permitted to ask questions at the meeting?**

During the Annual General Meeting, shareholders may ask questions or make comments relating to agenda items when permitted by the moderator.

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**Whom may I contact for assistance?**

You should contact D. F. King & Co., Inc., whom we have engaged as a proxy solicitor for the Annual General Meeting. The contact information for D. F. King is below:

D. F. King & Co., Inc.  
(800) 848-3402 (US callers only)  
+1 (212) 269-5550  
Email: TEL@dfking.com (reference TE Connectivity in the subject line)

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The following table sets forth the number of outstanding shares of TE Connectivity beneficially owned as of January 9, 2019 by each current director and nominee, each executive officer named in the Summary Compensation table and all of our executive officers, directors and nominees as a group. The address of our executive officers, directors and nominees is c/o TE Connectivity, 1050 Westlakes Drive, Berwyn, Pennsylvania 19312.

| Beneficial Owner   | Number of<br>Shares<br>Beneficially<br>Owned <sup>(1)</sup> |
|--|---|
| <b>Directors, Nominees and Executive Officers:</b>   |   |
| Terrence R. Curtin <sup>(2)(3)(4)</sup>  | 641,067   |
| John S. Jenkins, Jr. <sup>(2)(4)</sup>   | 145,210   |
| Steven T. Merkt <sup>(2)(4)</sup>  | 224,457   |
| Heath A. Mitts <sup>(2)(4)</sup>   | 67,383  |
| Kevin N. Rock <sup>(2)(4)(5)</sup>   | 229,061   |
| Pierre R. Brondeau <sup>(3)</sup>  | 35,203  |
| Carol A. ("John") Davidson <sup>(3)</sup>  | 10,373  |
| William A. Jeffrey <sup>(3)</sup>  | 16,502  |
| David M. Kerko <sup>(6)</sup>  |   |
| Thomas J. Lynch <sup>(2)(3)(4)(8)</sup>  | 761,993   |
| Yong Nam <sup>(3)</sup>  | 16,278  |
| Daniel J. Phelan <sup>(3)</sup>  | 33,356  |
| Paula A. Sneed <sup>(3)</sup>  | 36,333  |
| Abhijit Y. Talwalkar <sup>(3)</sup>  | 5,867   |
| Mark C. Trudeau <sup>(3)</sup>   | 6,773   |
| John C. Van Scoter <sup>(7)(9)</sup>   | 36,675  |
| Laura H. Wright <sup>(3)</sup>   | 10,725  |
| All directors, nominees and executive officers as a group (23 persons) <sup>(4)(5)(8)(9)</sup> | 2,829,767   |

(1) The number shown reflects the number of shares owned beneficially as of January 9, 2019 based on information furnished by the persons named, public filings and TE Connectivity records. Beneficial ownership is determined in accordance with SEC rules and generally includes voting or investment power with respect to securities. Except as otherwise indicated in the notes below and subject to applicable community property laws, each owner has sole voting and sole investment power with respect to all shares beneficially owned by such person. To the extent indicated in the notes below, shares beneficially owned by a person include shares of which the person has the right to acquire beneficial ownership within 60 days after January 9, 2019. All current directors, nominees and executive officers as a group beneficially owned 0.8% of the outstanding shares as of January 9, 2019. No current director, nominee or executive officer appearing in the above table beneficially owned 1.0% or more of the outstanding shares as of January 9, 2019.

(2) The named person is designated in the Summary Compensation table as a named executive officer.

(3) The named person is a director and nominee for director.

(4) Includes shares issuable upon the exercise of stock options presently exercisable or exercisable within 60 days after January 9, 2019 as follows: Mr. Curtin 555,937; Mr. Jenkins 116,587; Mr. Merkt 176,124; Mr. Mitts 54,475; Mr. Rock 177,149;

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Mr. Lynch 547,650; all executive officers as a group 2,049,543. Includes shares issuable upon the vesting of restricted stock units within 60 days after January 9, 2019 as follows: Mr. Curtin 571; Mr. Merkt 30,282; and Mr. Rock 304.

- (5) Includes 28,296 shares held in a family trust over which Mr. Rock has dispositive power.
- (6) The named person is a nominee for director.
- (7) The named person is a director.
- (8) Includes 15,000 shares held by a charitable remainder trust and 21,300 shares held in a grantor retained annuity trust.
- (9) Includes 400 shares held by Mr. Van Scoter's spouse and 22,627 shares held by a limited liability company owned by Mr. Van Scoter and his spouse.

The following table sets forth the information indicated for persons or groups known to us to be beneficial owners of more than 5% of our outstanding shares beneficially owned as of January 9, 2019.

| Name and Address of Beneficial Owner  | Number of Shares | Percentage of Class |
|---|------------------|---------------------|
| Harris Associates L.P. <sup>(1)</sup><br>111 S. Wacker Drive, Suite 4600<br>Chicago, IL 60606 | 25,536,233       | 7.4%                |
| Dodge & Cox <sup>(2)</sup><br>555 California Street, 40th Floor<br>San Francisco, CA 94104    | 24,697,064       | 7.2%                |
| The Vanguard Group <sup>(3)</sup><br>100 Vanguard Blvd.<br>Malvern, PA 19355                  | 23,834,061       | 6.9%                |
| Capital World Investors <sup>(4)</sup><br>333 South Hope Street<br>Los Angeles, CA 90071      | 17,471,631       | 5.1%                |

- (1) This information is based on a Schedule 13G/A filed with the SEC on February 14, 2018 by Harris Associates L.P. and its general partner, Harris Associates Inc., which reported sole voting power and sole dispositive power as follows: sole voting power 23,005,132 and sole dispositive power 25,536,233. As a result of advisory and other relationships with persons who own the shares, Harris Associates L.P. may be deemed to be the beneficial owner of the shares.
- (2) This information is based on a Schedule 13G/A filed with the SEC on February 13, 2018 by Dodge & Cox, which reported sole voting power and sole dispositive power as follows: sole voting power 23,788,203 and sole dispositive power 24,697,064.
- (3) This information is based on a Schedule 13G/A filed with the SEC on February 8, 2018 by The Vanguard Group, which reported sole voting power, sole dispositive power and shared dispositive power as follows: sole voting power 428,089, sole dispositive power 23,340,636, and shared dispositive power 493,425.
- (4) This information is based on a Schedule 13G filed with the SEC on February 14, 2018 by Capital World Investors, which reported sole voting power and sole dispositive power as follows: sole voting power 17,462,727, and sole dispositive power 17,471,631.



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**AGENDA ITEM NO. 1 ELECTION OF DIRECTORS**

**Motion Proposed by the Board of Directors**

At the Annual General Meeting, upon the recommendation of the Nominating, Governance and Compliance Committee, the Board of Directors proposes twelve (12) nominees for individual election as directors to hold office until the Annual General Meeting of shareholders in 2020. Eleven nominees are current directors of TE Connectivity Ltd., and one nominee, Mr. Kerko, is not a current director of TE Connectivity Ltd. The Nominating, Governance and Compliance Committee retained a third party search firm to assist it in identifying Mr. Kerko for Board membership. All nominees are listed below with brief biographies.

**Vote Requirement to Elect Directors**

The approval of a majority of the votes cast at the meeting, whether in person or by proxy, is required for approval of the election of each of the twelve (12) nominees for director.

**Recommendation**

**The Board of Directors recommends a vote "FOR" the election of each of the twelve (12) nominees for director.**

**NOMINEES FOR ELECTION**

**Qualifications of Nominees Recommended by the Board of Directors**

The board as a whole is constituted to be strong in its collective knowledge of and diversity of experience in accounting and finance, management and leadership, vision and strategy, business operations, business judgment, crisis management, risk assessment, industry knowledge, corporate governance and global markets. The Nominating, Governance and Compliance Committee designs searches for candidates to fill vacancies on the board and makes recommendations for director nominations to the board. When preparing to search for a new director, the committee takes into account the experience, qualifications, skills and expertise of the board's current members. The committee seeks candidates who have a history of achievement and leadership and are experienced in areas relevant to the company's business such as international trade, finance, technology, manufacturing processes and marketing. The committee also considers independence, as defined by applicable law, stock exchange listing standards and the categorical standards listed in the company's Board Governance Principles, which are set forth in the "Board Organization and Independence of its Members" section of the Principles, and which can be found on the company's website at <https://www.te.com/usa-en/about-te/our-company/leadership.html>.

The professional experience, qualifications, skills and expertise of each nominee is set forth below. The Board and the company believe that all nominees possess additional qualities, business knowledge and personal attributes valuable to their service on the Board and that all have demonstrated commitment to ethical and moral values and personal and professional integrity.

**Pierre R. Brondeau**, 61, joined our Board of Directors in June 2007, immediately following our separation from Tyco International Ltd. ("Tyco International") and has been Lead Independent Director of the board since March 2015. Dr. Brondeau has been President, Chief Executive Officer and a Director of FMC Corporation, a global chemical company, since January 2010 and has served as Chairman of its Board of Directors since October 2010. Prior to joining FMC Corporation, he was President and Chief Executive Officer of Dow Advanced Materials, a manufacturer of specialty materials and a wholly-owned subsidiary of the Dow Chemical Company, upon the April 2009 merger of Rohm & Haas Company and Dow Chemical Company, until September 2009. From 2008 to 2009, Dr. Brondeau served as President and Chief Operating Officer of Rohm & Haas Company and from



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2006 to 2008, as Executive Vice President of electronics materials and specialty materials of Rohm & Haas Company. He also has served as Vice-President, Business Group Executive, Electronic Materials, President and Chief Executive Officer, Rohm & Haas Electronic Materials LLC, and Regional Director, Europe, from 2003 to 2006, and previously as Vice-President, Business Group Director, Electronic Materials, President and Chief Executive Officer, Shipley Company, LLC, from 1999 to 2003. Dr. Brondeau received a master's degree from Universite de Montpellier and a Doctorate from Institut National des Sciences appliquees de Toulouse. Dr. Brondeau served as a Director of Marathon Oil Corporation until March 2016. Dr. Brondeau serves as Chairman of the Board of Livent Corporation, which is among FMC Corporation's consolidated group of companies, since October 2018.

Dr. Brondeau has over 24 years of executive leadership experience, including 19 years of senior executive experience, at large multi-national public companies engaged in the specialty materials and chemicals industries. He has over 29 years of international business experience in the United States and Europe, and significant expertise in finance and mergers and acquisitions, as well as other areas of business.

**Terrence R. Curtin**, 50, joined our Board of Directors in March 2016. Mr. Curtin has served as the Chief Executive Officer of TE Connectivity since March 2017. Previously Mr. Curtin served as President of TE Connectivity from March 2015 and immediately prior to that served as Executive Vice President and President, Industrial Solutions since August 2012. Previously he served as Executive Vice President and Chief Financial Officer from October 2006 through July 2012. Mr. Curtin served on the TE Connectivity Board prior to our separation from Tyco International and was Vice President and Corporate Controller at Tyco Electronics since 2001. Prior to joining TE Connectivity, Mr. Curtin worked for Arthur Andersen LLP. He is a member of the U.S.-China Business Council since June 2018. Mr. Curtin has a Bachelor's degree in Accounting from Albright College.

Mr. Curtin has extensive knowledge of our company and executive leadership experience having served as an employee of ours since 2001 and in executive leadership positions at TE Connectivity since 2006 including having served as our Chief Executive Officer since March 2017. In his prior role as President, Mr. Curtin was responsible for all of TE's connectivity and sensor businesses and mergers and acquisitions activities. In his prior role as President, Industrial Solutions, Mr. Curtin was responsible for the operations and strategic direction of TE's Industrial, Energy, and Aerospace, Defense, Oil and Gas businesses. As TE's Executive Vice President and Chief Financial Officer, Mr. Curtin was responsible for developing and implementing the financial strategy for TE and for creating the financial infrastructure necessary to drive the company's financial direction, vision and compliance initiatives. Before joining TE, Mr. Curtin was employed by Arthur Andersen LLP where he served in the audit and accounting advisory services group with a focus on large multinational public companies. Mr. Curtin is also a Certified Public Accountant. Mr. Curtin's extensive background and knowledge of TE and his background in finance and accounting make him well suited to serve on the Board of Directors.

**Carol A. ("John") Davidson**, 63, joined our Board of Directors in March 2016. From January 2004 to September 2012, Mr. Davidson served as the Senior Vice President, Controller and Chief Accounting Officer of Tyco International Ltd., a provider of diversified industrial products and services. Between 1997 and 2004, Mr. Davidson held a variety of leadership roles at Dell Inc., a computer and technology services company, including the positions of Vice President, Audit, Risk and Compliance, and Vice President, Corporate Controller. From 1981 to 1997, Mr. Davidson held a variety of accounting and financial leadership roles at Eastman Kodak Company, a provider of imaging technology products and services. He holds a Bachelor of Science in Accounting from St. John Fisher College and an MBA from the University of Rochester. Mr. Davidson is a director of Legg Mason, Inc. and Allergan plc. Previously he was a director of DaVita Inc. until March 2018 and of Pentair plc until May 2018.

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Mr. Davidson is a Certified Public Accountant with more than 35 years of leadership experience across multiple industries and brings a strong track record of building and leading global teams and implementing governance and controls processes. From January 2013 to August 2018 he served on the Board of Governors of the Financial Industry Regulatory Authority (FINRA), an independent regulator of securities firms. In addition, until December 2015, he was a member of the Board of Trustees of the Financial Accounting Foundation which oversees financial accounting and reporting standards setting processes for the United States. Mr. Davidson's significant experience with complex accounting and financial issues combined with his knowledge of public reporting requirements and processes bring accounting and financial management insight to the Board. Mr. Davidson meets the SEC definition of audit committee financial expert and brings eight years of public company directorship experience to the Board.

**The Honorable Dr. William A. Jeffrey**, 59, joined our Board of Directors in March 2012. Since September 2014, Dr. Jeffrey has been Chief Executive Officer of SRI International, a research and development organization serving government and industry. From September 2008 through August 2014, Dr. Jeffrey was Chief Executive Officer and President of HRL Laboratories, LLC, an automotive, aerospace and defense research and development laboratory. From 2007 through 2008, he was the Director of the Science and Technology Division of the Institute for Defense Analyses and prior to that he was Director of the National Institute of Standards and Technology from 2005. From 2002 to 2005, Dr. Jeffrey served in the White House as Senior Director of Homeland and National Security and Assistant Director of Space and Aeronautics in the Executive Office of the President, Office of Science and Technology Policy. He began his career at the Institute for Defense Analyses in 1988. Dr. Jeffrey holds a Ph.D. and master's degree in Astronomy from Harvard University and a bachelor of science degree in physics from Massachusetts Institute of Technology.

Dr. Jeffrey brings exceptional technical and scientific expertise and leadership experience to the Board as CEO of a private technology research organization with broad technical experience relevant to TE's major markets as well as in innovation strategies, particularly as related to research and development. He has almost 20 years of government executive experience and experience in U.S. public policy.

**David M. Kerko**, 45, is a nominee for director. From 2015 to 2017, he was Advisor to KKR & Co., L.P. From 2010 to 2015, Mr. Kerko was a Member at KKR and served as Co-head of the Technology Group from 2013 to 2015. Mr. Kerko joined KKR in 1998 and played an active role building the firm's technology platform from 2006 to 2015. At KKR, Mr. Kerko was involved in a broad range of investments, including but not limited to Broadcom Ltd. (NASDAQ: AVGO), a semiconductor manufacturer, Magic Leap, a virtual reality hardware manufacturer, Marvell Technology Group (NASDAQ: MRVL), a producer of storage, communications and consumer semiconductor products, NXP Semiconductors (NASDAQ: NXPI), a semiconductor manufacturer, and Sonos, Inc., a manufacturer of digital sound systems. From 2018, Mr. Kerko has served as a director of Global Foundries, a privately held semiconductor manufacturer. From 2018, Mr. Kerko has served as a director of Nebula Acquisition, a publicly traded special purpose acquisition company. From 2015, Mr. Kerko has served as a director of Transphorm, Inc., a designer and manufacturer of gallium nitride field effect transistors, and from 2014 he has served as a director of Savant Systems, LLC, a luxury smart home technology company. Mr. Kerko was a director of The Analytic Sciences Corporation (TASC), an engineering services company, from 2009 until 2015. From 2015, Mr. Kerko has served as a director of Engility Holdings, Inc., a publicly traded engineering services company. Prior to joining KKR, Mr. Kerko was with Gleacher NatWest Inc. where he was involved in mergers and acquisition transactions and financing work. Mr. Kerko holds a B.S. from the Wharton School at the University of Pennsylvania and a B.S.E., summa cum laude, from the School of Engineering and Applied Science at the University of Pennsylvania.

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Mr. Kerko is well qualified to serve on our Board of Directors due to his significant experience advising emerging and established companies with respect to strategic planning, corporate finance, manufacturing and operations, global business management and public markets strategy, particularly in the technology industry, as well as his service on the boards of directors of several public and private companies.

**Thomas J. Lynch**, 64, was appointed Chairman of our Board of Directors on January 7, 2013 and has served on our Board of Directors since early 2007. Mr. Lynch has served as the Non-Executive Chairman of TE Connectivity since March 2018 and was Executive Chairman from March 2017. He served as Chief Executive Officer of TE Connectivity from January 2006 to March 2017. Previously, he was President of Tyco Engineered Products and Services since joining Tyco International in September 2004. Prior to joining Tyco International, Mr. Lynch was at Motorola where he was Executive Vice President and President and Chief Executive Officer, Personal Communications Sector from August 2002 to September 2004; Executive Vice President and President, Integrated Electronic Systems Sector from January 2001 to August 2002; Senior Vice President and General Manager, Satellite & Broadcast Network Systems, Broadband Communications Sector from February 2000 to January 2001; and Senior Vice President and General Manager, Satellite & Broadcast Network Systems, General Instrument Corporation from May 1998 to February 2000. Mr. Lynch holds a Bachelor of Science degree in commerce from Rider University. Mr. Lynch is a Director of Thermo Fisher Scientific Inc., Cummins Inc. and Automatic Data Processing, Inc. and is on the boards of trustees for The Franklin Institute, Philadelphia, PA, and Rider University, Lawrenceville, NJ.

Mr. Lynch has extensive executive leadership experience in the electronics industry, having served as our chief executive officer for eleven years and, before that, as lead executive of business units at the company's former parent. He has gained international expertise through management of the company's world-wide presence and as a member of the U.S.-China Business Council through June 2018. Mr. Lynch's education in accounting and commerce and experience on the audit, compensation and nominating committees of the boards of other large corporations provide him with valuable perspective for service on our Board.

**Yong Nam**, 70, joined our Board of Directors in March 2012. Since April 2013, Mr. Nam has served as an advisor to the chief executive officer of Daelim Industrial Co. Ltd., the engineering, construction and petrochemical operations affiliate of Daelim Group, a Korean company. From April 2011 until March 2015, he served as an advisor to LG Electronics, Inc., a global provider of consumer electronics, mobile communications and home appliances. From 2007 through March 2011, Mr. Nam served as Vice Chairman and Chief Executive Officer of LG Electronics. He previously served as President of LG Corp., the global conglomerate of the LG group of companies, from 2006 to 2007, and as Chief Executive Officer of LG Telecom from 1998 until 2006. Mr. Nam's 35 year career with LG began in 1976. Mr. Nam received a bachelor's degree in economics from Seoul National University. Mr. Nam was a Director of ADT Caps Korea, a commercial and residential security services provider, until September 2018 and previously served as a director of GS Retail, a South Korean retailer, until May 2014 and Pohang Iron and Steel Company (POSCO) until March 2013. Mr. Nam has over 39 years of international business experience in the United States and Asia with a global conglomerate where his responsibilities and focus have included strategy, marketing, information technology and operations.

Mr. Nam's experience in the corporate office, telecommunications and electronics industries includes 23 years of executive leadership, of which he spent 12 years in CEO positions and four years as vice chairman. Mr. Nam's global business perspective makes him a valuable contributor to the vision of the company.

**Daniel J. Phelan**, 69, joined our Board of Directors in June 2007, immediately following our separation from Tyco International. Mr. Phelan was Chief of Staff of GlaxoSmithKline, a manufacturer

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of pharmaceuticals, vaccines and consumer health-related products, from 2008 until his retirement in December 2012, following which he consulted for GlaxoSmithKline until the end of 2013. He was Senior Vice President of Human Resources of GlaxoSmithKline from 1994 to 2008. As Chief of Staff, Mr. Phelan was responsible for information technology, human resources, corporate strategy and development, worldwide real estate and facilities, environmental health and safety, and global security. Mr. Phelan received bachelor's and law degrees from Rutgers University and a master's degree from Ohio State University. Mr. Phelan is a Director of Indivior PLC and is chairman of its Remuneration Committee.

Mr. Phelan brings a range of valuable expertise to the Board. He was chief of staff of a large global health products and pharmaceuticals manufacturer and served for over 18 years in executive positions where his responsibilities have included information technology, human resource management, strategy, real estate, environmental concerns and global security. In addition, he holds a law degree and has experience advising chief executives, as well as experience in labor law and labor relations and employment law and practice, executive compensation, mergers, acquisitions and divestitures, succession planning, leadership development and education, international business and pension and benefits design and management.

**Paula A. Sneed**, 71, joined our Board of Directors in June 2007, immediately following our separation from Tyco International. Ms. Sneed is Chair and Chief Executive Officer of Phelps Prescott Group, LLC, a strategy and management consulting firm, since 2008. Previously, she was Executive Vice President of Global Marketing Resources and Initiatives for Kraft Foods, Inc., a worldwide producer of branded food and beverage products, until her retirement in December 2006. She served as Group Vice President and President of Electronic-Commerce and Marketing Services for Kraft Foods North America, part of Kraft Foods, Inc., from 2000 until 2004, and Senior Vice President, Global Marketing Resources and Initiatives from December 2004 to July 2005. She joined General Foods Corporation (which later merged with Kraft Foods) in 1977 and held a variety of marketing, general management and executive positions, including leading operating divisions and sectors. Ms. Sneed received a bachelor's degree from Simmons University and an MBA from Harvard Graduate School of Business. Ms. Sneed is a Director of Charles Schwab Corporation and Berry Global Group, Inc. and served as a Director of Airgas, Inc. until May 2016.

Ms. Sneed brings proven leadership in strategy development as CEO of a strategy and management consulting firm for eleven years, and previously as the executive vice president managing a global marketing function and several business divisions of a large public company for over 14 years. For over 25 years, in a global organization, she demonstrated expertise in all aspects of marketing and general management. She has over 40 years of experience in corporate and non-profit leadership roles. Ms. Sneed also has over 24 years of corporate director experience including service on audit, compensation and nominating and governance committees, bringing valuable insight to our Board, and has a master's degree in business administration.

**Abhijit Y. Talwalkar**, 54, joined our Board of Directors in March 2017. He is the former President and Chief Executive Officer of LSI Corporation, a leading provider of silicon, systems and software technologies for the storage and networking markets, a position he held from May 2005 until the completion of LSI's merger with Avago Technologies in May 2014. From 1993 to 2005, Mr. Talwalkar was employed by Intel Corporation, the largest semiconductor manufacturer in the industry. At Intel, he held a number of senior management positions, including Corporate Vice President and Co-General Manager of the Digital Enterprise Group, which was comprised of Intel's business client, server, storage and communications businesses, and as Vice President and General Manager for the Intel Enterprise Platform Group, where he focused on developing, marketing, and driving Intel business strategies for enterprise computing. Prior to joining Intel, Mr. Talwalkar held senior engineering and marketing positions at Sequent Computer Systems, a multiprocessing computer systems design and manufacturer that later became a part of IBM; Bipolar Integrated Technology, Inc., a VLSI bipolar

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semiconductor company; and Lattice Semiconductor Inc., a service driven developer of programmable design solutions widely used in electronic systems. Mr. Talwalkar has a B.S. degree in electrical engineering from Oregon State University. Mr. Talwalkar served as a member of the board of directors of LSI Corporation from May 2005 to May 2014 and the U.S. Semiconductor Industry Association, a semiconductor industry trade association from May 2005 to May 2014. He was additionally a member of the U.S. delegation for World Semiconductor Council proceedings. Since 2011, Mr. Talwalkar has served on the board of directors of Lam Research Corporation and became Lam's Lead Independent Director in August of 2015. He is the current chair of the Nominating and Governance committee and presided as Chair of the Compensation Committee from 2012 to 2015. Since May 2016, Mr. Talwalkar has been serving as the Chairman of the Board for iRhythm Technologies, a healthcare technology company that specializes in cardiac monitoring and the diagnoses of arrhythmias and is a director of Advanced Micro Devices, Inc., a global semiconductor company since June 2017.

Mr. Talwalkar brings experience as a public company executive officer and director, along with a proven record of executive leadership including ten years as a chief executive officer. His experience in marketing, mergers and acquisitions and other business and operations experience will bring relevant insight to the Board.

**Mark C. Trudeau**, 57, joined our Board of Directors in March 2016. Since June 2013, Mr. Trudeau has been President, Chief Executive Officer and a director of Mallinckrodt plc, a global business that develops, manufactures, markets and distributes specialty pharmaceuticals and therapies. Prior to that, Mr. Trudeau served as Senior Vice President and President of the Pharmaceuticals business of Covidien plc beginning in February 2012. He joined Covidien from Bayer HealthCare Pharmaceuticals LLC USA, the U.S. healthcare business of Bayer AG, where he served as Chief Executive Officer. He simultaneously served as President of Bayer HealthCare Pharmaceuticals, the U.S. organization of Bayer's global pharmaceuticals business. In addition, he served as Interim President of the global specialty medicine business unit from January to August 2010. Prior to joining Bayer in 2009, Mr. Trudeau headed the immuno-science Division at Bristol-Myers Squibb. During his 10-plus years at Bristol-Myers Squibb, he served in multiple senior roles, including President of the Asia/Pacific region, President and General Manager of Canada and General Manager/Managing Director in the United Kingdom. Mr. Trudeau also served in a variety of executive positions at Abbott Laboratories from 1988 to 1998. Mr. Trudeau holds a Bachelor's degree in Chemical Engineering and an MBA, both from the University of Michigan.

Mr. Trudeau brings experience as a public company executive officer and director, along with a proven record of executive leadership and strong global business expertise including in the areas of strategy, operations and management, as well as other areas of business. Mr. Trudeau has over 28 years of leadership positions at global companies which makes him well suited to provide valuable insight to our board and meets the SEC definition of an audit committee financial expert.

**Laura H. Wright**, 58, joined our Board of Directors in March 2014. Since her retirement in 2012 as Chief Financial Officer of Southwest Airlines, a provider of air transportation in the United States, she founded GSB Advisors, to provide strategic and financial consulting to growth and non-profit companies. During her 25 year career at Southwest, she served in a variety of financial roles including Chief Financial Officer, Senior Vice President Finance, Treasurer and Assistant Treasurer. She began her career at Arthur Young & Co. in 1982 as a member of their tax staff, following which she became a Tax Manager from 1986 through 1988. Ms. Wright holds bachelor and master of science degrees in accounting from the University of North Texas. Since February 2018 she has served as a director of Spirit AeroSystems Holdings, Inc., a manufacturer of large structural components for commercial and military aircraft and serves on the Board of CMS Energy, a publicly traded company and its subsidiary Consumers Energy, since February 2013. She also served as a Trustee of Pebblebrook Hotel Trust, a publicly traded hotel and real estate investment trust until February 2019.

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Ms. Wright brings 26 years of large public company leadership experience, including nine as Chief Financial Officer and six as Treasurer. As a former Chief Financial Officer and Treasurer, she brings finance experience, including corporate financial reporting, risk management, capital markets, investor relations, tax, strategy, and mergers and acquisitions to the Board. She also brings nine years of public company directorship experience to the Board and meets the SEC definition of an audit committee financial expert. In accordance with the rules of the NYSE, the Board of Directors has determined that Ms. Wright's simultaneous service on the audit committees of Spirit AeroSystems Holdings, Inc., CMS Energy and Consumers Energy (a publicly traded subsidiary of CMS Energy) does not impair her ability to effectively serve also on our Audit Committee.

The Board of Directors has concluded that the experience, qualifications, skills and expertise described above qualify the nominees to serve as Directors of the company.

**Board Diversity**

The Nominating, Governance and Compliance Committee regularly reviews the composition of the Board in light of the company's businesses, strategic plan, structure and the current global business and economic environment. The Board demands the highest standards of individual and corporate integrity and is dedicated to diversity, fair treatment, mutual respect and trust. Although the Board does not have a specific board diversity policy, it is constituted of individuals possessing diverse business experience, education, vision, and industry and global market knowledge.

**Shareholder Recommendations**

The Nominating, Governance and Compliance Committee will consider all shareholder recommendations for candidates for the Board, which should be sent to the Nominating, Governance and Compliance Committee, c/o Harold G. Barksdale, Secretary, TE Connectivity, Rheinstrasse 20, CH-8200 Schaffhausen, Switzerland. In addition to considering candidates suggested by shareholders, the committee considers candidates recommended by current directors, company officers, employees and others. The committee screens all candidates in the same manner regardless of the source of the recommendation. The committee's review is typically based on any written materials provided with respect to the candidate. The committee determines whether the candidate meets the company's general qualifications and specific qualities and skills for directors (see "Qualifications of Nominees Recommended by the Board of Directors" above) and whether requesting additional information or an interview is appropriate.

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**CORPORATE GOVERNANCE**

**Governance Principles**

The company's Board Governance Principles, which include guidelines for determining director independence and qualifications for directors, can be found on the company's website at <https://www.te.com/usa-en/about-te/our-company/leadership.html>. Corporate governance developments are regularly reviewed by the Board in order to appropriately modify the Board Governance Principles, committee charters and policies.

**Board Leadership Structure**

To conduct its business the Board maintains three standing committees: Audit, Management Development and Compensation, and Nominating, Governance and Compliance, each of which are comprised entirely of independent directors. The Nominating, Governance and Compliance Committee recommends to shareholders, for election, the Chairman of the Board of Directors, and the directors assigned to the Management Development and Compensation Committee.

Assignment to, and the chair of, the Audit Committee, and the chair of the Management Development and Compensation Committee, are recommended by the Nominating, Governance and Compliance Committee for election by the Board. The independent directors as a group elect the members and the chair of the Nominating, Governance and Compliance Committee.

The Nominating, Governance and Compliance Committee reviews the Board's organization annually and recommends appropriate changes to the Board. The Board determines the appropriate leadership structure for the company, subject to shareholder approval of the Chairman of the Board.

Annually, the Nominating, Governance and Compliance Committee coordinates an evaluation and assessment of the Board's performance and procedures, including its organization, governance structure and effectiveness. As part of the Board leadership and succession planning completed for fiscal year 2012, the Board of Directors elected Thomas Lynch as Chairman of the Board and also created and elected a Lead Independent Director on January 7, 2013. Pierre Brondeau has served as our Lead Independent Director since December 2014.

In electing Dr. Brondeau as Lead Independent Director, the Board determined his depth of experience in industrial companies, global leadership abilities, tenure on the Board and grasp of the principal challenges and opportunities facing the company would facilitate the board's continued consideration and deliberation of matters most critical to the company, while maintaining the company's strong commitment to independent governance.

In order to provide an effective counterbalancing governance structure, the Board has appointed a Lead Independent Director, whose duties include:

with Chairman, director and management input, establishing and approving the agenda for Board meetings and ensuring sufficient time for discussion of agenda items;

chairing an executive session of the independent directors at each formal Board meeting;

calling and chairing additional meetings of the independent directors where and when appropriate;

responding to shareholder inquiries if required;

serving as a liaison between the Chairman and independent directors and facilitating communication among directors and between the Board and the CEO;

working with the Chairman and CEO to approve information sent to the Board; and



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fulfilling other responsibilities as determined by the Board.

In fiscal year 2015, as part of the Board of Director's succession planning, Terrence Curtin was appointed President of the company and elected to the Board of Directors by shareholders at the annual shareholders meeting on March 2, 2016. On September 29, 2016, the Board of Directors appointed Mr. Curtin to succeed Mr. Lynch as Chief Executive Officer of TE Connectivity Ltd. and appointed Mr. Lynch to continue as the Executive Chairman of the Company effective March 8, 2017, thereby causing the positions of the Chairman of the Board and Chief Executive Officer to be split between Messrs. Lynch and Curtin. On December 14, 2017, Mr. Lynch announced his retirement as Executive Chairman of the Company effective March 14, 2018. Upon election by shareholders on March 14, 2018, Mr. Lynch has served as the Non-Executive Chairman of the Board of Directors.

In nominating Mr. Lynch to serve as Non-Executive Chairman of the Board of Directors, the Board determined his deep knowledge of the company's operations, strategy and risk management practices and appreciation of the principal challenges and opportunities facing the company best position him to serve as Chairman.

The Board is normally constituted of between ten and thirteen directors and is comprised of a substantial majority of independent directors. All directors are annually elected by a majority of share votes cast at the annual general meeting of shareholders.

**Board Oversight of Risk Management**

The Board of Directors is responsible for appraising the company's major risks and overseeing that appropriate risk management and control procedures are in place. The Board must understand the risks facing the company as a function of its strategy, provide oversight of the processes put in place to identify and manage risk and manage those risks (for example, in relation to executive compensation and succession) that only the Board is positioned to manage. The Board is responsible for determining that senior executives take the appropriate steps to manage all major risks. Management has day-to-day responsibility for assessing and managing the company's particular exposures to risk.

The Audit Committee of the Board meets to review and discuss, as determined to be appropriate, with management, the internal auditor and the independent registered public accounting firm the company's major financial and accounting risk exposures and related policies and practices to assess and control such exposures, overseeing risks related to privacy and cyber-security, and assist the Board in fulfilling its oversight responsibilities regarding the company's policies and guidelines with respect to risk assessment and risk management.

The Management Development and Compensation Committee reviews the company's risks related to chief executive officer succession and succession plans for senior executives, overall compensation structure, incentive compensation plans and equity-based plans, policies and programs, severance programs, change-of-control agreements and benefit programs. The committee meets, as appropriate, with the internal and/or external auditors to discuss management and employee compliance with the compensation, incentive, severance and other benefit programs and policies under the committee's jurisdiction.

The Nominating, Governance and Compliance Committee reviews the company's policies and risks related to related person transactions required to be disclosed pursuant to U.S. securities rules, the effectiveness of the company's environmental, health and safety management program, the company's enterprise-wide risk assessment processes and the company's compliance programs.

The Board's role in risk oversight of the company is consistent with the company's leadership structure, with the CEO and other members of senior management having responsibility for assessing and managing the company's risk exposure, and the Board and its committees providing oversight in connection with those efforts.

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**Director Independence**

The Board has determined that ten of the twelve director nominees are independent. For a director to be considered independent, the Board must make an affirmative determination that a director meets the stringent guidelines for independence set by the Board. These guidelines either meet or exceed the NYSE listing standards' independence requirements. The guidelines include a determination that the director has no current or prior material relationships with TE Connectivity (either directly or as a partner, shareholder or officer of an organization that has a relationship with the company), aside from his or her directorship, that could affect his or her judgment.

The independence guidelines also include the determination that certain limits to annual sales to or purchases from entities for which a director serves as an executive officer, and limits on direct compensation from the company for directors and certain family members (other than fees paid for board or committee service), are not exceeded and other restrictions.

Based on the review and recommendation by the Nominating, Governance and Compliance Committee, the Board analyzed the independence of each director nominee and determined that the following director nominees meet the standards of independence under our director independence guidelines and applicable NYSE listing standards, and that each of them is free of any relationship that would interfere with his or her individual exercise of independent judgment: Pierre R. Brondeau, Carol A. ("John") Davidson, William A. Jeffrey, David M. Kerko, Yong Nam, Daniel J. Phelan, Paula A. Sneed, Abhijit Y. Talwalkar, Mark C. Trudeau and Laura H. Wright. The Board also previously reached this independence determination for John C. Van Scoter who is not standing for re-election.

**Guide to Ethical Conduct**

All directors, officers and employees of TE Connectivity are required to review and affirm that they understand and are in compliance with the policies and principles contained in TE Connectivity's code of ethical conduct set forth in the company's manual, "Connecting with our Values: TE Connectivity Guide to Ethical Conduct." The guide is published in the TE Corporate Responsibility section of TE Connectivity's website under "Governance Compliance" at <http://www.te.com/usa-en/about-te/corporate-responsibility/governance/ombudsman/ethical-conduct.html>.

Directors are required to promptly inform the chair of the Nominating, Governance and Compliance Committee of actual or potential conflicts of interest.

TE Connectivity has an Office of the Ombudsman established by our Audit Committee which ensures a direct, confidential and impartial avenue to raise any concern or issue with compliance or ethics, including concerns about the company's accounting, internal accounting controls or auditing matters, with the Board. The office is designed to field compliance concerns from external constituencies investors, suppliers and customers as well as TE Connectivity employees.

Reporting directly to the Audit Committee of the Board of Directors, the Ombudsman's office is independent of functional management. It seeks the fair, timely and impartial resolution of all compliance and ethics issues. Employees have a number of vehicles to raise issues within TE Connectivity, including a confidential, toll-free phone number and a confidential submission system via the Internet. Concerns also may be sent directly to the Board by mail or by email.

All concerns are received and promptly reviewed by the Ombudsman and are responded to as quickly as possible. All accounting, audit or control concerns are sent to, and will be addressed by, the Board's Audit Committee.

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**Communicating Concerns to Directors**

Any shareholder or interested party who wishes to contact members of the TE Connectivity Board of Directors, including the chairman or the non-management directors as a group, may do so by mailing written communications to:

TE Connectivity Board of Directors  
Attn: Ombudsman  
1050 Westlakes Drive  
Berwyn, PA 19312  
USA

Inquiries and concerns also can be submitted anonymously and confidentially through the Ombudsman to the TE Connectivity Board of Directors by email to [directors@te.com](mailto:directors@te.com) or through the Internet at

<http://www.te.com/usa-en/about-te/corporate-responsibility/governance/ombudsman.html>.

**Voting Standards for the Election of Directors**

Directors are elected by an affirmative vote of a majority of the votes cast, in person or by proxy, at a general meeting of shareholders and serve until the next annual general meeting of shareholders. In an uncontested election of directors, any nominee for director who does not receive at least half plus one additional vote of the share votes cast at the meeting is not elected to the Board.

**Voting Standards for Amendments to the Articles of Association**

The articles of association may be amended, in whole or in part, by the Board, subject to approval by the affirmative vote of the holders of record:

in the case of article 1 (with respect to domicile), article 2 (purpose), article 4 (with respect to the creation of preferred shares and an increase in capital out of equity, against contributions in kind, or for the purpose of acquisition of assets, or the granting of special privileges), article 5 (with respect to an increase in authorized share capital and the limitation or withdrawal of preemptive rights) and article 6 (with respect to an increase in conditional share capital and the limitation or withdrawal of advance subscription rights), of at least two-thirds of the votes represented and the absolute majority of the par value of the votes represented, in person or by proxy, at a general meeting of shareholders;

in the case of article 17, paragraph 5 (no shareholder action by written consent), article 18, paragraphs 3 and 4 and article 34 (provisions relating to "freeze-out" of business combinations with "interested shareholders" (as defined in the articles of association)), and article 18, paragraph 6 (80% vote requirement for certain article amendments), of 80% of the total votes of shares outstanding and entitled to vote on the relevant record date with respect thereto; and

in the case of all other articles, of a majority of the votes cast, in person or by proxy, at a general meeting of shareholders (a "majority" means at least half plus one additional vote of the share votes cast, not counting abstentions, broker non-votes, blank or invalid ballots).

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**THE BOARD OF DIRECTORS AND BOARD COMMITTEES**

**Board of Directors**

The Board of Directors currently consists of twelve directors, eleven (11) of whom are nominees for election. John C. Van Scoter has decided not to stand for re-election. The Board held five meetings in fiscal year 2018. All of our directors attended over 75% of the meetings of the Board and the committees on which they served in fiscal 2018. It is the policy of the Board that directors are expected to attend the annual general meeting of shareholders. All twelve of the directors then serving attended the 2018 annual general meeting of shareholders.

An annual performance evaluation is conducted by the Board and each of its committees to determine whether they are functioning effectively. The Nominating, Governance and Compliance Committee plans and recommends to the Board the method of evaluation. In 2018 the Company's General Counsel was appointed by the Board to gather information from directors through individual discussions and interviews and to report results back to the Nominating, Governance and Compliance Committee for consideration of actions to be taken as a result of the evaluation.

**Board Committees**

The Board has adopted written charters for each of its three standing committees: the Audit Committee, the Management Development and Compensation Committee and the Nominating, Governance and Compliance Committee. The charters can be found on the company's website at <https://www.te.com/usa-en/about-te/our-company/leadership.html>. Each Board committee reports to the Board on their activities at each regular Board meeting.

The Board has determined that all members of the Audit, Management Development and Compensation, and Nominating, Governance and Compliance Committees are independent and satisfy the relevant SEC, NYSE and TE Connectivity additional independence requirements for the members of such committees.

**Board and Committee Advisors**

Consistent with their respective charters, the Board and its committees may retain their own advisors as they determine necessary to carry out their responsibilities.

**Audit Committee**

The members of the Audit Committee are directors Laura Wright, who chairs the committee, John Davidson, Abhijit Talwalker and Mark Trudeau. The Board has determined that each of Ms. Wright and Messrs. Davidson and Trudeau are "audit committee financial experts," as defined under SEC rules. The Audit Committee primarily is concerned with the quality and integrity of the company's annual and quarterly financial statements, including its financial and accounting principles, policies and practices, and its internal control over financial reporting; the qualifications, independence and performance of the company's independent registered public accounting firm and lead audit partner and the company's Swiss registered auditor; review and oversight of the company's internal audit function; compliance with legal and regulatory requirements; review of financial and accounting risk exposure; overseeing risks related to privacy and cyber-security; assisting the Board in fulfilling its oversight responsibilities regarding the company's financial and accounting policies and processes with respect to risk assessment and risk management; and procedures for handling complaints regarding accounting or auditing matters. The committee also oversees the company Ombudsman and the company's Guide to Ethical Conduct. The Audit Committee met eleven times in fiscal year 2018. The committee's report appears on pages 70 - 71.

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**Management Development and Compensation Committee**

The members of the Management Development and Compensation Committee are directors Daniel Phelan, who chairs the committee, Paula Sneed and John Van Scoter. This committee is responsible to ensure succession of senior leadership; review plans for the development of the organization; review and approve compensation, benefits and human resources policies and objectives and whether the company's officers, directors and employees are compensated in accordance with these policies and objectives; review and approve compensation of the company's executive officers other than the Chief Executive Officer and recommend the Chief Executive Officer's compensation for approval by the independent members of the Board; and review and approve management incentive compensation policies and programs and equity compensation programs for employees. This committee met five times in fiscal year 2018. The committee's report appears on page 53. Additional information on the committee's processes and procedures for consideration of executive compensation are addressed in "Compensation Discussion and Analysis" which follows.

**Nominating, Governance and Compliance Committee**

The members of the Nominating, Governance and Compliance Committee are directors Pierre Brondeau, who chairs the committee, William Jeffrey and Yong Nam. This committee's responsibilities include the selection of director nominees for the Board and the development and review of our Board Governance Principles. The committee annually reviews director compensation and benefits in conjunction with the Management Development and Compensation Committee; oversees the annual self-evaluations of the Board and its committees, as well as director performance; and makes recommendations to the Board concerning the structure and membership of the Board committees. The committee also oversees our environmental, health and safety management system and compliance programs. This committee held six meetings in fiscal year 2018.

**Meetings of Non-Management Directors**

The non-management directors met without any management directors or employees present four times in fiscal year 2018. Dr. Brondeau, as the Lead Independent Director, presided at these meetings.

**Non-Management Directors' Compensation in Fiscal 2018**

Non-management directors' compensation is established collaboratively by the Nominating, Governance and Compliance and the Management Development and Compensation Committees. Compensation of non-management directors in fiscal year 2018 is described under "Compensation of Non-Employee Directors."

**Non-Management Directors' Stock Ownership**

To help align Board and shareholder interests, directors are encouraged to own, at a minimum, TE Connectivity stock or stock units equal to five times the annual cash retainer (a total of \$450,000, based on the \$90,000 annual cash retainer) within five years of joining the Board. Once a director satisfies the minimum stock ownership recommendation, the director will remain qualified, regardless of market fluctuations, under the guidelines unless the director sells shares of stock that were considered in determining that the ownership amount was met. Each non-employee director receives TE Connectivity common shares as the equity component of their compensation. As of fiscal 2018 year-end, all of the directors met, or in the case of Mr. Talwalkar, are on track to meeting, their stock ownership requirements.

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**AGENDA ITEM NO. 2 ELECTION OF THE CHAIRMAN  
OF THE BOARD OF DIRECTORS**

**Motion Proposed by the Board of Directors**

At the Annual General Meeting, upon the recommendation of the Nominating, Governance and Compliance Committee, the Board of Directors proposes Thomas J. Lynch for election as Chairman of the Board to hold office until the annual general meeting of shareholders in 2020.

**Explanation**

Swiss regulations provide that shareholders must elect the chair of the company's Board of Directors. Mr. Lynch is the current Chairman of TE Connectivity Ltd. His biography appears above, as well as an explanation as to why the Board of Directors considers Mr. Lynch to be the most appropriate person to serve as Chairman. Effective March 14, 2018 Mr. Lynch retired as Executive Chairman of the Company and currently serves as Non-Executive Chairman of the Board of Directors.

In the event of a negative vote on this agenda item by shareholders, the Board of Directors will call an extraordinary general meeting of shareholders for re-consideration of this agenda item by shareholders.

**Vote Requirement to Elect Chairman**

The approval of a majority of the votes cast at the meeting, whether in person or by proxy, is required for approval of the election of the Chairman of the Board of Directors.

**Recommendation**

**The Board of Directors recommends a vote "FOR" the election of Thomas J. Lynch as Chairman of the Board of Directors.**

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**AGENDA ITEM NO. 3 ELECTION OF THE MEMBERS OF THE  
MANAGEMENT DEVELOPMENT AND COMPENSATION COMMITTEE**

**Motion Proposed by the Board of Directors**

At the Annual General Meeting, upon the recommendation of the Nominating, Governance and Compliance Committee, the Board of Directors proposes the election of each of Daniel J. Phelan, Paula A. Sneed, Abhijit Y. Talwalkar and Mark C. Trudeau individually as members of the Management Development and Compensation Committee to hold office until the annual general meeting of shareholders in 2020.

**Explanation**

Swiss regulations provide that shareholders must individually elect the members of the Management Development and Compensation Committee of the company's Board of Directors. All of the nominees are current directors of TE Connectivity Ltd. Mr. Phelan and Ms. Sneed currently serve on the committee. The brief biographies of all nominees are listed above.

In the event of a negative vote on this agenda item by shareholders, the Board of Directors will call an extraordinary general meeting of shareholders for re-consideration of this agenda item by shareholders.

**Vote Requirement to Elect Committee Members**

The approval of a majority of the votes cast at the meeting, whether in person or by proxy, is required for approval of the individual election of each of the members of the Management Development and Compensation Committee.

**Recommendation**

**The Board of Directors recommends a vote "FOR" the election of each of Daniel J. Phelan, Paula A. Sneed, Abhijit Y. Talwalkar and Mark C. Trudeau to the Management Development and Compensation Committee.**

Table of Contents**EXECUTIVE OFFICERS**

The following table presents information with respect to our executive officers as of January 18, 2019.

| <b>Name</b>          | <b>Age</b> | <b>Position(s)</b>   |
|----------------------|------------|--|
| Terrence R. Curtin*  | 50         | Chief Executive Officer and Director   |
| Mario Calastri       | 61         | Senior Vice President and Treasurer  |
| John S. Jenkins, Jr. | 53         | Executive Vice President and General Counsel                                       |
| Shad W. Kroeger      | 50         | President, Communications Solutions  |
| Steven T. Merkt      | 51         | President, Transportation Solutions  |
| Heath A. Mitts       | 47         | Executive Vice President and Chief Financial Officer                               |
| Timothy J. Murphy    | 51         | Senior Vice President and Chief Human Resources Officer,<br>Global Human Resources |
| Robert J. Ott        | 57         | Senior Vice President and Corporate Controller                                     |
| Eric J. Resch        | 61         | Senior Vice President and Chief Tax Officer  |
| Kevin N. Rock        | 61         | President, Industrial Solutions  |
| Joan E. Wainwright   | 58         | President, Channel and Customer Experience   |

\*

See "Nominees for Election" for additional information concerning Mr. Curtin who also is a nominee for director.

**Mario Calastri** has been Senior Vice President and Treasurer of TE Connectivity since our separation from Tyco International in June 2007 and he served on the TE Connectivity Board prior to the separation. He served as interim Chief Financial Officer of TE Connectivity from March 2016 to September 2016. Mr. Calastri was Vice President and Assistant Treasurer of Tyco International between 2005 and June 2007. Prior to joining Tyco International, Mr. Calastri was Vice President, Finance and Planning for IBM Global Financing EMEA in 2004 and Assistant Treasurer of IBM Corporation from 1999 to 2003.

**John S. Jenkins, Jr.** has been Executive Vice President and General Counsel at TE Connectivity since October 2012. Additionally, beginning in 2017 Mr. Jenkins assumed responsibility for bringing TE's industry-leading connectivity solutions, engineering, and operations to the emerging markets with focus on India, China, and South America. Previously he was Vice President, Corporate Secretary and International General Counsel for Tyco International from 2005 and prior to joining Tyco International in 2003, was a litigator with McGuireWoods, LLP.

**Shad W. Kroeger** has been President, Communications Solutions at TE Connectivity since November 2017. Mr. Kroeger previously served as the Senior Vice President and General Manager for the Appliances business unit at TE Connectivity since 2013. Since joining TE Connectivity in 1995, Mr. Kroeger has held leadership positions in general management, strategy, product management, sales and engineering and his roles have spanned the automotive, industrial and consumer markets.

**Steven T. Merkt** has been President, Transportation Solutions at TE Connectivity since August 2012. Mr. Merkt previously served as President of TE Connectivity's Automotive business since May 2011 and has held various leadership positions in general management, operations, engineering,





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marketing, supply chain and new product launches since joining TE Connectivity in 1989. Mr. Merkt serves as a Director for Livent Corporation.

**Heath A. Mitts** has been Executive Vice President and Chief Financial Officer at TE Connectivity since September 2016. Previously he was Senior Vice President and Chief Financial Officer at IDEX Corporation, a globally diversified company specializing in fluid, metering, health and science technologies, as well as fire, safety and other products, from March 2011 until September 2016. Mr. Mitts joined IDEX as Vice President, Corporate Finance in September 2005.

**Timothy J. Murphy** has been Senior Vice President and Chief Human Resources Officer, Global Human Resources at TE Connectivity since March 2016. Previously he was Vice President, Human Resources for the Transportation Solutions business segment from January 2015 to February 2016 and Vice President, Global Talent Management for TE Connectivity from November 2011 to December 2014. Prior to joining TE, Mr. Murphy held various business partner positions and served for three years in international human resource assignments over a nearly 20 year human resource career at Merck.

**Robert J. Ott** has been Senior Vice President and Corporate Controller of TE Connectivity since our separation from Tyco International in June 2007. Prior to that, he was Vice President, Corporate Audit of Tyco International from March 2003 to June 2007 and Vice President of Finance Corporate Governance of Tyco International from August 2002 until March 2003. Prior to joining Tyco International, Mr. Ott was Chief Financial Officer of Multiplex, Inc. from 2001 to 2002 and Chief Financial Officer of SourceAlliance, Inc. from 2000 to 2001.

**Eric J. Resch** has been Senior Vice President and Chief Tax Officer of TE Connectivity since our separation from Tyco International in June 2007 and he served on the TE Connectivity Board prior to the separation. He was Vice President, Tax Reporting of Tyco International from 2003 until June 2007. Prior to joining Tyco International, Mr. Resch was Director, Tax Reporting for United Technologies Corporation from 2001 to 2003.

**Kevin N. Rock** has been President, Industrial Solutions at TE Connectivity since March 2015. Prior to that he was President of the Industrial Solutions segment's Aerospace, Defense and Marine business unit from August 2006. Mr. Rock joined TE Connectivity in January 1982 as Sales Engineer and was named Vice President, Americas Region, Consumer, Computer and Communications business unit in 2001.

**Joan E. Wainwright** has been President, Channel and Customer Experience at TE Connectivity since January 2013. Prior to that she was Senior Vice President, Channel, Marketing and Communications from May 2011. Ms. Wainwright joined TE Connectivity in June 2006 as Senior Vice President, Communications and Public Affairs and was named Senior Vice President, Marketing and Communications in February 2008. Previously, she served as Vice President, Public Affairs and Vice President, Corporate Communications for Merck & Co., Inc. from June 2000 to June 2006. Ms. Wainwright also served as Deputy Commissioner of Communications for the U.S. Social Security Administration and in the communications and public relations departments of the University Health System of New Jersey, the Children's Hospital of Philadelphia, the University of Delaware and Villanova University.

Table of Contents**COMPENSATION DISCUSSION AND ANALYSIS****Introduction**

Our Management Development and Compensation Committee (the "MDCC") is responsible for establishing and overseeing compensation programs that comply with TE Connectivity's executive compensation philosophy. As described in this Compensation Discussion and Analysis ("CD&A"), the MDCC follows a disciplined process for setting executive compensation. This process involves analyzing factors such as company performance, individual performance, strategic goals and competitive market data to arrive at each element of compensation. The Board must approve compensation decisions for the Chief Executive Officer, and the MDCC approves compensation decisions for all other executive officers. An independent compensation consultant helps the MDCC by providing advice, information, and an objective opinion.

This CD&A will focus on the compensation awarded to TE Connectivity's "named executive officers" the Chief Executive Officer, Chief Financial Officer, three other most highly compensated executive officers serving as executive officers at September 28, 2018, and the Company's former Executive Chairman who served as an executive officer during part of fiscal 2018. The following table shows the named executive officers and their primary compensation for fiscal year 2018. You can find more complete information about all elements of compensation for the named executive officers in the following discussion and in the Summary Compensation table that appears on page 54.

| Name                 | Title   | Base Salary  | Annual Incentive (cash bonus) | Long-Term Incentive (Options, PSUs and RSUs) <sup>(1)</sup> |
|----------------------|---|--------------|-------------------------------|---|
| Terrence R. Curtin   | Chief Executive Officer                           | \$ 1,136,539 | \$ 2,164,875                  | \$ 6,477,688  |
| Thomas J. Lynch      | Non-Executive Chairman; Former Executive Chairman | \$ 443,077   | \$ 765,971                    | \$ 1,494,627  |
| Heath A. Mitts       | EVP and Chief Financial Officer                   | \$ 628,277   | \$ 677,397                    | \$ 2,042,895  |
| Steven T. Merkt      | President, Transportation Solutions               | \$ 627,361   | \$ 648,325                    | \$ 2,241,941  |
| Kevin N. Rock        | President, Industrial Solutions                   | \$ 500,000   | \$ 708,156                    | \$ 2,129,922  |
| John S. Jenkins, Jr. | EVP and General Counsel                           | \$ 551,455   | \$ 588,264                    | \$ 1,642,302  |

<sup>(1)</sup> Value at date of grant; not necessarily the value the executive will realize.

**Executive Officer Transition**

On December 14, 2017, Mr. Lynch announced his retirement as Executive Chairman of the Company effective March 14, 2018, at which time Mr. Lynch was elected, and continues to serve on, the Board of Directors of the Company as the Non-Executive Chairman of the Board of Directors.

Compensation actions related to the transition are discussed further in the Compensation Discussion and Analysis.

**Fiscal 2018 Executive Compensation Highlights and Governance**

This section identifies the most significant decisions and changes made regarding TE Connectivity's executive compensation in fiscal year 2018.

*Shareholder Approval of Compensation*

At the last annual general meeting held on March 14, 2018, shareholders expressed support for our executive compensation programs, with 93.84% of votes cast at the meeting voting to ratify the compensation of our named executive officers. Although the advisory shareholder vote on executive



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compensation is non binding, the MDCC has considered, and will continue to consider, the outcome of the vote and the sentiments of our shareholders when making future compensation decisions for the named executive officers. Based on the results from our last annual general meeting, the MDCC believes shareholders support the company's executive compensation philosophy and the compensation paid to the named executive officers.

Under Swiss law, shareholders also have the right to vote on the maximum aggregate compensation that will be paid to the Board of Directors and executive management. This requirement was effective with compensation paid or awarded starting in fiscal year 2016. At the 2018 annual general meeting shareholders approved the maximum aggregate compensation amounts to be paid to both the Board of Directors and executive management for fiscal year 2019, with 99.79% and 98.58% of votes cast respectively. At our 2019 annual general meeting the Company will request shareholder approval for the maximum aggregate compensation for fiscal year 2020 for both the Board of Directors and executive management. In addition, as is required under U.S. law, the company will request non-binding shareholder approval of the fiscal 2018 compensation of our named executive officers. Requests for shareholder approval can be found in Agenda Items No. 8, No. 9 and No. 10.

*Fiscal Year 2018 Compensation Summary*

We continue to use annual and long-term incentive awards to create an executive compensation program that is performance-driven. About 88% of total target direct compensation for our CEO and 77% of total target direct compensation for our other named executive officers is performance based. Our performance based compensation directly ties executive pay to financial results and stock performance. Currently, all long-term compensation is delivered in the form of equity awards, primarily stock options and performance stock units. These awards ensure that pay opportunities are linked to shareholder return and also maximize share ownership by our executive officers. See pages 41 -47 for the elements of our compensation programs and key fiscal year 2018 performance metrics.

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Compensation decisions made during fiscal year 2018 were aligned with our pay for performance philosophy and supported recent organizational changes. The following table provides highlights of recent compensation decisions affecting our named executive officers.

| Pay Component   | 2018 Actions   | For More Information,<br>See Page: |
|---|--|------------------------------------|
| Base salaries   | Mr. Curtin received a 4.5% increase to base salary in fiscal year 2018 in an effort to align his base salary level closer to the 50 <sup>th</sup> percentile of the peer group.                                    | 41                                 |
| <i>Fixed cash compensation for core duties</i>  | Mr. Mitts received a 4.1% increase and Mr. Merkt received a 4.7% increase to base salary in fiscal 2018 in an effort to align their base salary levels closer to the 50 <sup>th</sup> percentile of the peer group |                                    |
| Annual incentives   | Calculated payouts ranged from 120.1% to 133.3% of target based on performance against goals for revenue, operating income, EPS and key performance indicator.   | 42                                 |
| <i>Variable cash incentives to reward executive officers for achieving pre-determined financial or strategic performance goals</i>                                  |  |                                    |
| Annual long-term incentives   | The planning values* for the annual grants ranged from \$1,100,000 to \$6,500,000 and were delivered primarily in the form of stock options (50%), and Performance Stock Units (PSUs) (50%).                       | 45                                 |
| <i>Variable equity grants that recognize executives' contributions and align executives with shareholders in focusing on long-term growth and stock performance</i> | Fiscal year 2016 grants of PSUs with a three-year performance cycle vested in December 2018 above the target range based on our EPS growth relative to the Standard & Poor's 500 Non-Financial Companies Index.    |                                    |

\*

The planning value is used to determine the number of PSUs and stock options that are awarded to eligible equity award participants, and may be different than the grant date fair value of the awards. See pages 45 - 47 for more information.

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*Governance*

Key executive compensation practices are summarized below. We believe these practices promote good governance and serve the interests of our shareholders.

**What We Do**

- |   |   |
|---|---|
| <ul style="list-style-type: none"> <li>ü Link pay to performance with a high percentage of variable compensation</li> <li>ü Perform annual say-on-pay advisory vote for shareholders</li> <li>ü Perform mandatory (under Swiss Law) say-on-pay vote for maximum aggregate compensation for Board of Directors and executive management</li> <li>ü Follow principles of executive compensation that are included in our articles of association and have been approved by shareholders</li> <li>ü Align executive compensation with shareholder returns through long-term incentives</li> <li>ü Design compensation programs to mitigate undue risk-taking</li> <li>ü Cap incentive compensation payments for individuals including our CEO</li> </ul> | <ul style="list-style-type: none"> <li>ü Include a "clawback" provision in all executive officer incentive award agreements (both annual and long-term)</li> <li>ü Maintain robust stock ownership requirements for executives (6x CEO, 3x executive officers)</li> <li>ü Include performance criteria in incentive plans to maximize tax deductibility where applicable and appropriate</li> <li>ü Retain a fully independent external compensation consultant whose independence is reviewed annually by the MDCC</li> <li>ü Provide only limited non-business aircraft usage to the CEO</li> <li>ü Maintain an insider trading policy applicable to all executive officers and employees</li> <li>ü Review share utilization annually</li> </ul> |
|---|---|

**What We Do Not Do**

- |   |  |
|---|--|
| <ul style="list-style-type: none"> <li>x Provide tax gross-ups for executive officers except under our relocation program</li> <li>x Provide perquisites for executive officers except for limited non-business aircraft usage for our CEO</li> </ul> | <ul style="list-style-type: none"> <li>x Provide tax gross-ups for personal aircraft use</li> <li>x Provide excise tax gross-ups</li> <li>x Re-price underwater stock options</li> <li>x Allow hedging or pledging of TE securities</li> </ul> |
|---|--|

**Swiss Law Requirements Swiss Ordinance**

In 2013, a set of corporate governance and executive compensation rules were adopted by the Swiss government, specifically the Swiss Ordinance Against Excessive Compensation in Listed Stock Companies (and are referred to in the CD&A as the "Swiss Ordinance"). The rules under the Swiss Ordinance became effective on January 1, 2014 (subject to various transitional periods), and the company has taken a number of actions to comply with the rules.

Amendments to our articles of association were approved at our annual general meeting of shareholders on March 3, 2015. The Company amended its articles of association to describe certain corporate governance matters and executive compensation principles and to comply with the Swiss Ordinance. Among the items covered in the amended articles are:

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the process under which the company will seek binding shareholder approval of compensation for the Board of Directors and executive management;

the company's principles applicable to short-term and long-term compensation of the Board of Directors and executive management;



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the permissible terms and conditions that can be included in employment contracts with executive management;

the amount of compensation that can be paid to employees who are hired or promoted into executive management after the Annual General Meeting; and

the number of mandates that are permitted for the members of the Board of Directors and executive management.

**Executive Compensation Philosophy**

Our executive compensation philosophy calls for competitive total compensation that will reward executives for achieving individual and corporate performance objectives and will attract, motivate and retain leaders who will drive the creation of shareholder value. The MDCC reviews and administers the compensation and benefit programs for executive officers, including the named executive officers, and

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performs an annual assessment of the company's executive compensation policy. In determining total compensation, the MDCC considers the objectives and attributes described below.

**Executive Compensation Principles**

***Shareholder alignment***

Our executive compensation programs are designed to create shareholder value. Long-term incentive awards, delivered in the form of equity, make up a significant percentage of our executives' total compensation and closely align the interests of executives with the long-term interests of our shareholders.

***Performance based***

Annual cash incentive awards are tied to overall corporate, segment or business unit measures that distinguish our highest from our lowest performing business units. The MDCC has limited discretion under the annual cash incentive program to recognize superior business unit or individual performance. Long-term incentive awards are designed to reward our executive officers for creating long-term shareholder value. Long-term incentive awards are granted primarily in the form of stock options and performance stock units.

***Appropriate risk***

Our executive compensation programs are designed to encourage executive officers to take appropriate risks in managing their businesses to achieve optimal performance.

***Competitive with external talent markets***

Our executive compensation programs are designed to be competitive within the relevant markets. We consider compensation for comparable executives within two peer groups: one broader group consisting of companies that compete with us for executive talent, and one narrower group consisting of companies in the electronics industry. Where appropriate we consider additional indices for unique positions.

***Focus on executive stock ownership***

The TE Connectivity Stock Ownership and Retention Requirement Plan, together with long-term equity awards, drives executive stock ownership.

***Simple and transparent***

The CEO is required to hold shares equal to six times his base salary, and the other named executive officers are required to hold shares equal to three times their respective base salaries. Our executive compensation programs are designed to be readily understood by our executives, and transparent to our investors.

**Role of the Management Development and Compensation Committee**

The MDCC has four primary responsibilities:

reviewing, analyzing and approving the design of the company's executive compensation policies and programs;

administering the company's stock incentive plans, including reviewing and approving equity incentive awards for executive officers, other than the Chief Executive Officer;

reviewing and approving all compensation decisions relating to the executive officers other than the Chief Executive Officer; and

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making recommendations to the independent members of the Board regarding compensation for Mr. Curtin.

The MDCC recommendations to the Board regarding Mr. Curtin are based on factors such as his performance, the company's performance, and competitive market data provided by the independent compensation consultant. The MDCC discusses and evaluates these recommendations in an executive session attended by the committee members, the compensation consultant, and TE Connectivity's Senior Vice President and Chief Human Resource Officer, who attends primarily to provide contextual information. Mr. Curtin does not attend these meetings.

All members of the MDCC meet the independence requirements of the NYSE. Each MDCC member also is a "non-employee director" for purposes of Rule 16b-3 of the Securities Exchange Act of 1934 and an "outside director" for purposes of Section 162(m) of the Internal Revenue Code.

**Role of Management**

*Chief Executive Officer*

Management does not have any role in developing the Chief Executive Officer's compensation other than providing data relating to their performance and compensation history. Management also had no role in developing Mr. Lynch's compensation for the period in fiscal year 2018 during which he served as Executive Chairman other than providing data relating to his performance and compensation history.

*Other Named Executive Officer Compensation*

The Chief Executive Officer makes recommendations to the MDCC relating to compensation actions for the other executive officers, including the other named executive officers. Recommendations are based on his assessment of each executive officer's performance and contributions to strategic initiatives, the competitive market data provided by the compensation consultant, and other factors deemed relevant. These factors may include differences in an executive's responsibilities versus the role reflected in the competitive market analysis, internal pay equity and relative importance of an executive's role with TE Connectivity, level of experience, and compensation history. The Senior Vice President and Chief Human Resource Officer is present when the MDCC and the Chief Executive Officer discuss compensation actions for the other named executive officers.

**Role of the Compensation Consultant**

Under its charter, the MDCC has authority to retain advisors to help the members perform their duties. During fiscal year 2018, the MDCC retained Pay Governance LLC to be its independent compensation consultant. Pay Governance reports directly to the MDCC, and only the MDCC has authority to terminate the consultant's services. Pay Governance is not permitted to provide any services to the company outside of its services to the MDCC except with prior approval of the MDCC chair. During fiscal year 2018, Pay Governance did not provide any additional services to the company.

Pay Governance supports the MDCC in designing the company's executive compensation programs, establishing executive pay levels, and generally advises on executive compensation issues and trends. In fiscal year 2018, the consultant performed the following services:

Evaluated the competitive position of the executive officers' total compensation packages relative to the company's peer groups

Facilitated a review of the company's compensation philosophy and rewards strategy relative to our business model and industry trends

Provided advice regarding annual and long-term incentive opportunities for executive officers



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Provided ongoing advice on the design of annual cash and long-term equity incentive programs

Briefed the MDCC on executive compensation trends among members of the company's peer groups

Briefed the MDCC on legislative developments affecting executive compensation

Provided advice to the MDCC on the Chief Executive Officer's compensation and programs

Reviewed the process and results of the company's annual compensation risk assessment

Reviewed the company's peer group approach

Conducted a competitive analysis of the company's executive compensation programs including a pay for performance assessment

Provided market data on equity compensation burn rates among the peers

Briefed the MDCC on the findings from proxy advisor reports

Provided advice on the implications of the Swiss Ordinance on the company's pay programs

Provided advice to the MDCC and the Nominating, Governance and Compliance Committee on director compensation levels and trends

Reviewed and discussed the MDCC charter with the committee to ensure continued appropriateness in defining the committee's authority and oversight

**Peer Groups**

In general, we use two distinct peer groups to benchmark market practices on compensation for executive officers. One peer group reflects the executive talent market generally; the other focuses on our industry. This two-pronged approach provides broad, yet highly relevant, information regarding executive compensation practices and trends. The MDCC reviews the peer group structure annually.

The primary talent market peer group comprises companies across a range of industries in which TE Connectivity competes for executive talent. Since we typically do not restrict executive recruiting solely to individuals working in the electronics industry, the MDCC believes it is appropriate to establish a benchmark peer group that covers an array of companies. The industries included in the primary talent market peer group are aerospace and defense; electronics, electrical and scientific equipment and components; and industrial manufacturing. The primary talent market peer group consists of 98 companies, listed in Appendix A, with publicly disclosed fiscal-annual revenues ranging from \$350 million to \$117 billion and a median of \$4.8 billion. Data obtained from this group is adjusted to reflect the relative size (based on revenue) of TE Connectivity within the group.

The secondary peer group is comprised of companies within the electronics industry. We use the secondary peer group to identify any differences in compensation practices between our industry peers and the broader primary talent market peer companies. As part of the annual peer group review, we made changes to our fiscal year 2018 secondary peer group that reflects changes within our organization and in the

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electronics industry. As shown below, the fiscal year 2018 secondary industry peer group includes 13 companies, with publicly disclosed fiscal-annual revenues ranging from \$3.2 billion to \$39.3 billion and a median of \$16.7 billion. EMC Corporation was removed from the group for fiscal year 2018 as a result of its acquisition by private company Dell EMC, and Fortive

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Corporation, a spin-off from Danaher Corporation, was deemed to be an appropriate addition to the group due to its size and industry similarities to TE.

3M Company  
Amphenol Corporation  
Borg Warner  
Danaher Corporation  
Delphi  
Eaton Corporation  
Emerson Electric Co.

Fortive Corporation  
General Dynamics Corporation  
Honeywell International Inc.  
Johnson Controls International plc  
Parker Hannifin Corporation  
Sensata Technologies

Benchmark data is compiled by the compensation consultant. As discussed below, the MDCC uses this information to ensure that our compensation levels and programs are competitive with the compensation paid by the companies we may compete with for executive talent, but the benchmark data is just one of the factors used in setting executive compensation levels.

**Determining Executive Compensation**

In determining the appropriate total compensation level for each executive officer, the MDCC considers the following items:

**Factors We Consider**

***Role***

Responsibilities, scope, and complexity of the executive's role against the external benchmark data

***Comprehensive Market Analysis***

Relative importance of the role within TE Connectivity

Market reference points, including the 50<sup>th</sup> and 75<sup>th</sup> percentiles of our primary talent market peer group, for the executive officer's specific role

Comprehensive analysis of current base salary, target annual incentive opportunity, target long-term incentive opportunity, target total cash compensation (base salary and target annual incentive), and target total direct compensation for each executive officer

***Performance***

Executive's individual performance, level of experience and expected contribution to strategic initiatives and future results

***Current Compensation***

A review of the executive's current total direct compensation including internal pay equity and compensation history

***CEO***

The Chief Executive Officer's detailed performance assessments for the other executive officers and recommendations concerning compensation actions

The compensation assessment for each executive officer is presented on a tally sheet, which also summarizes the officer's compensation history, job responsibilities, tenure with the company and performance achievements. The tally sheets enable the MDCC to understand how each element of an executive officer's compensation compares to the market 50<sup>th</sup> and 75<sup>th</sup> percentiles and to the amounts awarded to other executive officers.

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With the information provided in the total compensation assessment as a reference, and with the input of the compensation consultant and the Chief Executive Officer, the MDCC makes compensation determinations for our executive officers. The MDCC and the Board follow a similar process to set compensation for the Chief Executive Officer. In some years, the MDCC may determine that total compensation (or one or more components of total compensation) for a particular executive should differ from the market reference point(s). Similarly, the MDCC may approve a total compensation package or individual compensation components that exceed the market reference point(s) for a critical management role in order to attract a highly qualified external candidate.

Broad-based employee benefit programs are provided to executive officers on the same basis as all other employees.

**September 2018 Compensation Assessment**

In September 2018, the MDCC, with the assistance of the compensation consultant, assessed each executive officer's fiscal year 2018 compensation, and determined that the total direct compensation levels for our named executive officers is within range of the applicable market reference points. The fiscal year 2018 total direct compensation level for Mr. Curtin was positioned below the 50<sup>th</sup> percentile. The fiscal year 2018 total direct compensation levels for Messrs. Mitts, Merkt, Rock and Jenkins were within a range of 15% below to 10% above the 50<sup>th</sup> percentile. The MDCC believes the variability of total direct compensation levels within the range of applicable market reference points is appropriate and consistent with our executive compensation philosophy and the factors that are considered (as outlined above) when determining total compensation levels for each executive officer.

As discussed in the next section, the results of the September 2018 competitive compensation assessment helped the MDCC to set base salaries, annual and long-term incentive targets and actual long-term incentive grant values for the executive officers for fiscal year 2019.

**Compensation Paid or Awarded in Fiscal 2018**

The company's total compensation package for executive officers consists of the following elements:

Base salary

Annual cash incentives

Long-term equity incentives

Broad-based retirement and health and welfare benefits

*Base Salary*

Base salary provides fixed compensation for performing the executive's core duties and responsibilities. As shown below, effective December 25, 2017, Messrs. Curtin, Mitts and Merkt had changes in base salary to maintain their competitive pay position in the marketplace and align their base salaries closer to the 50<sup>th</sup> percentile. Messrs. Lynch, Rock and Jenkins did not receive a base salary increase in fiscal year 2018.

|            | Increase<br>Amount | From      | To           |
|------------|--------------------|-----------|--------------|
| Mr. Curtin | 4.55% \$           | 1,100,000 | \$ 1,150,000 |
| Mr. Mitts  | 4.10% \$           | 610,000   | \$ 635,010   |
| Mr. Merkt  | 4.73% \$           | 606,399   | \$ 635,083   |

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Effective March 14, 2018 Mr. Lynch transitioned to the fee structure in place for directors who are not salaried employees of the Company. For 2019 Messrs. Curtin, Mitts, Merkt, Rock and Jenkins will receive base salary increases of 4.35%, 6.0%, 3.0%, 8.0% and 4.0% respectively.

*Annual Incentive Awards*

The annual incentive program is designed to reward executive officers for achieving fiscal year financial or strategic performance goals at the corporate or segment level, though awards may be modified to reflect the MDCC's assessment of individual performance. The MDCC intends the annual incentive award program to provide market competitive awards for performance at predetermined target levels.

Our annual incentive awards are structured as cash payments. Within ninety days of the start of each fiscal year, the MDCC establishes the applicable performance criteria, which include minimum performance thresholds required to earn any award, target performance goals required to earn a payment of 100%, and a higher performance level required to earn the maximum incentive permitted. At the same time, the MDCC establishes a target bonus percentage for each executive officer, which is expressed as a percentage of base salary. Executive officers will receive an award based on the target bonus percentage and the attained performance levels on the various metrics. No annual incentive payments are made if threshold performance levels are not achieved, absent extenuating circumstances that the MDCC believes merit an exception. Payouts change proportionately for achievement at levels between goals.

Target Bonus Percentages

The target bonus percentages for the named executive officers for fiscal years 2018 and 2019 are listed below:

|             | <b>Fiscal 2018 Target</b> | <b>Fiscal 2019 Target</b> |
|-------------|---------------------------|---------------------------|
| Mr. Curtin  | 150%                      | 150%                      |
| Mr. Lynch   | 150%                      |                           |
| Mr. Mitts   | 85%                       | 85%                       |
| Mr. Merkt   | 85%                       | 85%                       |
| Mr. Rock    | 85%                       | 85%                       |
| Mr. Jenkins | 85%                       | 85%                       |

Performance Measures

Each year the MDCC reviews and approves the annual incentive measures for the business segments and the company as a whole. Measures are selected to support the objectives of each business and to provide appropriate balance and to avoid excessive risk. For fiscal year 2018, we maintained the number of measures at four.

Measures for corporate and the segments were revenue, operating income, and a key performance indicator identified at the business unit level to reflect growth, productivity, quality or customer delivery, as appropriate for the business unit's key initiatives for the year. Individual metric weightings were consistent with last year with revenue weighted 30%, operating income weighted 30% and key performance indicator weighted 20%. Each segment's results are the roll-up of its underlying business units' results, while corporate level results are the roll-up of all business units' results. The key performance indicator metric at the corporate level is the revenue-weighted average of the key performance indicator metric scores for the business segments.

The company-wide financial metric for corporate and the segments continued to be earnings per share (EPS), which was weighted 20%. In setting the target for the EPS metric, the MDCC uses the

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EPS target established for the Company in its annual financial plan, which incorporates various assumptions to delivering earnings growth including the effect of planned share repurchases by the Company. In determining the EPS metric achievement each year, the MDCC considers whether the various assumptions used to set the EPS target at the start of the fiscal year (including the effect of share repurchases) were materially accurate, and to the extent the achievement levels are not consistent with assumptions, the MDCC will make adjustments to the achievement level as deemed appropriate.

The performance measures and weightings for the corporate level, segment and businesses for the named executive officers are as follows:

| 2018 Metric               | Corporate | Industrial Solutions | Transportation Solutions |
|---------------------------|-----------|----------------------|--------------------------|
| <b>Corporate</b>          |           |                      |                          |
| Earnings per share        | 20%       | 20%                  | 20%                      |
| <b>Business</b>           |           |                      |                          |
| Revenue                   | 30%       | 30%                  | 30%                      |
| Operating income          | 30%       | 30%                  | 30%                      |
| Key performance indicator | 20%       | 20%                  | 20%                      |

For purposes of the annual incentive program, all of the financial metrics are adjusted financial measures (i.e., they do not conform to U.S. Generally Accepted Accounting Principles) that exclude the effects of events deemed not to reflect the actual performance of our employees. For fiscal year 2018, the adjustments to EPS, revenue and operating income, as applicable, were as follows (i) exclusion of acquisition related charges, (ii) exclusion of restructuring and other charges, (iii) exclusion of the impact of certain acquisitions, (iv) exclusion of the impact of changes resulting from foreign currency exchange rates (with respect to performance measures at the business unit level), (v) exclusion of certain corporate allocations (with respect to performance measures at the business unit level), and (vi) exclusion of net income tax benefits associated with the tax impacts of certain intercompany transactions and legal entity restructurings including an increase to the valuation allowance as well as income tax expense related to the tax impacts of the Tax Cuts and Jobs Act.

The table below shows the performance range for payouts under the fiscal year 2018 annual incentive program, as well as the payouts to be awarded for performance at each level.

| Metric                    | Threshold               | Target | Maximum* | Threshold payout (% of target) | Target payout (% of target) | Maximum payout* (% of target) |
|---------------------------|-------------------------|--------|----------|--------------------------------|-----------------------------|-------------------------------|
| EPS                       | 90%                     | 100%   | 110%     | 50%                            | 100%                        | 200%                          |
| Revenue                   | 95%                     | 100%   | 105%     | 50%                            | 100%                        | 200%                          |
| Operating income          | 90%                     | 100%   | 110%     | 50%                            | 100%                        | 200%                          |
| Key performance indicator | Varies by business unit |        |          | 50%                            | 100%                        | 200%                          |

\*

For exceptional performance on an individual metric that exceeds the maximum goal, the MDCC may reward results with a score of up to 300%, except for the key performance indicator which is capped at 200%, or at 100% if operating income results are less than target. Regardless of payouts on individual metrics, the total award payout for an individual employee can never exceed 200% of target.

No individual performance metrics were assigned to any executive officer under the fiscal year 2018 annual incentive program. The MDCC reserved the discretion to adjust individual or business unit award amounts up or down, by 0% to 200% based on its evaluation of the individual or business unit performance during the fiscal year. However, all discretionary adjustments must net out to zero, meaning that the overall annual incentive pool may not be increased as a result of individual or business unit performance adjustments. In addition, there is a reserve pool of approximately \$9 million

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(10% of the total target annual incentive award pool amount) that, with the MDCC's approval, could be used to reward exceptional performance at either the business unit or individual level, regardless of performance results against the established financial measures. The MDCC did not use any of the reserve pool for the fiscal year 2018 annual incentive program. Notwithstanding MDCC adjustments, an individual employee's incentive cannot exceed 200% of the employee's target bonus percentage.

Annual Incentive Payments for Fiscal 2018

Fiscal year 2018 performance targets, actual attainment, and corresponding annual incentive award results at the corporate level and for the Industrial Solutions and the Transportation Solutions business segments were as follows:

*Corporate Level*

| Performance Measure (% weighting)      | Target   |          | Results |        | Performance % to Target | Bonus Score** |
|--|----------|----------|---------|--------|-------------------------|---------------|
| EPS (20%)                              | \$5.20   | \$5.35   | \$      | 5.54   | 103.6%                  | 142.2%        |
| Revenue (30%)                          | \$13,700 | \$14,100 | \$      | 14,574 | 103.4%                  | 194.8%        |
| Operating Income (30%)                 | \$2,390  | \$2,480  | \$      | 2,461  | 100.0%                  | 100.0%        |
| Key Performance Indicator Metric (20%) |          |          | *       | *      |                         | 43.2%         |
| <b>Corporate Level Earned Award:</b>   |          |          |         |        |                         | <b>125.5%</b> |

*Industrial Solutions*

| Performance Measure (% weighting)         | Target  |         | Results |       | Performance % to Target | Bonus Score** |
|---|---------|---------|---------|-------|-------------------------|---------------|
| EPS (20%)                                 | \$5.20  | \$5.35  | \$      | 5.54  | 103.6%                  | 142.2%        |
| Business Unit Revenue (30%)               | \$3,654 | \$3,711 | \$      | 3,781 | 101.9%                  | 144.6%        |
| Business Unit Operating Income (30%)      | \$575   | \$593   | \$      | 628   | 105.9%                  | 169.1%        |
| Key Performance Indicator Metric (20%)    |         |         | *       | *     |                         | 53.7%         |
| <b>Industrial Solutions Earned Award:</b> |         |         |         |       |                         | <b>133.3%</b> |

*Transportation Solutions*

| Performance Measure (% weighting)             | Target  |         | Results |       | Performance % to Target | Bonus Score** |
|---|---------|---------|---------|-------|-------------------------|---------------|
| EPS (20%)                                     | \$5.20  | \$5.35  | \$      | 5.54  | 103.6%                  | 142.2%        |
| Business Unit Revenue (30%)                   | \$7,619 | \$7,805 | \$      | 8,081 | 103.5%                  | 190.8%        |
| Business Unit Operating Income (30%)          | \$1,795 | \$1,851 | \$      | 1,837 | 100.0%                  | 100.0%        |
| Key Performance Indicator Metric (20%)        |         |         | *       | *     |                         | 22.2%         |
| <b>Transportation Solutions Earned Award:</b> |         |         |         |       |                         | <b>120.1%</b> |

\*

The company's business segments, including Industrial Solutions, Transportation Solutions and the corporate level, were not assigned specific key performance indicator metrics for fiscal year 2018. The Industrial Solutions and Transportation Solutions bonus score for the key performance indicator metrics is the revenue-weighted average of each of their respective business units' key performance indicator metric scores. In setting the key performance indicator metrics for each business unit, the company established targets that represented significant improvement over performance levels attained in fiscal year 2017 and that were deemed to be difficult to attain assuring strong performance and anticipated economic conditions. The corporate level bonus score for the key performance indicator metric is the revenue-weighted average of the key performance indicator metric scores for the business segments. The company has determined that disclosure of



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the target performance levels and performance results for the key performance indicator metrics for Transportation Solutions, Industrial Solutions and corporate would result in competitive harm.

\*\*

The bonus score is calculated based on the level of performance attained relative to the threshold, target and maximum described above for each performance measure.

Messrs. Curtin, Lynch, Mitts and Jenkins received fiscal year 2018 annual incentive payouts based entirely on the corporate bonus score of 125.5%. Mr. Merkt's fiscal year 2018 annual incentive payout was based entirely on the Transportation Solutions bonus score of 120.1%. Mr. Rock's fiscal year 2018 annual incentive payout was based on the Industrial Solutions bonus score of 133.3% and an upward adjustment of the payout by 25% awarded by the MDCC to recognize Mr. Rock's exceptional performance in driving the growth of the segment and each of its businesses, the successful expansion of the segment's operating income margin and continued strengthening of the key talent throughout the segment and its businesses.

Annual Incentive Plan for Fiscal 2019

For fiscal year 2019, we will continue to use the same four performance measures as fiscal year 2018. Each business segment will use revenue, operating income and a revenue-weighted average of its business units' key performance indicators. The combined business segment metrics will be weighted 80%. The company-wide financial metric will continue to be earnings per share and will be weighted 20%.

For fiscal year 2019, the payout ranges described in the chart on page 43 are generally unchanged. The revenue metric will generally have a threshold level of 95% and a maximum level of 105% with some variation depending upon business unit. The performance range for operating income generally will have a threshold level of 90% and a maximum level of 110% with some variation depending upon business unit. The performance ranges for EPS are unchanged.

*Long-Term Incentive Awards*

The company uses long-term incentive awards in the form of stock options, restricted stock units ("RSUs") and performance stock units ("PSUs") to deliver competitive compensation that recognizes employees for their contributions and aligns executive officers with shareholders in focusing on long-term growth and stock performance. As part of the company's compensation philosophy, the MDCC concluded that annual grants of long-term incentive awards to executive officers typically should be competitive relative to our primary talent market peer group, but should deliver compensation at the high end of the market if our stock performs particularly well and at the low end of the market if our stock performance is weak.

Stock options have a ten-year term and vest ratably over a four-year period, beginning on the first anniversary of the grant date. RSUs typically vest ratably over four years starting on the first anniversary of the grant date. PSUs granted in fiscal 2016, fiscal 2017 and fiscal 2018 earn value at the end of the three-year performance period and vest in full upon the MDCC's certification of the performance results for the three-year period. We believe this vesting schedule encourages executives to remain with TE Connectivity and strive to continually improve shareholder value.

The company does not have a specific policy for allocating long-term equity incentive awards among the different forms of equity, but determines each year what is appropriate in light of the then-current circumstances as described below. However, consistent with our philosophy that a majority of an executive officer's compensation should be performance-based and aligned with shareholders' interest, our annual long-term equity incentive awards for executive officers consist primarily of stock options and PSUs.

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To determine the value of each executive officer's long-term equity incentive award in any year, the MDCC refers to the equity grant guidelines, assesses the executive's future potential, and also considers the same factors generally considered for other components of total compensation internal pay equity, individual performance and contributions to strategic initiatives, level of experience and compensation history. As with the other components of total compensation, Mr. Curtin makes a recommendation regarding long-term equity incentive awards for each executive officer.

In determining its annual long-term equity incentive award recommendation for Mr. Curtin, the MDCC reviews the applicable market reference data, competitive compensation analysis, and any additional input from the compensation consultant, and also assesses individual performance. Based on this information, the MDCC presents a recommendation to the independent members of the full Board for consideration.

Performance Stock Unit (PSU) Program

PSUs provide the named executive officer the opportunity to earn shares of the company's stock based on the company's EPS growth relative to the Standard & Poor's 500 Non-Financial Companies Index over a three-year performance cycle. Beginning with our fiscal year 2016 PSU grant, shares can be earned and vested after the end of the three-year performance cycle. A three-year average EPS growth metric will be used to determine relative performance and calculate earned shares at the end of the three-year performance period. Target shares, or 100%, will only be earned for EPS growth at the 50<sup>th</sup> percentile. Maximum payout is 200% and is earned for EPS growth at the 75<sup>th</sup> percentile of the index. In order to earn any shares under the program a minimum threshold must be achieved. Specifically, EPS growth must be at the 25<sup>th</sup> percentile of the index. PSUs will be paid in the form of TE Connectivity common stock, together with dividend equivalent stock units that accrued commensurate with the portion of the PSUs that are vested. For purposes of the PSU program, EPS is calculated in the same manner as is used in the annual incentive program, as described in further detail on page 43.

Payout for Fiscal 2016 PSU Grant

Fiscal year 2018 was the third year of our fiscal year 2016 PSU grant and recipients earned shares for the period calculated at 177.21% of target which reflected the Company's performance relative to the index over the three-year period. Shares earned under the program vested on December 12, 2018 upon certification of the fiscal year 2018 results.

The table below shows the shares earned and vested under the fiscal year 2016 PSU grant for each of our named executive officers.

|             | <b>FY2016<br/>Target PSUs</b> | <b>Total FY2016<br/>Vested Shares</b> |
|-------------|-------------------------------|---------------------------------------|
| Mr. Curtin  | 23,500                        | 44,498                                |
| Mr. Lynch   | 58,760                        | 111,266                               |
| Mr. Merkt   | 14,100                        | 26,699                                |
| Mr. Rock    | 8,620                         | 16,322                                |
| Mr. Jenkins | 10,970                        | 20,772                                |

Mr. Mitts did not receive a fiscal year 2016 PSU grant.

Fiscal 2018 Long-Term Incentive Awards

The MDCC granted long-term equity incentive awards in the first quarter of fiscal 2018. Fiscal year 2018 equity awards for named executive officers were made primarily in the form of stock options (50%) and PSUs (50%).

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As part of the annual award process, the MDCC reviewed the equity planning value ranges against updated market data and decided that no adjustments needed to be made in the fiscal year 2017 planning value ranges for fiscal year 2018. For the named executive officers other than Mr. Curtin, the equity planning value ranges for the fiscal year 2018 long-term equity incentive awards were as follows:

Mr. Mitts: \$950,000 \$2,850,000

Mr. Merkt: \$900,000 \$2,700,000

Mr. Rock: \$500,000 \$1,500,000

Mr. Jenkins: \$600,000 \$1,800,000

The equity award planning values approved by the MDCC for the named executive officers for fiscal year 2018 were as follows:

|             |              |
|-------------|--------------|
| Mr. Curtin  | \$ 6,500,000 |
| Mr. Lynch   | \$ 1,500,000 |
| Mr. Mitts   | \$ 2,050,000 |
| Mr. Merkt   | \$ 2,250,000 |
| Mr. Rock    | \$ 1,100,000 |
| Mr. Jenkins | \$ 1,400,000 |

In recommending Mr. Curtin's award for approval by independent members of the Board, the MDCC considered Mr. Curtin's strong leadership of the company through another successful year in fiscal year 2017 and the competitive total direct compensation and long-term incentive benchmark data from the company's two peer groups. In recommending Mr. Lynch's award for approval by the independent members of the Board, the MDCC considered competitive market data for the executive chairman position and Mr. Lynch's ongoing duties as executive chairman of the company. Award planning values for the other named executive officers were in line with the values granted in fiscal year 2017, except that the award planning values for Messrs. Mitts and Merkt were increased by \$150,000 each to recognize their exceptional accomplishments achieved in fiscal 2017 within their respective organizations.

In addition to the grant listed above, Mr. Jenkins received a special equity grant in fiscal year 2018 with a planning value of \$250,000 to recognize his continued contributions in the management and oversight of TE's emerging markets opportunities. The award is in the form of RSUs and is scheduled to vest ratably over four years beginning with the first anniversary of the grant date. Mr. Rock received a special retention award in addition to his annual fiscal year 2018 award intended to promote retention and continuity of key leaders with a planning value of \$1,000,000. The award is in the form of RSUs and has a two year cliff vesting.

Fiscal 2019 Long-Term Incentive Awards

The MDCC granted long-term equity incentive awards for fiscal year 2019 in November 2018. (These equity awards are not reflected in the Summary Compensation or Grants of Plan-Based Awards tables because those tables only cover fiscal year 2018.) The MDCC reviewed the equity planning value ranges against updated market data and determined that the equity planning value ranges for fiscal 2019 should remain the same as those for fiscal 2018.



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The fiscal year 2019 equity incentive awards for the named executive officers were in the form of stock options (50%) and PSUs (50%) except as noted below. The equity award planning values approved by the MDCC for the named executive officers for fiscal year 2019 were as follows:

|             |              |
|-------------|--------------|
| Mr. Curtin  | \$ 7,250,000 |
| Mr. Mitts   | \$ 2,550,000 |
| Mr. Merkt   | \$ 2,250,000 |
| Mr. Rock    | \$ 1,000,000 |
| Mr. Jenkins | \$ 1,400,000 |

Mr. Rock's award was made in the form of RSUs and has a two-year cliff vesting.

In recommending the fiscal 2019 awards for Mr. Curtin for approval by independent members of the Board, the MDCC considered several factors including individual performance and the competitive market analysis for the CEO.

*Pay Mix*

The company does not have a defined policy to dictate the allocation between fixed and performance-based compensation or between annual and long-term compensation. The pay mix for each named executive officer is driven largely by two concerns: to deliver compensation primarily through performance-based components that align the executives' interests with those of our shareholders, and to deliver a competitive pay mix relative to our peer benchmark companies. Management and the MDCC periodically review the pay mix to ensure that the allocation achieves those goals.

The following table shows our pay mix for fiscal year 2018, based on the data reported in the Summary Compensation Table. Performance-based incentives constituted at least 70%, and as much as 84%, of fiscal year 2018 compensation for the named executive officers. The allocations differ among the named executive officers because of market practice for their respective positions and actual performance on annual incentive plan payouts.

|                          | Base Salary<br>Rate | Long-Term<br>Incentives <sup>(2)</sup> | Annual<br>Incentive | Other<br>Compensation |
|--------------------------|---------------------|--|---------------------|-----------------------|
| Mr. Curtin               | 11%                 | 63%                                    | 21%                 | 5%                    |
| Mr. Lynch                | 14%                 | 47%                                    | 24%                 | 15%                   |
| Mr. Mitts                | 16%                 | 52%                                    | 18%                 | 14%                   |
| Mr. Merkt <sup>(1)</sup> | 17%                 | 59%                                    | 17%                 | 7%                    |
| Mr. Rock                 | 14%                 | 61%                                    | 20%                 | 5%                    |
| Mr. Jenkins              | 19%                 | 57%                                    | 20%                 | 4%                    |

(1) For Mr. Merkt, amounts do not include the value of expatriate-related tax items.

(2) Long-term incentives consist of 50% stock options and 50% PSUs. For Mr. Rock, 48% of his long-term incentives are RSUs while the balance was delivered in equal proportions (26%) in the form of stock options and PSUs. For Mr. Jenkins, 14% of his long-term incentives are RSUs while the balance was delivered in equal proportions (43%) in the form of stock options and PSUs

**Tax Deductibility of Executive Compensation**

Section 162(m) of the Internal Revenue Code limits the tax deduction available to a public company for annual compensation paid to certain executive officers in excess of \$1 million, unless the compensation qualifies as performance-based or is otherwise exempt from Section 162(m). Annual

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incentive bonuses, stock options and other performance-based awards made to executive officers under our 2007 Stock and Incentive Plan are intended to qualify as performance-based compensation.

In evaluating compensation programs covering our executive officers, the MDCC has considered the potential impact on the company of Section 162(m) and has intended, where appropriate, to maximize the deductibility of compensation under the exemptions currently available under Section 162(m). For our tax years starting on September 29, 2018, the exemption for performance-based compensation discussed above has been repealed under the Tax Cuts and Jobs Act of 2017, meaning that all compensation paid to certain executive officers in excess of \$1 million will not be deductible unless the compensation qualifies for transition relief available to arrangements in place on November 2, 2017. Regardless of the tax deductibility of compensation paid to the executive officers, the MDCC reserves the discretion to approve nondeductible compensation where necessary to achieve our overall compensation objectives and to ensure the company makes appropriate payments to executive officers.

**Risk Profile of Compensation Programs**

The MDCC has structured our executive compensation programs to provide the appropriate level of incentives without encouraging executive officers to take excessive risks in managing their businesses.

We performed a two-part risk assessment of the company's compensation programs and practices in fiscal year 2018. We first conducted an inventory of our executive and non-executive incentive compensation programs globally, including all significant sales incentive programs. Then each program was evaluated to determine whether its primary components properly balanced compensation opportunities and risk. The compensation consultant facilitated this evaluation by preparing a compensation risk analysis checklist. Each program was evaluated against the checklist, the results were recorded, and risk levels were identified.

After considering the assessment results and the preliminary conclusions, the MDCC agreed that none of the company's compensation programs and practices in fiscal year 2018 were reasonably likely to have a material adverse effect on the company.

**Retirement and Deferred Compensation Benefits**

The company maintains various retirement plans to assist our executive officers with retirement income planning and to make the company more appealing to prospective employees.

The company provides a defined contribution plan, the TE Connectivity Retirement Savings and Investment Plan ("RSIP"), that is available to all eligible U.S.-based employees, and a nonqualified supplemental retirement plan, the TE Connectivity Supplemental Savings and Retirement Plan ("SSRP"), for U.S. based management and executive level employees.

Under the RSIP, the company match level is based on years of service and employee contribution, as follows:

| Years of Service | Employee Contribution* | Company Contribution* |
|------------------|------------------------|-----------------------|
| 0 - 9            | 1%                     | 5%                    |
| 10 - 19          | 2%                     | 6%                    |
| 20 - 24          | 3%                     | 7%                    |
| 25 - 29          | 4%                     | 8%                    |
| 30 or more       | 5%                     | 9%                    |

\*

Represents a percentage of the employee's eligible compensation, which, for purposes of the RSIP, generally includes base salary and annual incentive awards.

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Under the SSRP, executive officers may defer up to 50% of their base salary and 100% of their annual incentive awards. The company provides matching contributions to the SSRP based on the executive officer's amount of deferred compensation at the same rate such officer is eligible to receive matching contributions under the RSIP and on any cash compensation (i.e., base salary and annual incentive awards) earned in excess of Internal Revenue Service limits. Once officers reach the annual contribution limit under the RSIP, they may continue to make deferrals in excess of qualified plan limits into the SSRP and receive matching contributions from the Company until compensation reaches the IRS maximum compensation limit. Participants then receive matching contributions called "Company Credits" on any eligible compensation earned beyond the IRS maximum compensation limit.

Company contributions for the named executive officers are shown in the "All Other Compensation" column of the Summary Compensation table that follows this CD&A. Participants, including executive officers, are fully vested in company matching contributions under the RSIP after three years of service, or upon reaching age 55. Prior to October 1, 2017, participants vested in company contributions under the SSRP after three years of service, or upon reaching age 55; however, effective October 1, 2017, participants who were actively employed on or after September 29, 2017 are 100% immediately vested in the past and future Company contributions.

All of the company's U.S. retirement, deferred compensation, incentive, and other executive and broad-based plans are intended to comply with Section 409A of the Internal Revenue Code.

Messrs. Merkt and Rock have accrued a benefit under a frozen tax-qualified defined benefit plan as described in the Pension Benefits for fiscal year 2018 table that follows this CD&A.

**Welfare Benefits**

We provide welfare benefits to executive officers on the same basis as all other employees in the same geographic area. The various benefit plans are part of our overall total compensation and are intended to be competitive with peer companies.

For eligible U.S.-based employees, the company provides medical, dental and life insurance, and disability coverage. Outside of the United States, the company provides welfare benefits based on local country practices.

**Perquisites**

TE Connectivity uses corporate aircraft to allow our executive officers and other corporate and business leaders to travel safely and efficiently for business purposes. This corporate aircraft enables our employees to be more productive by providing a secure environment to conduct confidential business and avoid the scheduling constraints associated with commercial air travel. Under the TE Connectivity Corporate Aircraft Usage Policy, Messrs. Curtin and Lynch (until his transition to Non-Executive Chairman in March 2018), are permitted to use the corporate aircraft for non-business purposes, whenever practical and subject to annual limitations, to enable them to take advantage of these efficiencies. Limited non-business use of the corporate aircraft by other executive officers also is permitted with the approval of Mr. Curtin. The cost to the company of providing non-business use of the corporate aircraft to our named executive officers is disclosed in the All Other Compensation table following the Summary Compensation table and the disclosed value is the pre-tax incremental cost, including the direct variable cost to TE Connectivity associated with the non-business travel as further described in footnote (a) to the All Other Compensation table. The value of an executive's non-business use of the corporate aircraft may also be treated as taxable income in accordance with IRS regulations and if so, will not be grossed up. There are no other perquisites provided to named executive officers.

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**Expatriate Assignment Benefits**

As described in the Summary Compensation table that follows this CD&A, Mr. Merkt received certain benefits under the terms of an expatriate assignment policy made available to all employees who are asked to relocate from their home country in connection with their work assignments. Under the policy, eligible employees are reimbursed (or provided cash allowances) for items such as rent, goods and services, dependent tuition, home leave costs, language training, housing management fees, tax preparation services, utilities, storage costs, and miscellaneous living expenses. In addition, eligible employees are placed in a tax-equalization program that makes them whole (including tax gross-up payments, where necessary) for any additional taxes imposed in excess of the taxes they would have incurred in their home country. Mr. Merkt incurred expenses under our tax-equalization program in fiscal year 2018 in conjunction with his overseas assignment that concluded in fiscal year 2012 as explained in footnote (a) to the All Other Compensation table following the Summary Compensation table.

**Relocation Benefits**

As described in the Summary Compensation Table that follows this CD&A, Mr. Mitts received certain benefits to compensate him for relocating to the company's offices in Berwyn, Pennsylvania. Some of these benefits are paid under the terms of the company's relocation assistance policy which is available to all employees who relocate their residence at the request of the company. Under the policy, eligible employees are reimbursed (or provided cash allowances) for items such as home sale/home purchase related fees, moving expenses, temporary living expenses, loss on home sale and other miscellaneous expenses. In addition, eligible employees are provided with tax gross-up payments to make them whole for the taxes imposed on benefits provided under the policy. Under the policy, benefits are provided at different levels of reimbursement, depending on the employee's organization level, and Mr. Mitts' benefits were provided under the level covering senior managers of the company. In connection with Mr. Mitts' employment with the company, the company agreed to reimburse Mr. Mitts for losses incurred on the sale of his home in Illinois that fell outside the terms and limits of the relocation policy, and this amount was provided in the form of an increase in the award planning value of his fiscal year 2019 long term incentive award, as further described in the footnotes to the Summary Compensation Table that follows this CD&A.

**Termination Payments**

Under the Swiss Ordinance, members of executive management, including the named executive officers, are not eligible for severance benefits or change in control severance. The terms and conditions of employment for members of executive management, including the named executive officers, are contained in employment contracts which reflect the requirement of the Swiss Ordinance.

Under the employment contracts, executive officers whose employment is terminated involuntarily for any reason other than cause, permanent disability or death or who voluntarily resign their employment for "good reason" within 12 months of the occurrence of a change in control will have a notice period of up to 12 months. During the notice period the executive officer will continue to be treated as a regular, full-time employee and will continue to receive base salary, be eligible for a bonus subject to the terms and conditions of the applicable plan, continue to vest in outstanding equity awards under the terms and conditions of the applicable award agreements and continue to have health and welfare benefits.

At the end of the 12 month notice period the executive officer will receive twelve months' pay as consideration for non-compete and non-solicitation covenants in favor of the company.

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In the event of involuntary or "good reason" termination after a change in control under our 2007 TE Stock and Incentive Plan, outstanding equity will be treated as follows:

Stock options and RSUs will become fully vested in the event of a qualifying termination and PSUs will vest in full at target performance

Termination treatment as described above and other benefits payable as a result of a qualifying termination after a change in control will be limited to the greater after-tax amount resulting from (i) payment of the full benefits, followed by the imposition of all taxes, including any applicable excise taxes under Internal Revenue Code Section 280G, or (ii) payment of the full benefits up to the Section 280G limit with no excise tax imposed. Termination and other benefits payable will not be grossed up to reflect Section 280G or any other taxes.

**Executive Stock Ownership Requirements**

The company maintains a Stock Ownership and Retention Requirement Plan applicable to all executive officers, including the named executive officers. The common share ownership requirement for the Chief Executive Officer is six times base salary. The other named executive officers are required to own shares equal to three times base salary. Share ownership requirements must be met within five years of the officer's date of employment. In the event stock ownership has not been met in the five year timeframe, the employee will be required to hold 100% of the shares of common stock they receive upon lapse of the restrictions on restricted stock/stock units and upon exercise of stock options (net of any shares utilized to pay for the exercise price of the option and tax withholding). The following shares count toward the ownership requirements: wholly-owned shares, shares in stock units or deferred compensation plans, employee stock ownership plans, unvested restricted stock, shares deemed earned under the provisions of performance stock unit grants, and shares held by immediate family members that are considered beneficially owned by the executive officer. As of fiscal 2018 year-end, all of the named executive officers met their stock ownership requirements.

**Insider Trading Policy**

Our named executive officers along with all of our employees are subject to our insider trading policy to ensure that employees worldwide comply with all applicable laws and regulations concerning securities trading. Among other things, our insider trading policy restricts the times during which executive officers can enter into trading transactions concerning our securities. Our named executive officers and employees are prohibited from engaging in any hedging transactions, including prepaid variable forward contracts, equity swaps, collars, exchange funds, puts, calls, options, short sales or similar rights, obligations or transactions that are designed to hedge or offset any decrease in the market value of TE Connectivity securities, other than the exercise of a company issued stock option.

Our insider trading policy was updated in fiscal year 2015 to include a prohibition against pledging. Executive officers and directors are prohibited from holding TE Connectivity securities in a margin account and from maintaining or entering into any arrangement that, directly or indirectly, involves the pledge of TE Connectivity securities or other use of TE Connectivity securities as collateral for a loan.

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**MANAGEMENT DEVELOPMENT AND COMPENSATION COMMITTEE REPORT**

The Management Development and Compensation Committee has reviewed the Compensation Discussion and Analysis and has discussed the analysis with management. Based on its review and discussions with management, the Committee recommended to our Board of Directors that the Compensation Discussion and Analysis be included in the company's Annual Report on Form 10-K for the fiscal year ended September 28, 2018 and in the company's proxy statement for the 2019 Annual General Meeting of Shareholders. This report is provided by the following independent directors, who comprise the Committee:

**The Management Development and Compensation Committee:**

Daniel J. Phelan, Chair  
Paula A. Sneed  
John C. Van Scoter

December 12, 2018

**COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION**

None of our executive officers serve as a member of the board of directors or compensation committee of any entity that has one or more of its executive officers serving as a member of our Management Development and Compensation Committee. In addition, none of our executive officers serve as a member of the compensation committee of any entity that has one or more of its executive officers serving as a member of our Board of Directors.

Table of Contents**EXECUTIVE OFFICER COMPENSATION****Summary Compensation Table**

The following table summarizes the compensation of the named executive officers for the fiscal years ended September 28, 2018 ("fiscal year 2018"), September 29, 2017 and September 30, 2016. The named executive officers are the Company's Chief Executive Officer, Chief Financial Officer, three other most highly compensated executives and the Company's former Executive Chairman who served as an executive officer during part of fiscal 2018.

| Name and Principal Position                                    | Year | Salary <sup>(1)</sup><br>(\$)<br>(c) | Bonus<br>(\$)<br>(d) | Stock Awards <sup>(2)</sup><br>(\$)<br>(e) | Option Awards <sup>(3)</sup><br>(\$)<br>(f) | Non-Equity Incentive Plan Compensation <sup>(4)</sup><br>(\$)<br>(g) | Change in Pension Value and Nonqualified Deferred Compensation <sup>(5)</sup><br>(\$)<br>(h) | All Other Compensation <sup>(6)</sup><br>(\$)<br>(i) | Total<br>(\$)<br>(j) |
|--|------|--------------------------------------|----------------------|--|---|--|--|--|----------------------|
|  |      |                                      |                      |  |   |  |  |  |                      |
| Terrence R. Curtin<br>Chief Executive Officer<br>(PEO)         | 2018 | \$ 1,136,539                         | \$ 3,359,093         | \$ 3,118,595                               | \$ 2,164,875                                | \$ 457,909   | \$ 10,237,011  |  |                      |
| Thomas J. Lynch <sup>(7)</sup><br>Former Executive<br>Chairman | 2017 | \$ 1,024,231                         | \$ 3,431,771         | \$ 3,461,614                               | \$ 2,239,875                                | \$ 269,205   | \$ 10,426,696  |  |                      |
| Heath A. Mitts<br>EVP & Chief Financial<br>Officer (PFO)       | 2016 | \$ 825,000                           | \$ 1,549,825         | \$ 1,608,003                               | \$ 789,525                                  | \$ 178,378   | \$ 4,950,731   |  |                      |
| Steven T. Merkt<br>President, Transportation<br>Solutions      | 2018 | \$ 443,077                           | \$ 774,888           | \$ 719,739                                 | \$ 765,971                                  | \$ 492,050   | \$ 3,195,725   |  |                      |
| Kevin N. Rock<br>President, Industrial Solutions               | 2017 | \$ 1,041,923                         | \$ 1,980,176         | \$ 1,997,159                               | \$ 2,565,675                                | \$ 653,290   | \$ 8,238,223   |  |                      |
| John S. Jenkins, Jr.<br>EVP & General Counsel                  | 2016 | \$ 1,200,000                         | \$ 3,875,222         | \$ 4,020,726                               | \$ 1,722,600                                | \$ 557,736   | \$ 11,376,284  |  |                      |
|  | 2018 | \$ 628,277                           | \$ 1,059,636         | \$ 983,259                                 | \$ 677,397                                  | \$ 560,351   | \$ 3,908,920   |  |                      |
|  | 2017 | \$ 610,000                           | \$ 1,003,102         | \$ 1,011,689                               | \$ 844,637                                  | \$ 231,491   | \$ 3,700,919   |  |                      |
|  | 2016 | \$ 11,731                            | \$ 4,661,853         |  |   | \$ 4,675   | \$ 4,678,259   |  |                      |
|  | 2018 | \$ 627,361                           | \$ 1,162,332         | \$ 1,079,609                               | \$ 648,325                                  | \$ 264,463   | \$ 3,782,090   |  |                      |
|  | 2017 | \$ 606,399                           | \$ 1,108,551         | \$ 1,118,486                               | \$ 933,977                                  | \$ 213,787   | \$ 3,981,200   |  |                      |
|  | 2016 | \$ 598,625                           | \$ 929,895           | \$ 964,946                                 | \$ 491,214                                  | \$ 19,129  | \$ 3,212,554   |  |                      |
|  | 2018 | \$ 500,000                           | \$ 1,602,058         | \$ 527,864                                 | \$ 708,156                                  | \$ 162,944   | \$ 3,501,022   |  |                      |
|  | 2018 | \$ 551,455                           | \$ 970,326           | \$ 671,976                                 | \$ 588,264                                  | \$ 127,297   | \$ 2,909,318   |  |                      |
|  | 2017 | \$ 551,455                           | \$ 995,974           | \$ 745,657                                 | \$ 763,572                                  | \$ 104,033   | \$ 3,160,691   |  |                      |

(1) Amounts shown are not reduced to reflect the named executive officers' elections, if any, to defer receipt of salary into the SSRP.

(2) This amount represents the grant date fair value of restricted stock units (RSUs) and performance stock units (PSUs) calculated using the provisions of Accounting Standards Codification ("ASC") 718, *Compensation - Stock Compensation*. The value of PSUs included in the table assumes target performance. The following table reflects the grant date fair value of the PSUs at target, as well as the maximum grant date fair value if the highest level of performance is achieved:

**Grant Date Fair Value of PSUs**

| Name        | Target Value<br>(\$) | Maximum Value<br>(\$) |
|-------------|----------------------|-----------------------|
| Mr. Curtin  | \$ 3,359,093         | \$ 6,718,186          |
| Mr. Lynch   | \$ 774,888           | \$ 1,549,776          |
| Mr. Mitts   | \$ 1,059,636         | \$ 2,119,272          |
| Mr. Merkt   | \$ 1,162,332         | \$ 2,324,664          |
| Mr. Rock    | \$ 568,562           | \$ 1,137,125          |
| Mr. Jenkins | \$ 723,540           | \$ 1,447,080          |

(3) This amount represents the grant date fair value of stock options calculated using the provisions of ASC 718. See Note 20 (Share Plans) to the notes to consolidated financial statements ("Note 20") set forth in TE Connectivity's Annual Report on Form 10-K for the fiscal year ended September 28, 2018 (the "10-K") for the assumptions made in determining ASC 718 grant date fair values.

(4)

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Represents amounts earned under the fiscal year 2018 annual incentive program. Amounts shown are not reduced to reflect the named executive officers' elections, if any, to defer receipt of awards into the SSRP.

(5)

Represents the aggregate change in actuarial present value of the accumulated benefits for Mr. Merkt and Mr. Rock under the frozen pension plan as described in "CD&A Retirement and Deferred Compensation Benefits." For fiscal 2018, the change in pension value is a decrease from fiscal 2017. Rather than report a negative value, no change is reported. Messrs. Curtin, Lynch,



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Mitts, and Jenkins do not participate in a pension plan. There are no nonqualified deferred compensation earnings because the SSRP does not provide for "above-market" or preferential earnings as defined in applicable SEC rules.

- (6) See the All Other Compensation table below for a breakdown of amounts shown in column (i) which include perquisites, the company contribution portion of 401(k) plan and nonqualified defined contribution plan, dividend equivalent units and other amounts. The amounts reflected in the table for perquisites are our incremental cost. We also provide group life, health, hospitalization and medical reimbursement plans which do not discriminate in scope, terms or operation in favor of officers and are available to all full-time employees; the values of the benefits are not shown in the table.
- (7) On March 14, 2018, Mr. Lynch retired as Executive Chairman and became Non-Executive Chairman of the Board of Directors.

**All Other Compensation**

| Name                 | Year | Dollar Value of Dividends not factored into Grant Date Fair Value <sup>(b)</sup> |                                   |  |  |                                   | Total All Other Compensation |
|----------------------|------|--|-----------------------------------|--|--|-----------------------------------|------------------------------|
|                      |      | Perquisites <sup>(a)</sup>   | ESPP Company Match <sup>(c)</sup> | Company Contributions to DC Plans <sup>(d)</sup> | Dividends not factored into Grant Date Fair Value <sup>(b)</sup> | ESPP Company Match <sup>(c)</sup> |                              |
|                      |      | (\$)   | (\$)                              | (\$)   | (\$)   | (\$)                              | (\$)                         |
| Terrence R. Curtin   | 2018 | \$ 52,570  | \$ 202,754                        |  | \$ 202,585   | \$ 457,909                        |                              |
| Thomas J. Lynch      | 2018 | \$ 110,174   | \$ 201,351                        |  | \$ 180,525   | \$ 492,050                        |                              |
| Heath A. Mitts       | 2018 | \$ 342,544   | \$ 144,161                        |  | \$ 73,646  | \$ 560,351                        |                              |
| Steven T. Merkt      | 2018 | \$ 6,178   | \$ 131,428                        | \$ 1,950   | \$ 124,907   | \$ 264,463                        |                              |
| Kevin N. Rock        | 2018 |  | \$ 63,001                         |  | \$ 99,943  | \$ 162,944                        |                              |
| John S. Jenkins, Jr. | 2018 |  | \$ 61,546                         |  | \$ 65,751  | \$ 127,297                        |                              |

- (a) Amounts greater than \$25,000 for Mr. Curtin totaling \$52,570 include the incremental pre-tax cost to us of Mr. Curtin's non-business use of our aircraft. As described on page 50, Mr. Curtin is permitted to use the aircraft for business and non-business purposes.
- Amounts greater than \$25,000 for Mr. Lynch totaling \$110,174 include the incremental pre-tax cost to us of Mr. Lynch's non-business use of our aircraft. As described on page 50, Mr. Lynch was permitted to use the aircraft for business and non-business purposes while he served as executive chairman. The incremental cost to us during fiscal year 2018 includes the direct variable cost associated with Mr. Lynch's travel to attend Thermo Fisher Scientific Inc. and Cummins Inc. board meetings, as Mr. Lynch is a member of the board of directors of both companies, and other occasional non-business use.
- In fiscal year 2018, the company reimbursed Mr. Mitts a total of \$836,123 in relocation benefits, of which \$267,003 was attributable to tax gross-ups. Of the total amount reimbursed, \$336,123 was reimbursed either in cash or was paid by the company on his behalf under the terms of the company's relocation policy and is included in the amounts reflected in the table. The remaining amount of the relocation benefits, \$500,000, was provided pursuant to mutual agreement in the form of an increase in the award planning value of Mr. Mitts' fiscal year 2019 long term incentive award, listed on pages 47 - 48, to recognize losses on the sale of his home in Illinois. Amounts in the table greater than \$25,000 include: \$219,886 for home sale/purchase related fees, \$29,904 for home goods/automobile transportation costs and \$67,003 in tax gross-up payments. Amounts less than \$25,000 include other relocation allowances including final moving expenses, temporary living expenses and various miscellaneous fees related to his relocation and also include the incremental pre-tax cost to us of Mr. Mitts' non-business use of our aircraft. As described on page 50, Mr. Mitts is permitted to use the aircraft for business and non-business purposes with the approval of Mr. Curtin.
- Individual amounts less than \$25,000 for Mr. Merkt are the net expenses paid by us for tax preparation fees and various miscellaneous fees and expenses pertaining to an expatriate assignment in Germany during fiscal years 2011 and 2012. In fiscal 2018, pursuant to the process of the company's tax equalization program, the company paid on behalf of Mr. Merkt, taxes in the amount of \$5,750. The company also provided Mr. Merkt tax gross-up payments of \$764 for calendar year 2017; gross-up amounts for calendar year 2018 are not determined until end of calendar year 2018. Due to the timing of payments in fiscal 2018, the following range of exchange rates were used to convert amounts reported or paid in EUR to U.S. dollars: \$1.13-\$1.25:EUR 1.
- (b) Represents the value of dividend equivalent units credited in the fiscal year to each individual's unvested RSUs and PSUs using the closing price on the date of the crediting. The dividend equivalent unit value associated with the PSUs reflects target performance and will be adjusted based on certified performance results following the close of the three-year performance period.
- (c) Represents the company matching contribution made under the TE Connectivity employee stock purchase plan.



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(d)

Reflects contributions made on behalf of the named executive officers under TE Connectivity's qualified defined contribution plan and accruals on behalf of the named executive officers under the SSRP (a nonqualified defined contribution excess plan), as follows:

| <b>Name</b> | <b>Year</b> | <b>Company Matching<br/>Contribution<br/>(Qualified Plan)(*)</b> | <b>Company<br/>Contribution<br/>(Non-Qualified Plan)</b> |
|-------------|-------------|--|--|
| Mr. Curtin  | 2018        | \$ 16,500  | \$ 186,085   |
| Mr. Lynch   | 2018        | \$ 2,914   | \$ 177,611   |
| Mr. Mitts   | 2018        | \$ 13,750  | \$ 59,896  |
| Mr. Merkt   | 2018        | \$ 19,429  | \$ 105,478   |
| Mr. Rock    | 2018        | \$ 16,680  | \$ 83,263  |
| Mr. Jenkins | 2018        | \$ 5,667   | \$ 60,084  |

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Table of Contents**Grants of Plan-Based Awards in Fiscal 2018**

The following table discloses the potential payouts for fiscal year 2018 under the company's annual incentive program and actual numbers of stock option, restricted stock unit and performance stock unit awards granted during fiscal year 2018 and the grant date fair value of these awards.

| Name (a)              | Grant Date (b) | Estimated Possible Payouts Under Non-Equity Incentive Plan Awards <sup>(1)</sup> |                |                 | Estimated Possible Payouts Under Equity Incentive Plan Awards <sup>(2)</sup> |               |                | All Other Stock Awards <sup>(3)</sup>    |   | Exercise Price of Option Awards (k) | Grant Date Fair Value of Stock and Option Awards <sup>(5)</sup> (\$) |
|-----------------------|----------------|--|----------------|-----------------|--|---------------|----------------|--|---|-------------------------------------|--|
|                       |                | Threshold (\$)(c)  | Target (\$)(d) | Maximum (\$)(e) | Threshold (#)(f)   | Target (#)(g) | Maximum (#)(h) | Number of Stock Units <sup>(3)</sup> (i) | Number of Securities or Underlying Options <sup>(4)</sup> (j) |                                     |  |
| Terrence R. Curtin    |                |  |                |                 |  |               |                |  |   |                                     |  |
| Annual Incentive Plan |                | \$ 862,500   | \$ 1,725,000   | \$ 3,450,000    |  |               |                |  |   |                                     |  |
| Stock Option          | 11/13/17       |  |                |                 |  |               |                | 189,350                                  |   | \$ 93.36                            | \$ 3,118,595   |
| RSU                   |                |  |                |                 |  |               |                |  |   |                                     |  |
| PSU                   | 11/13/17       |  |                |                 | 17,990   | 35,980        | 71,960         |  |   |                                     | \$ 3,359,093   |
| Thomas J. Lynch       |                |  |                |                 |  |               |                |  |   |                                     |  |
| Annual Incentive Plan |                | \$ 305,168   | \$ 610,335     | \$ 1,220,670    |  |               |                |  |   |                                     |  |
| Stock Option          | 11/13/17       |  |                |                 |  |               |                | 43,700                                   |   | \$ 93.36                            | \$ 719,739   |
| RSU                   |                |  |                |                 |  |               |                |  |   |                                     |  |
| PSU                   | 11/13/17       |  |                |                 | 4,150  | 8,300         | 16,600         |  |   |                                     | \$ 774,888   |
| Heath A. Mitts        |                |  |                |                 |  |               |                |  |   |                                     |  |
| Annual Incentive Plan |                | \$ 269,880   | \$ 539,759     | \$ 1,079,518    |  |               |                |  |   |                                     |  |
| Stock Option          | 11/13/17       |  |                |                 |  |               |                | 59,700                                   |   | \$ 93.36                            | \$ 983,259   |
| RSU                   |                |  |                |                 |  |               |                |  |   |                                     |  |
| PSU                   | 11/13/17       |  |                |                 | 5,675  | 11,350        | 22,700         |  |   |                                     | \$ 1,059,636   |
| Steven T. Merkt       |                |  |                |                 |  |               |                |  |   |                                     |  |
| Annual Incentive Plan |                | \$ 269,911   | \$ 539,821     | \$ 1,079,642    |  |               |                |  |   |                                     |  |
| Stock Option          | 11/13/17       |  |                |                 |  |               |                |  |   |                                     |  |