



January 14, 2015

Dear Shareholder,

You are invited to attend the 2015 Annual General Meeting of Shareholders of TE Connectivity Ltd., to be held on March 3, 2015 at 2:00 p.m., Central European Time (8:00 a.m., Eastern Standard Time), at the Radisson Blu Hotel, Zürich Airport, 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,

A handwritten signature in black ink that reads 'Tom Lynch'.

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 (8:00 a.m., Eastern Standard Time), on March 3, 2015
- Place: The Radisson Blu Hotel, Zürich Airport, Zürich, Switzerland
- Agenda Items:
1. Election of eleven (11) director nominees proposed by the Board of Directors;
  2. Election of the Chairman of the Board of Directors;
  3. Election of the members of the Management Development and Compensation Committee;
  4. Election of the Independent Proxy;
  5. Approval of (i) the 2014 Annual Report of TE Connectivity Ltd. (excluding the statutory financial statements for the fiscal year ended September 26, 2014 and the consolidated financial statements for the fiscal year ended September 26, 2014), (ii) the statutory financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014, and (iii) the consolidated financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014;
  6. Release of the members of the Board of Directors and executive officers of TE Connectivity for activities during the fiscal year ended September 26, 2014;
  7. Election of (i) Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2015, (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;
  8. Approval of amendments to the articles of association to implement requirements under the Swiss Ordinance regarding elections and certain other matters;
  9. Approval of amendments to the articles of association to implement requirements under the Swiss Ordinance regarding the compensation of members of the Board of Directors and the executive management, and certain other matters;
  10. Approval of amendment to the articles of association regarding the vote standard for shareholder resolutions and elections;
  11. Approval of amendment to the articles of association regarding the applicable vote standard for contested elections of directors, the chairperson of the Board and the members of the Management Development and Compensation Committee;
  12. Advisory vote to approve executive compensation;

13. Binding vote to approve fiscal year 2016 maximum aggregate compensation amount for executive management;
14. Binding vote to approve fiscal year 2016 maximum aggregate compensation amount for the Board of Directors;
15. Carryforward of unappropriated accumulated earnings;
16. Declaration of dividend;
17. Renewal of authorized capital;
18. Approval of share capital reduction for shares acquired under our share repurchase program;
19. Approval of any adjournments or postponements of the meeting; and
20. Transaction of any other business properly brought at the meeting.

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 7, 2015**. 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 11, 2015**.

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 11, 2015** 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. Jvo Grundler, Ernst & Young Ltd., 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*).

The proxies granted to the independent proxy must be received no later than 5:00 p.m., Central European Time (11:00 a.m., Eastern Standard Time) on March 2, 2015. 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 14, 2015 to each shareholder of record of TE Connectivity registered shares at the close of business (Eastern Standard Time) on January 7, 2015.

By order of the Board of Directors,



Harold G. Barksdale  
Corporate Secretary

January 14, 2015

**PROXY STATEMENT  
FOR THE ANNUAL GENERAL MEETING OF SHAREHOLDERS OF  
TE CONNECTIVITY LTD.  
TO BE HELD ON TUESDAY, MARCH 3, 2015**

**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 (8:00 a.m., Eastern Standard Time), on March 3, 2015, at the Radisson Blu Hotel, Zürich Airport, 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 7, 2015. 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 7, 2015 and continue to be registered in our share register at the close of business (Eastern Standard Time) on February 11, 2015. Distribution to shareholders of the Notice of Internet Availability of Proxy Materials, or Notice, is scheduled to begin on or about January 14, 2015.

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 7, 2015 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 7, 2015 and continue to hold them at the close of business (Eastern Standard Time) on February 11, 2015. 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 3, 2015.**

**Our proxy statement for the Annual General Meeting to be held on March 3, 2015, other proxy material and our annual report to shareholders for fiscal year 2014 is available at <http://www.te.com/2015AnnualMeeting>.**

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 7, 2015.



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 7, 2015 and continue to be registered in our share register at the close of business (Eastern Standard Time) on February 11, 2015, 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.

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

The nineteen agenda items scheduled for a vote are:

- Agenda Item No. 1: To elect eleven (11) 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 2016 annual general meeting of shareholders;
- Agenda Item No. 5: To approve (i) the 2014 Annual Report of TE Connectivity Ltd. (excluding the statutory financial statements for the fiscal year ended September 26, 2014 and the consolidated financial statements for the fiscal year ended September 26, 2014), (ii) the statutory financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014, and (iii) the consolidated financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014;
- 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 26, 2014;
- Agenda Item No. 7: To elect (i) Deloitte & Touche LLP as our independent registered public accounting firm for fiscal year 2015, (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 approve amendments to our articles of association to implement requirements under the Swiss Ordinance regarding elections and certain other matters;
- Agenda Item No. 9: To approve amendments to our articles of association to implement requirements under the Swiss Ordinance regarding the compensation of members of our Board of Directors and the executive management, and certain other matters;
- Agenda Item No. 10: To approve an amendment to our articles of association regarding the vote standard for shareholder resolutions and elections;
- Agenda Item No. 11: To approve an amendment to our articles of association regarding the applicable vote standard for contested elections of directors, the chairperson of the Board and the members of the Management Development and Compensation Committee;
- Agenda Item No. 12: To cast an advisory vote to approve executive compensation;

- Agenda Item No. 13: To cast a binding vote to approve fiscal year 2016 maximum aggregate compensation amount for executive management;
- Agenda Item No. 14: To cast a binding vote to approve fiscal year 2016 maximum aggregate compensation amount for the Board of Directors;
- Agenda Item No. 15: To approve the carryforward of unappropriated accumulated earnings;
- Agenda Item No. 16: To approve a dividend payment to shareholders equal to \$ 1.32 per issued share to be paid in four equal quarterly installments of \$ 0.33 starting with the third fiscal quarter of 2015 and ending in the second fiscal quarter of 2016 pursuant to the terms of the dividend resolution;
- Agenda Item No. 17: To approve a renewal of authorized capital and related amendment to our articles of association;
- Agenda Item No. 18: 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. 19: 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 26, 2014), where they are by law precluded from voting their shares. On January 2, 2015, our directors and executive officers and their affiliates beneficially owned approximately 1.4% 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 11, 2015** 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 11, 2015** 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 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 7, 2015, but sell or otherwise transfer those shares before the close of business (Eastern Standard Time) on February 11, 2015?***

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 7, 2015 but sell or otherwise transfer those shares before the close of business (Eastern Standard Time) on February 11, 2015.

#### **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 11, 2015.

Registration at the meeting will begin at 1:00 p.m., Central European Time (7:00 a.m., Eastern Standard Time) and close at 1:45 p.m., Central European Time (7:45 a.m., Eastern Standard Time), and the meeting will begin at 2:00 p.m., Central European Time (8:00 a.m., Eastern Standard 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.**

***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. Jvo Grundler, 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. Jvo Grundler, 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. Jvo Grundler, Ernst & Young Ltd., 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 (11:00 a.m., Eastern Standard Time) on March 2, 2015, or submit your proxy card by mail so that it is received by 5:00 p.m., Central European Time (11:00 a.m., Eastern Standard Time) on March 2, 2015.**

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 broker, bank 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 recently-enacted Swiss regulations, shareholders may not appoint company officers as proxies.

**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. 8 (Vote to Approve Amendments to the Articles of Association to Implement Requirements Under the Swiss Ordinance Regarding Elections and Certain Other Matters), Agenda Item No. 9 (Vote to Approve Amendments to the Articles of Association to Implement Requirements Under the Swiss Ordinance Regarding the Compensation of Members of the Board of Directors and the Executive Management, and Certain Other Matters), Agenda Item No. 10 (Vote to Approve an Amendment to the Articles of Association Regarding the Vote Standard for Shareholder Resolutions and Elections), Agenda Item No. 11 (Vote to Approve an Amendment to the Articles of Association Regarding the Applicable Vote Standard for Contested Elections), Agenda Item No. 12 (Advisory Vote to Approve Executive Compensation), Agenda Item No. 13 (Binding Vote to Approve Fiscal Year 2016 Maximum Aggregate Compensation Amount for Executive Management), and Agenda Item No. 14 (Binding Vote to Approve Fiscal Year 2016 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. 8 (Vote to Approve Amendments to the Articles of Association to Implement Requirements Under the Swiss Ordinance Regarding Elections and Certain Other Matters), Agenda Item No. 9 (Vote to Approve Amendments to the Articles of Association to Implement Requirements Under the Swiss Ordinance Regarding the Compensation of Members of the Board of Directors and the Executive Management, and Certain

Other Matters), Agenda Item No. 10 (Vote to Approve an Amendment to the Articles of Association Regarding the Vote Standard for Shareholder Resolutions and Elections), Agenda Item No. 11 (Vote to Approve an Amendment to the Articles of Association Regarding the Applicable Vote Standard for Contested Elections), Agenda Item No. 12 (Advisory Vote to Approve Executive Compensation), Agenda Item No. 13 (Binding Vote to Approve Fiscal Year 2016 Maximum Aggregate Compensation Amount for Executive Management), and Agenda Item No. 14 (Binding Vote to Approve Fiscal Year 2016 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. 8, No. 9, No. 10, No. 11, No. 12, No. 13 and No. 14.

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

Our registered shares are our only class of voting stock. As of January 7, 2015, there were 406,696,837 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 11, 2015 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 11, 2015 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.”

#### **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 an absolute majority of the share votes of registered shares with voting rights that are represented at the Annual General Meeting in person or by proxy. An absolute majority means at least half plus one additional vote represented at a general meeting of shareholders.

- Agenda Item No. 1: Election of eleven (11) 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 2014 Annual Report of TE Connectivity Ltd. (excluding the statutory financial statements for the fiscal year ended September 26, 2014 and the consolidated financial statements for the fiscal year ended September 26, 2014), (ii) the statutory financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014, and (iii) the consolidated financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014;

- 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 2015, (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: Approval of amendments to our articles of association to implement requirements under the Swiss Ordinance regarding elections and certain other matters;
- Agenda Item No. 9: Approval of amendments to our articles of association to implement requirements under the Swiss Ordinance regarding the compensation of members of the Board of Directors and the executive management, and certain other matters;
- Agenda Item No. 10: Approval of amendment regarding the vote standard for shareholder resolutions and elections;
- Agenda Item No. 11: Approval of amendment regarding the applicable vote standard for contested elections of directors, the chairperson of the Board and the members of the Management Development and Compensation Committee;
- Agenda Item No. 12: Advisory vote to approve executive compensation;
- Agenda Item No. 13: Binding vote to approve fiscal year 2016 maximum aggregate compensation amount for executive management;
- Agenda Item No. 14: Binding vote to approve fiscal year 2016 maximum aggregate compensation amount for the Board of Directors;
- Agenda Item No. 15: Carryforward of unappropriated accumulated earnings;
- Agenda Item No. 16: Declaration of dividend;
- Agenda Item No. 18: Share capital reduction for shares acquired under our share repurchase program; and
- Agenda Item No. 19: Approval of any adjournments or postponements of the meeting.

The following agenda item requires the affirmative vote of two-thirds of the share votes and the absolute majority of the par value of the registered shares with voting rights that are represented at the Annual General Meeting in person or by proxy.

- Agenda Item No. 17: Renewal of authorized capital.

The following agenda item requires the affirmative vote of an absolute majority of the share votes of registered shares with voting rights that are represented at the Annual General Meeting 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 26, 2014.

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 majority required to approve such agenda item and will therefore have the effect of an **AGAINST** vote on that item. Abstentions and broker non-votes are counted for quorum purposes.

**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 (11:00 a.m., Eastern Standard Time) on March 2, 2015; 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. Jvo Grundler, Ernst & Young Ltd., Maagplatz 1, P.O. Box, CH-8010, 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 11, 2015, 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.

**Whom may I contact for assistance?**

You should contact MacKenzie Partners, Inc., whom we have engaged as a proxy solicitor for the Annual General Meeting. The contact information for MacKenzie Partners, Inc. is below:

MacKenzie Partners, Inc.  
(800) 322-2885 (US callers only)  
+1 (212) 929-5500  
Email: [proxy@mackenziepartners.com](mailto:proxy@mackenziepartners.com) (reference TE Connectivity in the subject line)



## SECURITY OWNERSHIP OF CERTAIN BENEFICIAL OWNERS AND MANAGEMENT

The following table sets forth the number of outstanding shares of TE Connectivity beneficially owned as of January 2, 2015 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.

<u>Beneficial Owner</u>	<u>Number of Shares Beneficially Owned<sup>(1)</sup></u>
<b>Directors and Executive Officers:</b>	
Thomas J. Lynch <sup>(2)(3)(5)</sup>	3,372,670
Terrence R. Curtin <sup>(2)(5)</sup>	435,118
Joseph B. Donahue <sup>(2)(5)</sup>	188,433
Robert W. Hau <sup>(2)(5)</sup>	89,301
Robert N. Shaddock <sup>(2)(5)(6)</sup>	371,445
Pierre R. Brondeau <sup>(3)(7)</sup>	31,805
Juergen W. Gromer <sup>(3)(7)</sup>	115,443
William A. Jeffrey <sup>(3)</sup>	9,106
Yong Nam <sup>(3)</sup>	9,106
Daniel J. Phelan <sup>(3)(7)</sup>	30,310
Frederic M. Poses <sup>(4)(7)</sup>	199,830
Lawrence S. Smith <sup>(3)(7)(8)</sup>	45,358
Paula A. Sneed <sup>(3)(7)</sup>	34,276
David P. Steiner <sup>(3)(7)</sup>	30,310
John C. Van Scoter <sup>(3)(7)</sup>	27,259
Laura H. Wright <sup>(3)</sup>	3,329
All directors, nominees and executive officers as a group (25 persons) <sup>(5)(7)(9)</sup>	6,370,521

- (1) The number shown reflects the number of shares owned beneficially as of January 2, 2015 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 2, 2015. All current directors, nominees and executive officers as a group beneficially owned 1.4% of the outstanding shares as of January 2, 2015. No current director, nominee or executive officer appearing in the above table beneficially owned 1% or more of the outstanding shares as of January 2, 2015.
- (2) The named person is named in the Summary Compensation table as an executive officer.
- (3) The named person is a director and nominee for director.
- (4) The named person is a director.
- (5) Includes shares issuable upon the exercise of stock options presently exercisable or exercisable within 60 days after January 2, 2015 as follows: Mr. Lynch—3,005,106; Mr. Curtin—394,937; Mr. Donahue—163,487; Mr. Hau—64,850; Mr. Shaddock—352,875; all executive officers as a group—5,200,905.
- (6) Includes 13,595 shares that either are or could be pledged as security for certain margin account transactions.

- (7) Includes vested deferred stock units (DSUs) as follows: Dr. Brondeau—12,159; Dr. Gromer—37,966; Mr. Phelan—12,159; Mr. Poses—13,630; Mr. Smith—16,272; Ms. Sneed—14,925; Mr. Steiner—12,159; Mr. Van Scoter—6,512. Distribution of DSUs will occur upon the termination of the individual's service on the Board of Directors. Upon such termination, TE Connectivity will issue the number of shares equal to the aggregate number of DSUs credited to the individual, including DSUs received through the accrual of dividend equivalents.
- (8) Includes 1,860 shares held in a trust and 3,000 shares held in a family limited partnership over which Mr. Smith has dispositive power. Mr. Smith disclaims beneficial ownership of such shares. Also includes 21,016 shares that either are or could be pledged as security for certain margin account transactions.
- (9) Includes 411 shares held by an executive officer that either are or could be pledged as security for certain margin account transactions. See also notes (6) and (8) above.

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 2, 2015.

<u>Name and Address of Beneficial Owner</u>	<u>Number of Shares</u>	<u>Percentage of Class</u>
Dodge & Cox <sup>(1)</sup> . . . . . 555 California Street, 40th Floor San Francisco, CA 94104	35,191,231	8.7%
Harris Associates L.P. <sup>(2)</sup> . . . . . Two North LaSalle Street, Suite 500 Chicago, IL 60602	27,155,660	6.7%

- (1) This information is based on a Schedule 13G/A filed with the SEC on February 13, 2014 by Dodge & Cox, which reported sole voting power and sole dispositive power as follows: sole voting power—33,831,130 and sole dispositive power—35,191,231.
- (2) This information is based on a Schedule 13G/A filed with the SEC on February 12, 2014 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—25,545,302 and sole dispositive power—25,545,302. 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.

## 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 eleven (11) nominees for individual election as directors to hold office until the annual general meeting of shareholders in 2016. All nominees are current directors of TE Connectivity Ltd. All nominees are listed below with brief biographies. Our Board Governance Guidelines include a retirement policy. Current board member Fred Poses was not nominated for re-election because he has reached the board's retirement age of 72 this year.

### Vote Requirement to Elect Directors

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of the election of each of the eleven (11) nominees for director.

### Recommendation

**The Board of Directors recommends a vote “FOR” the election of each of the eleven (11) 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 <http://www.te.com/aboutus/boardofdirectors.asp>.

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**, 57, joined our Board of Directors in June 2007, immediately following our separation from Tyco International Ltd. (“Tyco International”). 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 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 is a Director of Marathon Oil Corporation.

Dr. Brondeau has over 20 years of executive leadership experience, including 15 years of senior executive experience, at large multi-national public companies engaged in the specialty materials and chemicals industries. He has over 25 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.

**Juergen W. Gromer**, 69, joined our Board of Directors in June 2007, immediately following our separation from Tyco International. Dr. Gromer was President of Tyco Electronics from April 1999 until he retired from that position on December 31, 2007. From September 2006 until our separation from Tyco International, he also held the position of President of the Electronic Components Business segment of Tyco International. Dr. Gromer held a number of senior executive positions over the prior ten years with AMP Incorporated, which was acquired by Tyco International in 1999. Dr. Gromer received his undergraduate degree and doctorate in physics from the University of Stuttgart. Dr. Gromer is a Director of WABCO Holdings Inc. and Marvell Technology Group Ltd. He also is Chairman of the Board of the Society for Economic Development of the District Bergstrasse/Hessen, a member of the Advisory Board of Commerzbank, and a Director of the Board of the American Chamber of Commerce Germany.

Dr. Gromer retired as President of Tyco Electronics with over 25 years of achievement and executive management experience with the company and its predecessor AMP and provides valuable historical perspective to the Board. Dr. Gromer holds a Ph.D. in physics which, combined with past and current directorships with publicly-held technology companies in Europe and the United States, makes him a valuable contributor to the technology vision of the company. He also has financial, governance and global leadership expertise gained from his service as a member, executive or chairman of the boards of several European financial, utility and economic organizations.

**The Honorable Dr. William A. Jeffrey**, 54, joined our Board of Directors in March 2012. Since September 2014, Dr. Jeffrey has been Chief Executive Officer and President of SRI International, a research and development organization serving government and industry. Prior to that he served as Chief Executive Officer and President of HRL Laboratories, LLC, an automotive, aerospace and defense research and development laboratory from September 2008. 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.

**Thomas J. Lynch**, 60, was appointed Chairman of our Board of Directors on January 7, 2013, and has served on our Board of Directors since early 2007 and as Chief Executive Officer of TE Connectivity since January 2006. 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.

Mr. Lynch has extensive executive leadership experience in the electronics industry, having served as our chief executive officer for the past eight 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 former member of the U.S.-China Business Council. Mr. Lynch also serves as a member of the President's National Security Telecommunications Advisory Committee. Mr. Lynch's education in accounting and commerce and experience on the audit, compensation and nominating committees of the board of another large corporation provide him with valuable perspective for service on our Board.

**Yong Nam**, 66, joined our Board of Directors in March 2012. Since April 2013, he 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. Since April 2011, he has 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 is a Director of ADT Korea, a commercial and residential security services provider since June 2014 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 35 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**, 65, 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 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 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.

**Lawrence S. Smith**, 67, joined our Board of Directors in June 2007, immediately following our separation from Tyco International. Mr. Smith was Executive Vice President from 1995 and Co-Chief Financial Officer from 2002 of Comcast Corporation, a broadband cable provider, until his retirement in March 2007, following which he consulted for Comcast Corporation until 2010. He served in finance and administration positions at Comcast from 1988 to 1995. Prior to joining Comcast, Mr. Smith was Chief Financial Officer of Advanta Corporation. He also worked for Arthur Andersen LLP for 18 years, where he was a tax partner. Mr. Smith has a bachelor's degree from Ithaca College. Mr. Smith is a Director of Air Products and Chemicals, Inc. and was a director of GSI Commerce from 2008 until its acquisition by eBay Inc. in 2011.

Mr. Smith brings many years of public company experience both as chief financial officer of a large public company and by serving on the boards of international public companies. His significant experience with complex financial and operational issues combined with his knowledge of public reporting requirements and processes brings accounting, financial management and operational insight to the Board. He also has extensive mergers and acquisitions and corporate finance experience. Mr. Smith meets the SEC definition of an audit committee financial expert.

**Paula A. Sneed**, 67, 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 general management positions. Ms. Sneed received a bachelor's degree from Simmons College and an MBA from Harvard Graduate School of Business. Ms. Sneed is a Director of Airgas Inc. and Charles Schwab Corporation.

Ms. Sneed brings proven leadership in strategy development as CEO of a strategy and management consulting firm for seven 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 37 years of experience in corporate and non-profit leadership roles. Ms. Sneed also has over 20 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.

**David P. Steiner**, 54, joined our Board of Directors in June 2007, immediately following our separation from Tyco International. Since March 2004, Mr. Steiner has served as Chief Executive Officer and a Director of Waste Management, Inc., a provider of integrated waste management services, and also has been its President since June 2010. His previous positions at Waste Management included Executive Vice President and Chief Financial Officer from 2003 to 2004, Senior Vice President, General Counsel and Corporate Secretary from 2001 to 2003 and Vice President and Deputy General Counsel from 2000 to 2001. Mr. Steiner received a bachelor's degree from Louisiana State University and a law degree from the University of California, Los Angeles. Mr. Steiner is a Director of FedEx Corporation.

Mr. Steiner brings fourteen years of large public company leadership experience, including ten as CEO, two as CFO, and two as general counsel or in other legal roles. As a former CFO, he brings finance experience to the Board. He also brings large public company directorship experience to the

Board. Additionally, before his large public company experience, Mr. Steiner spent fourteen years in private practice at large law firms. His legal background makes him well suited to address legal and governance issues of the Board.

**John C. Van Scoter**, 53, joined our Board of Directors in December 2008. Since February 2010, Mr. Van Scoter has been Chief Executive Officer and President of eSolar, Inc., a producer of modular, scalable concentrating solar thermal power technology. He also is a Director of eSolar, Inc. From 2005 through 2009, he was Senior Vice President of Texas Instruments Incorporated, a global semiconductor company. During his 25 year career at Texas Instruments, he also held positions as General Manager of the Digital Light Processing (DLP®) Products Division and various Digital Signal Processor business units, manager of application specific integrated circuit (ASIC) product development and engineering, product engineer and technical sales engineer. Mr. Van Scoter holds a bachelor of science degree in mechanical engineering from the University of Vermont.

Mr. Van Scoter brings significant technology and leadership experience to the Board as CEO of a private energy technology producer. His training in mechanical engineering and experience as a product engineer, and over 25 years experience in the semi-conductor market, give him a unique background to assist the company in technology matters. Mr. Van Scoter also has experience in managing research and development, operations and manufacturing, as well as consumer channel marketing which provide useful insights to the company. His over 25 years of management and executive positions with a large public technology company and his close ties with sustainability issues and related best practices also are valuable to the Board.

**Laura H. Wright**, 54, 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. She is a Trustee of Pebblebrook Hotel Trust, a publicly traded hotel and real estate investment trust, since 2009, and serves on the Board of CMS Energy, a publicly traded company and its subsidiary Consumers Energy, since February 2013.

Ms. Wright brings 25 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 five years of public company directorship experience to the Board and meets the SEC definition of an audit committee financial expert.

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 above) and whether requesting additional information or an interview is appropriate.



## CORPORATE GOVERNANCE

### Governance Principles

The Board Governance Principles, which include guidelines for determining director independence and qualifications for directors, can be found on the company's website at <http://www.te.com/aboutus/boardofdirectors.asp>. 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 which are composed 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 selection 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 Mr. Lynch as Chairman of the Board and Mr. Poses as Lead Independent Director on January 7, 2013. Mr. Poses has served as our Lead Independent Director since January 7, 2013. In December 2014, our Board resolved to elect Pierre Brondeau to serve as our Lead Independent Director immediately following our Annual General Meeting of Shareholders on March 3, 2015.

In electing Mr. Lynch, the Board determined his deep knowledge of the company's day-to-day operations, strategy and risk management practices, appreciation of the principal challenges and opportunities facing the company and ability to provide unified leadership to execute the company's business plan, best positioned him to succeed Mr. Poses as Chairman. In December 2014, our Board resolved that Mr. Lynch continues to be the most appropriate person to serve as Chairman during the Lead Independent Director succession in order to facilitate an effective smooth transition of Lead Independent Director duties and responsibilities between Messrs. Poses and Brondeau. In resolving to elect Mr. 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 CEO to approve information sent to the Board; and
- fulfilling other responsibilities as determined by the Board.

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 an absolute majority of share votes represented 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, 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 company's risk assessment process was in place for the fiscal year ended September 26, 2014 and followed by the Board of Directors.

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.

### **Director Independence**

The Board has determined that ten of the eleven 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, Juergen W. Gromer, William A. Jeffrey, Yong Nam, Daniel J. Phelan, Lawrence S. Smith, Paula A. Sneed, David P. Steiner, John C. Van Scoter and Laura H. Wright. In reaching this determination for Mr. Nam, the Board considered the fact that Mr. Nam is an advisor to, and until March 2011 was CEO and Chairman of, LG Electronics, a Korean company with which TE Connectivity made purchases totaling approximately \$8.9 million and sales totaling approximately \$33.2 million in fiscal year 2014. Such transactions were a result of arms-length commercial dealings between the companies, which were not material individually or in the aggregate. The Board also determined that Frederic Poses was independent; Mr. Poses was not nominated for re-election at the 2015 annual meeting.

### **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 "About TE—Who We Are" at <http://www.te.com/en/about-te/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.

## **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/aboutus/contact\\_board.asp](http://www.te.com/aboutus/contact_board.asp).

## **Voting Standards for the Election of Directors**

Directors are elected by an affirmative vote of an absolute majority of the share votes represented, in person or by proxy, at a general meeting of shareholders and serve until the next annual general meeting of shareholders. Any nominee for director who does not receive an absolute majority of the share votes represented 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 share votes represented and the absolute majority of the par value of the share 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 an absolute majority of the share votes represented, in person or by proxy, at a general meeting of shareholders (an “absolute majority” means at least half plus one additional vote represented at a general meeting of shareholders).

## THE BOARD OF DIRECTORS AND BOARD COMMITTEES

### Board of Directors

The Board of Directors currently consists of twelve directors, eleven of whom are nominees for election. The Board held eight meetings in fiscal year 2014. Seven of our twelve incumbent directors attended 100% and the remaining directors attended at least 83% of the total number of meetings of the Board and committees on which they served in fiscal year 2014. It is the policy of the Board that directors are expected to attend the annual general meeting of shareholders. All directors attended the 2014 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.

### 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 <http://www.te.com/aboutus/boardofdirectors.asp>. 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 Lawrence Smith, who chairs the committee, Pierre Brondeau, Juergen Gromer and Laura Wright who joined the committee in March 2014. The Board has determined that each of Mr. Smith, Dr. Brondeau and Ms. Wright is an "audit committee financial expert," 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; assisting the Board in fulfilling its oversight responsibilities regarding the company's policies and guidelines 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 2014. The committee's report appears on pages 67-68.

### Management Development and Compensation Committee

The members of the Management Development and Compensation Committee are directors David Steiner, who chairs the committee, Daniel Phelan and Paula Sneed. 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 nine times in fiscal year 2014. The committee's report appears on page 51. 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 Frederic Poses, who chairs the committee, William Jeffrey, Yong Nam and John Van Scoter. 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 four meetings in fiscal year 2014.

#### **Meetings of Non-Management Directors**

The non-management directors met without any management directors or employees present four times in fiscal year 2014. Mr. Poses, as the Lead Independent Director, presided at these meetings.

#### **Non-Management Directors' Compensation in Fiscal 2014**

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 2014 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 four times the annual cash retainer (a total of \$360,000, based on the \$90,000 annual cash retainer as of September 28, 2013) within three 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. Commencing in fiscal year 2010, each non-employee director received TE Connectivity common shares as the equity component of their compensation, with the exception of Dr. Gromer, who continued to receive deferred stock units. The deferred stock units awarded to non-employee directors cannot be transferred until the director leaves the Board. As of fiscal 2014 year-end, all of the directors met, or in the case of Ms. Wright are on track to meeting, their stock ownership requirements.

**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 2016.

**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.

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 an absolute majority of the share votes represented 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.**

**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, David P. Steiner and John C. Van Scoter individually as members of the Management Development and Compensation Committee to hold office until the annual general meeting of shareholders in 2016.

**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 nominees are current directors of TE Connectivity Ltd. Mr. Phelan, Ms. Sneed and Mr. Steiner 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 an absolute majority of the share votes represented 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, David P. Steiner and John C. Van Scoter to the Management Development and Compensation Committee.**



## EXECUTIVE OFFICERS

The following table presents information with respect to our executive officers as of January 2, 2015.

<u>Name</u>	<u>Age</u>	<u>Position(s)</u>
Thomas J. Lynch . . . . .	60	Chief Executive Officer and Chairman of the Board
Mario Calastri . . . . .	57	Senior Vice President and Treasurer
Terrence R. Curtin . . . . .	46	Executive Vice President and President, Industrial Solutions
Joseph B. Donahue . . . . .	56	Executive Vice President and Chief Operating Officer; President, Network Solutions
Bradley A. Gambill . . . . .	51	Senior Vice President, Strategy and Business Development
Robert W. Hau . . . . .	49	Executive Vice President and Chief Financial Officer
John S. Jenkins, Jr. . . . .	49	Executive Vice President and General Counsel
Jane A. Leipold . . . . .	54	Senior Vice President, Global Human Resources
Steven T. Merkt . . . . .	47	President, Transportation Solutions
James O'Toole . . . . .	48	President, Consumer Solutions
Robert J. Ott . . . . .	53	Senior Vice President and Corporate Controller
Eric J. Resch . . . . .	57	Senior Vice President and Chief Tax Officer
Robert N. Shaddock . . . . .	56	Executive Vice President and Chief Technology Officer
Joan E. Wainwright . . . . .	54	President, Channel and Customer Experience

See “Nominees for Election” for additional information concerning Mr. Lynch who also is a nominee for director and for Chairman of the Board.

**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 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.

**Terrence R. Curtin** has been Executive Vice President and President, Industrial Solutions of TE Connectivity since August 2012 and previously served as Executive Vice President and Chief Financial Officer from October 2006 through July 2012. He served on the TE Connectivity Board prior to the separation. Mr. Curtin previously served as Vice President and Corporate Controller at Tyco Electronics since 2001. Prior to joining TE Connectivity, Mr. Curtin worked for Arthur Andersen LLP.

**Joseph B. Donahue** has been Executive Vice President and Chief Operating Officer of TE Connectivity since May 2011 and President, Network Solutions since August 2012. Previously he was President, Transportation Solutions of TE Connectivity from August 2010 through July 2012. He served as President, Global Automotive for the prior two years, and Senior Vice President, Global Automotive

from August 2007 until then. From 2006 to August 2007, he was Group Vice President, Woodcoatings Division for Valspar Corporation, a manufacturer of commercial and industrial coating. Over the prior 16 years, Mr. Donahue held a variety of senior management roles at TE Connectivity and AMP Incorporated, leading the North America automotive business from 2001 to 2006.

**Bradley A. Gambill** has been Senior Vice President, Strategy and Business Development since September 2012. From February 2011 to August 2012, Mr. Gambill served as Group Chief Strategy Officer for Singapore Telecommunications, an Asian telecommunications company. Prior to that, from July 2009 until February 2011, he served as Executive Vice President and Chief Strategy Officer of LG Electronics in South Korea. From November 2004 through June 2009, Mr. Gambill served in various leadership roles with Innosight, LLC, Innosight Asia Private Limited, Innosight Ventures, Inc. and Innosight Ventures Private Limited, including founding Innosight's Asian operations and Innosight's venture capital subsidiary.

**Robert W. Hau** has been Executive Vice President and Chief Financial Officer at TE Connectivity since August 2012. He previously served as Executive Vice President and Chief Financial Officer at Lennox International Inc., beginning in October 2009. Prior to that, he served as Vice President and Chief Financial Officer for Honeywell International's Aerospace Business Group from 2006 to 2009. Mr. Hau joined Honeywell (initially AlliedSignal) in 1987 and served in a variety of senior financial leadership positions, including Vice President and Chief Financial Officer for the company's Aerospace Electronic Systems Unit and for its Specialty Materials Business Group.

**John S. Jenkins, Jr.** has been Executive Vice President and General Counsel at TE Connectivity since October 2012. 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.

**Jane A. Leipold** has been Senior Vice President, Global Human Resources for TE Connectivity since 2006 and was previously Vice President, Global Human Resources since 2001. She has a total of 33 years of TE Connectivity, Tyco Electronics and AMP Incorporated experience and has held various human resources, purchasing and engineering positions.

**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, marketing, supply chain and new product launches since joining TE Connectivity in 1989.

**James O'Toole** has been President, Consumer Solutions at TE Connectivity since June 2011 and prior to that led the Circuit Protection and Touch Solutions businesses since joining TE Connectivity in 2009. Prior to that from 2006 to 2009, he served as Executive Vice President and General Manager for the Interior Modules business for Continental AG.

**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.

**Robert N. Shaddock** has been Executive Vice President and Chief Technology Officer of TE Connectivity since January 2012, and prior to that served as Senior Vice President and Chief Technology Officer since September 2008. Previously, he was Senior Vice President of the Consumer Products business at Motorola from August 2007 to August 2008 and prior to that he was Chief Technology Officer for Motorola's Mobile Devices business since January 2004.

**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 the company 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.

## 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 has established 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, the Chief Financial Officer, and the three other most highly compensated executive officers. The following table shows the named executive officers and their primary compensation for fiscal year 2014. You can find more complete information about all elements of compensation for the named executive officers in the Summary Compensation table that appears on page 52.

Name	Title	Base Salary	Annual Incentive (cash bonus)	Long-Term Incentive (Options, PSUs and RSUs) <sup>(1)</sup>
Thomas J. Lynch	Chief Executive Officer . . . . .	\$1,172,308	\$2,512,800	\$7,514,199
Robert W. Hau	EVP and Chief Financial Officer . . . . .	\$ 604,738	\$ 679,964	\$1,903,966
Terrence R. Curtin	EVP and President, Industrial Solutions . . . . .	\$ 651,500	\$ 739,693	\$2,304,434
Joseph B. Donahue	EVP and Chief Operating Officer; President, Network Solutions . . . . .	\$ 677,530	\$ 736,371	\$2,304,434
Robert N. Shaddock	EVP and Chief Technology Officer . . . . .	\$ 569,885	\$ 644,952	\$1,753,114

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

### Fiscal 2014 Executive Compensation Highlights

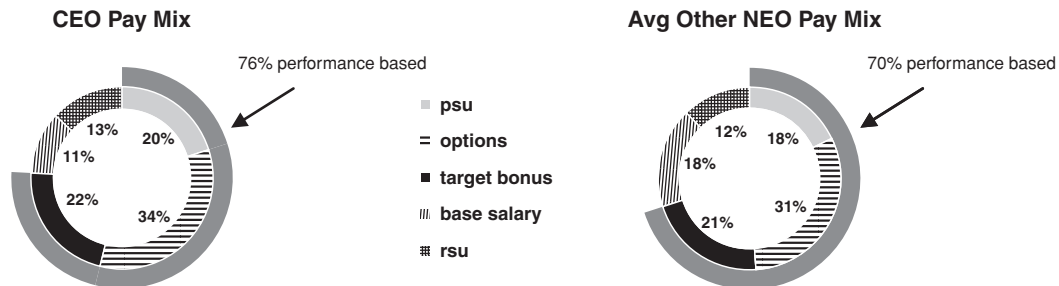
This section identifies the most significant decisions and changes made regarding TE Connectivity’s executive compensation in fiscal year 2014. Each item is discussed in more detail on the pages noted.

#### *Say on Pay Vote Results*

At the last annual meeting, shareholders expressed support for our executive compensation programs, with 90% of shareholders voting to ratify the compensation of our named executive officers. See page 46.

### Overall Structure

- We continue to structure our executive compensation programs to be performance driven through the use of annual and long-term incentive programs. See pages 39-44.



- Currently, all long-term compensation is delivered in the form of equity awards. Long-term incentive awards are granted primarily in the form of stock options and performance stock units (PSUs) to ensure that pay opportunities are linked to shareholder return and to maximize share ownership by our executive officers. See pages 43-44.

### Base Salaries

All of the named executive officers received merit increases in fiscal year 2014. The increase amount was based on an evaluation of several factors including individual performance and position to external market benchmarks. See page 39.

### Annual Incentives

- Our fiscal year 2014 annual incentive plan replaced operating margin with revenue to increase our focus on growing the business. See pages 39-43.
- Fiscal year 2014 results overall were strong, but not all of our business units performed at or above target performance levels. Consistent with our philosophy, annual incentive plan payouts to each named executive officer reflected the performance of his particular business unit or overall company performance, as applicable, though the MDCC has limited discretion to recognize superior individual performance. See pages 39-43.

### Long-Term Incentives

- Long-term incentive grant levels were relatively flat compared to fiscal year 2013 values for most of our named executive officers, although some were slightly higher to recognize significant individual performance and leadership critical to driving future shareholder value. See pages 43-44.
- We issued performance stock unit (PSU) grants to our named executive officers, with the opportunity to earn shares of the company's stock based on predetermined performance criteria. See pages 43-44.

### Governance

- We continued to include a "clawback" provision in all executive officer fiscal year 2014 incentive award agreements (both annual and long-term) to enable TE Connectivity to recover those awards if the MDCC determines they were based on erroneous financial information.
- 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. Additionally, our named executive officers and employees are prohibited from engaging in transactions in puts, calls, cashless collars, options, short sales, or similar rights, obligations, or transactions involving TE Connectivity securities, other than the exercise of a company issued stock option. Our policy also places timing restrictions on when executive officers can enter into trading transactions concerning our securities.

#### *Swiss Law Requirements—Swiss Ordinance*

In 2013, a new set of corporate governance and executive compensation rules were adopted by the Swiss government, in particular the new 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.

- **Employment Contracts with Executive Officers**—In fiscal year 2014 (and prior to January 1, 2014) the company entered into formal employment contracts with a number of executive officers, including the named executive officers. Those employment contracts will expire on December 31, 2015 and do not contain any automatic renewal features. Those employment contracts memorialized without change the current terms and conditions of each executive officer’s employment with the company, including his or her current right to participate in the TE Connectivity Severance Plan for U.S. Executives (the “Severance Plan”) and the TE Connectivity Change in Control Severance Plan for Certain U.S. Executives (the “CIC Plan”). Under the Swiss Ordinance, severance payments for certain executive officers have been prohibited since the Swiss Ordinance became effective January 1, 2014 unless the right to receive the severance benefits is contained in an employment contract entered into before January 1, 2014. In that event, those executive officers may continue to receive severance benefits through December 31, 2015. To ensure protection of the current rights of the executive officers to continue to receive the benefits provided under the Severance Plan and CIC Plan through December 31, 2015, the Company documented those rights without change in the formal employment contracts, before January 1, 2014.
- **Amendments to the Company’s articles of association**—Under the Swiss Ordinance, the Company is required to revise its articles of association to describe certain corporate governance matters and executive compensation principles. As more fully described in Agenda Item No. 8 and Agenda Item No. 9, the Company has amended its articles of association to comply with the Swiss Ordinance and is seeking shareholder approval of those amendments. Among the items covered in the amended articles are: the process under which the Company will seek 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; 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 permissible mandates of the members of the Board of Directors and executive management.
- **Binding Say-on-Pay**—Under the Swiss Ordinance, shareholders have the right to vote on the aggregate compensation that will be paid to the Board of Directors and executive management. This requirement becomes effective with compensation paid or awarded starting in fiscal year 2016. Agenda Item No. 13 contains the Company’s request for shareholder approval of the aggregate compensation that can be paid to executive management during fiscal year 2016 and Agenda Item No. 14 contains the Company’s request for shareholder approval of the aggregate compensation that can be paid to the Board of Directors during fiscal year 2016.

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

*Shareholder alignment*—Our executive compensation programs are designed to create shareholder value. Long-term incentive awards, which make up a significant percentage of our executives' total compensation, closely align the interests of executives with the long-term interests of our shareholders.

*Performance based*—Many components of our executive compensation package are linked to performance. For example, annual cash incentive awards are tied to overall corporate, segment or business unit measures that distinguish our highest from our lowest performing business units. Our program also permits limited discretion 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. Effective fiscal year 2013, 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. In particular, we consider compensation for comparable executives within a general peer group of companies that compete with us for executive talent and a peer group of companies in the electronics industry, and where appropriate, supplement these analyses with additional indices for unique positions.

*Focus on executive stock ownership*—The TE Connectivity Ltd. Share Ownership and Retention Requirement Plan, together with long-term equity awards, drives executive stock ownership. Beginning in fiscal year 2014, stock ownership requirements for the named executive officers have increased from two to three times base salary.

*Simple and transparent*—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 reviews, analyzes and approves the design of the company's executive compensation policies and programs; administers the company's stock incentive plans, including reviewing and approving equity incentive awards for executive officers; and reviews and approves all compensation decisions relating to the executive officers other than the Chief Executive Officer.

The MDCC makes recommendations to the independent members of the Board regarding Mr. Lynch's compensation. The recommendations are based on factors such as Mr. Lynch's 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 only by the committee members, the compensation consultant, and TE Connectivity's Senior Vice President, Global Human Resources, who attends primarily to provide contextual information. Mr. Lynch 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 Compensation*

Management does not have any role in developing Chief Executive Officer compensation except for providing relevant data relating to the Chief Executive Officer’s performance and compensation history.

#### *Other Named Executive Officer Compensation*

Mr. Lynch makes recommendations to the MDCC relating to compensation actions for the other executive officers, including the other named executive officers. He bases these recommendations on his assessment of each executive officer’s performance and contributions to strategic initiatives, competitive market data provided by the compensation consultant, and other factors he deems 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, Global Human Resources, is present when the MDCC and Mr. Lynch discuss compensation actions for the other named executive officers.

### **Role of the Compensation Consultant**

Under its charter, the MDCC has authority to retain consultants, counsel, accountants and others to help the members perform their duties. During fiscal year 2014, the MDCC retained Pay Governance LLC to be its independent compensation consultant. Pay Governance reports directly to the MDCC, and only the MDCC has the discretion 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 2014, Pay Governance did not provide any additional services to the company.

Pay Governance helps develop the company’s executive compensation programs and executive pay levels, and generally advises the MDCC on executive compensation issues and trends. In fiscal year 2014, 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 guidelines for executive officers
- 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
- Provided advice to the MDCC and the Nominating, Governance and Compliance Committee on director compensation levels
- Provided advice to the MDCC on the Chief Executive Officer’s compensation
- Reviewed the 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 programs
- 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.

### 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 72 companies, listed in Appendix A, with publicly disclosed fiscal-annual revenues ranging from \$548 million to \$86.6 billion and a median of \$4.7 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 comprises 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 shown below, there currently are 15 companies in the secondary industry peer group, with publicly disclosed fiscal-annual revenues ranging from \$4.6 billion to \$42 billion and a median of \$19.1 billion. In prior years, Molex Incorporated was part of the secondary peer group. Molex Incorporated was acquired by Koch Industries in December, 2013.

3M Company	Exelis Incorporated
Agilent Technologies Inc.	General Dynamics Corporation
Amphenol Corporation	Harris Corporation
Corning Incorporated	Honeywell International Inc.
Danaher Corporation	Johnson Controls, Inc.
Eaton Corporation	Parker Hannifin Corporation
EMC Corporation	SPX Corporation
Emerson Electric Co.	

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.

## **Compensation Overview—Process**

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

- Base salary
- Annual cash incentives
- Long-term equity incentives
- Executive benefits and perquisites
- Broad-based retirement and health and welfare benefits

In determining the appropriate total compensation level for each executive officer, the MDCC first considers the market reference point. The MDCC will look at competitive data which includes the 50<sup>th</sup> and 75<sup>th</sup> percentiles of our primary talent market peer group for the executive officer's particular role for total direct compensation (target total cash compensation plus the target long-term incentive opportunity) and for the individual components of base salary, target bonus and target long-term incentive awards. Starting with that data, the MDCC then evaluates other factors, including differences in the executive's responsibilities versus the benchmark role, internal pay equity and relative importance of the executive's role with TE Connectivity, individual performance and contributions to strategic initiatives, level of experience and compensation history.

The MDCC then conducts a comprehensive assessment of total compensation with the assistance of the compensation consultant. The assessment for each executive officer analyzes 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 in light of current market practices. 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 benchmark amount and to the amounts awarded to other executive officers.

Finally, the Chief Executive Officer provides the MDCC with a more detailed performance assessment for the other executive officers and makes his recommendations concerning compensation actions.

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 Board follow a similar process to set the Chief Executive Officer's compensation. 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. Similarly, the MDCC may approve a total compensation package or individual compensation components that exceed the market reference point for a critical management role in order to attract a highly qualified external candidate.

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

## **September 2014 Compensation Assessment**

In September 2014, the MDCC, with the assistance of the compensation consultant, conducted an assessment of each executive officer's fiscal year 2014 compensation in the manner described above. This assessment indicated that the total direct compensation levels for some of our named executive officers varied from the applicable market reference points. The fiscal year 2014 total direct

compensation levels for Messrs. Lynch, Hau and Donahue were positioned within ten percent of the 50<sup>th</sup> percentile of their peer market reference points. The total direct compensation level for Messrs. Curtin and Shaddock was positioned closer to the 75<sup>th</sup> percentile. The MDCC believes that total compensation levels for Messrs. Curtin and Shaddock are appropriate and consistent with our executive compensation philosophy. We continue to pay Mr. Curtin closer to the 75<sup>th</sup> percentile of the peer group of his current role as it is our practice not to reduce an executive’s target compensation when they assume a new position for development purposes. Mr. Shaddock serves in a critically influential capacity setting strategic direction across the businesses on technology.

As discussed below under the heading “Elements of Compensation,” the results of the September 2014 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 2015.

## Elements of Compensation

### *Base salary*

Base salary provides fixed compensation for performing the executive’s core duties and responsibilities. For fiscal year 2014, all of the named executive officers received merit increases. The increase amount was based on an evaluation of several factors including individual performance and position to external market benchmarks. The following base salary adjustments were approved for the named executive officers effective January 1, 2014.

	<b>Increase Amount</b>	<b>From</b>	<b>To</b>
Mr. Lynch*	9.1%	\$1,100,000	\$1,200,000
Mr. Hau	2.5%	\$ 594,000	\$ 608,850
Mr. Curtin	2.5%	\$ 639,932	\$ 655,930
Mr. Donahue	2.5%	\$ 665,500	\$ 682,137
Mr. Shaddock	5.0%	\$ 550,000	\$ 577,500

\* Mr. Lynch received a 9.1% merit increase to recognize his past year performance and to maintain his competitive pay position in the marketplace.

For 2015, Messrs. Hau, Curtin, Donahue and Shaddock will receive a 2.0% merit increase. Mr. Lynch’s base salary will remain the same for 2015.

### *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, segment or business unit level, which 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 achieved at predetermined target levels.

Our annual incentive awards typically 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 maximum performance level required to earn the maximum bonus permitted. At the same time, the MDCC establishes a target bonus percentage for each executive officer, which is expressed as a percentage of base pay. Executive officers will receive an award based on the target bonus percentage and the attained performance level. No annual incentive payments are made if threshold performance levels are not achieved, absent extenuating circumstances that the

MDCC believes merit an exception. Payouts typically change proportionately for achievement at levels between goals. Although the payout on an individual metric may reach 300%, we impose a cap (200% of target in fiscal year 2014) on the maximum amount that can be earned for all metrics combined.

The target bonus percentages for fiscal year 2014 were 80% for Mr. Hau and Mr. Shaddock; 90% for Mr. Donahue and Mr. Curtin; and 150% for Mr. Lynch. For fiscal year 2015, target bonus percentages for Messrs. Lynch, Curtin, Donahue, and Shaddock remain the same as fiscal year 2014 targets. Effective fiscal year 2015, Mr. Hau's target bonus percentage increased to 85% to better align with market practice.

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 avoid excessive risk. For fiscal year 2014 the corporate level measures were earnings per share and free cash flow which were weighted 15% each. Segment level measures included revenue weighted at 30%, operating income and a key performance indicator each weighted at 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.

2014 Metric	Weighting
Earnings per share	15%
Free cash flow	15%
Revenue	30%
Operating income	20%
Key performance indicator	20%

The key performance indicator is identified at the business unit level to reflect growth, productivity or a quality metric as appropriate for the business unit's key initiatives for the year. 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.

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 2014, the adjustments to EPS, revenue and operating income, as applicable, were as follows (i) exclusion of acquisition and integration charges, (ii) exclusion of restructuring and other related 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), (vi) exclusion of income tax expense related to adjustments to prior year income tax returns, (vii) exclusion of income tax benefits recognized in connection with a reduction in the valuation allowance associated with certain tax loss carry forwards, and (viii) exclusion of other income related to reimbursements by Tyco International and Covidien plc in connection with pre-separation tax matters including amounts related to our share of a settlement agreement entered into by Tyco International with a former subsidiary. For fiscal year 2014, free cash flow is defined as net cash provided by continuing operating activities excluding net payments related to pre-separation tax matters, minus net capital expenditures adjusted for certain one-time unplanned cash receipts. Net capital expenditures represent capital expenditures less proceeds from the sale of property, plant, and equipment.

The table below shows the performance range for payouts under the fiscal year 2014 annual incentive program, as well as the payouts to be awarded for threshold or maximum performance.

<u>Metric</u>	<u>Threshold</u>	<u>Target</u>	<u>Maximum*</u>	<u>Threshold payout (% of target)</u>	<u>Target payout (% of target)</u>	<u>Maximum payout* (% of target)</u>
EPS . . . . .	90%	100%	110%	50%	100%	200%
Free cash flow . . . . .	80%	100%	120%	50%	100%	200%
Revenue . . . . .	97%	100%	103%	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 of up to 300%, with the exception of the key performance indicator which will be capped at 200%. In order to ensure profitable growth, revenue is capped at 200%, unless operating income results are at target or greater. 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 2014 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 subjective 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 discretionary adjustments. In addition, there is a discretionary award pool of \$10 million (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 the performance results against the established financial measures; however an individual employee's incentive cannot exceed 200% of their target bonus percentage. The company did not use any of the \$10 million discretionary pool to increase any employee's annual incentive payout.

Fiscal year 2014 performance targets, actual attainment, and corresponding annual incentive award results at the corporate level and for the Industrial Solutions and Network Solutions business segments were as follows:

*Corporate Level*

<u>Performance Measure (% weighting)</u>	<u>Target</u>	<u>Results</u>	<u>Performance % to Target</u>	<u>Bonus Score**</u>
EPS (15%) . . . . .	\$ 3.60	\$ 3.77	104.7%	147.2%
Free Cash Flow (15%) . . . . .	\$ 1,355	\$ 1,460	107.7%	138.8%
Revenue (30%) . . . . .	\$13,776	\$13,866	100.7%	116.2%
Operating Income (20%) . . . . .	\$ 2,041	\$ 2,130	104.4%	143.2%
Key Performance Indicator Metric (20%) . . . . .	*	*		165.8%
<b>Corporate Level Earned Award:</b> . . . . .				<b>139.6%</b>

### *Industrial Solutions*

<u>Performance Measure (% weighting)</u>	<u>Target</u>	<u>Results</u>	<u>Performance % to Target</u>	<u>Bonus Score**</u>
EPS (15%) . . . . .	\$ 3.60	\$ 3.77	104.7%	147.2%
Free Cash Flow (15%) . . . . .	\$1,355	\$1,460	107.7%	138.8%
Business Unit Revenue (30%) . . . . .	\$3,218	\$3,211	99.8%	95.8%
Business Unit Operating Income (20%) . . . . .	\$ 545	\$ 539	98.9%	93.7%
Key Performance Indicator Metric (20%) . . . . .	*	*		185.0%
<b>Industrial Solutions Earned Award:</b> . . . . .				<b>127.4%***</b>

### *Network Solutions*

<u>Performance Measure (% weighting)</u>	<u>Target</u>	<u>Results</u>	<u>Performance % to Target</u>	<u>Bonus Score**</u>
EPS (15%) . . . . .	\$ 3.60	\$ 3.77	104.7%	147.2%
Free Cash Flow (15%) . . . . .	\$1,355	\$1,460	107.7%	138.8%
Business Unit Revenue (30%) . . . . .	\$3,084	\$2,900	94.0%	0%
Business Unit Operating Income (20%) . . . . .	\$ 335	\$ 238	71.0%	0%
Key Performance Indicator Metric (20%) . . . . .	*	*		130.6%
<b>Network Solutions Earned Award:</b> . . . . .				<b>69.0%</b>

\* For purposes of annual incentive payouts, the MDCC reduced the actual numbers to those listed in the table to better reflect the operating performance of the company. The company's business segments, including Industrial Solutions and Network Solutions, and the corporate level were not assigned specific key performance indicator metrics for fiscal year 2014. The Industrial Solutions and Network Solutions bonus scores for the key performance indicator metrics are the revenue-weighted averages of each of their respective business units' key performance indicator metric scores. The company has determined that disclosure of the key performance indicator metric would result in competitive harm. In setting the key performance indicator metrics for each business unit, the company established targets that represented significant improvement over the fiscal year 2013 attained performance levels and were deemed to be difficult to attain assuming 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 all business units across the company.

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

\*\*\* The final Industrial Solutions bonus score was adjusted downward to 125.3% reflecting management's assessment of the segment's actual contribution to free cash flow performance as compared to plan.

The Corporate Level Earned Award score is the award percentage used in calculating the fiscal year 2014 annual incentive payouts for Messrs. Lynch, Hau, and Shaddock. The fiscal year 2014 annual incentive payout for Mr. Curtin was calculated using the Industrial Solutions adjusted award score. The fiscal year 2014 annual incentive payout for Mr. Donahue was based on a 50% split between Corporate and Network Solutions; however, the MDCC applied an individual performance rating of 115% of his target award in recognition of his extraordinary work as the Chief Operating Officer of the company.

For fiscal year 2015, we decreased the number of metrics from five to four eliminating free cash flow as a performance measure. Each segment will use revenue, an operating income metric, and a key

performance indicator, the combined business unit metrics will be 80% and the corporate metric, EPS will be weighted 20%.

For fiscal year 2015, the payout ranges described in the chart on page 41 are generally unchanged. The performance ranges for EPS are unchanged. The performance range for operating income or operating income margin generally will have a threshold level of 90% and a maximum level of 110% with some variation depending upon business unit, and the revenue metric will generally have a threshold level of 95% and a maximum level of 105% with some variation depending upon business unit.

#### *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 over a four-year period, with 25% becoming vested and exercisable on each anniversary of the grant date. RSUs vest equally over four years starting on the first anniversary of the grant date. PSUs can earn value each year based on achievement of predetermined performance criteria during a three-year period, and vest in full upon the MDCC’s certification of the third year’s performance results. We believe this vesting schedule encourages executives to remain with TE Connectivity and strive to continually improve shareholder value.

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. In each year of the performance cycle, one-third of the PSUs granted (the “annual target amount”) can be earned but not vested based on the predetermined performance schedule which is as follows:

<u>Metric</u>	<u>Threshold</u>	<u>Target</u>	<u>Maximum</u>	<u>Threshold payout</u>	<u>Target payout</u>	<u>Maximum payout</u>
Relative EPS Growth Percentile Ranking . . .	25 <sup>th</sup> percentile	45 <sup>th</sup> to 55 <sup>th</sup> percentile	75 <sup>th</sup> percentile	50% of target	100% of target	200% of target

Annually, a minimum threshold must be achieved in order for any portion of the PSUs to be earned. Specifically, in any year that the company’s EPS growth is within the 45th to 55th percentile of the index, the annual target amount will be reserved for delivery to the named executive officer following completion of the three-year performance cycle. If the company’s results are higher, up to 200% of the annual target amount will be reserved for delivery. If results are lower, a smaller percentage will be reserved for delivery, and no PSUs will be reserved if the performance threshold has not been met. PSUs that have been reserved will vest following the close of the three-year performance cycle. The named executive officer also will receive dividend equivalent stock units at the conclusion of the three-year performance cycle, commensurate with the portion of the PSUs that are reserved and vested.

Our fiscal year 2013 EPS growth was 12.9%, which was at the 63.2 percentile of the peer group. Using the payout schedule above, a 141.0% factor was reserved for the first year of our fiscal year 2013 PSU grant. Our fiscal year 2014 EPS growth was 17.3% which was the 69.0 percentile of the peer group. Using the payout schedule above a 170.0% factor was reserved for the second year of our fiscal year 2013 PSU grant and for the first year of our fiscal year 2014 PSU grant.

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. However, consistent with our philosophy that a majority of an executive officer's compensation should be performance-based and aligned with shareholders' interest, long-term equity incentive awards for executive officers are weighted heavily in the form of stock options and PSUs.

In order to facilitate the long-term equity incentive grant process and promote internal pay equity, the MDCC has established guidelines that group certain executive officers (excluding Mr. Lynch) together in separate grant ranges based on factors such as market benchmark data, similarity in roles and scope of business, or the impact of the executive officer's role on the organization. The MDCC then assigns an equity value range for each executive officer group based on applicable competitive market data. Grant values actually awarded to each executive are intended to be within the ranges assigned, although the MDCC may grant awards outside an assigned range to recognize exceptional or below average performance. The MDCC reviews the guidelines annually and adjusts them as appropriate.

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. Lynch 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. Lynch, the MDCC reviews the applicable market reference data, competitive compensation analysis, and any additional input from the compensation consultant, and also assesses Mr. Lynch's performance. Based on this information, the MDCC presents a recommendation to the independent members of the full Board for consideration.

#### Fiscal 2014 Long-Term Incentive Awards

As part of the annual award process, the MDCC reviewed the equity value ranges against updated market data and determined that the fiscal year 2014 equity value ranges should remain the same as fiscal year 2013. Under the equity value ranges for fiscal year 2014, Messrs. Curtin, Donahue and Hau are grouped together in the same long-term incentive range and Mr. Shaddock is grouped together with other executives in a different long-term incentive range. For our named executive officers other than Mr. Lynch, the equity value ranges for the fiscal year 2014 long-term equity incentive awards were as follows:

- Messrs. Curtin, Donahue and Hau—\$1,000,000–\$3,000,000
- Mr. Shaddock—\$600,000–\$1,800,000

Annual long-term equity incentive awards for fiscal year 2014 were granted in the first quarter of the fiscal year. The values of these awards for the named executive officers appear in the Summary Compensation and Grants of Plan-Based Awards tables. Fiscal year 2014 equity incentive awards for executive officers were made in the form of stock options (50%), PSUs (30%) and RSUs (20%).



The equity award values approved by the MDCC for the named executive officers for fiscal year 2014 were as follows:

Mr. Lynch .....	\$7,500,000
Mr. Hau .....	\$1,900,000
Mr. Curtin .....	\$2,300,000
Mr. Donahue .....	\$2,300,000
Mr. Shaddock .....	\$1,750,000

In establishing Mr. Lynch’s award, the MDCC considered Mr. Lynch’s continued strong leadership of the company through another successful year in fiscal year 2013, and the competitive total direct compensation and long-term incentive benchmark data from the company’s two peer groups.

Fiscal 2015 Long-Term Incentive Awards

Annual long-term equity incentive awards for fiscal year 2015 were granted in November 2014. (These equity awards are not reflected in the Summary Compensation or Grants of Plan-Based Awards tables because those tables only cover fiscal year 2014.) For our named executive officers other than Mr. Lynch, the equity value ranges for the fiscal year 2015 long-term equity incentive awards are unchanged.

The fiscal year 2015 equity incentive awards for the named executive officers were in the form of stock options (50%), PSUs (30%) and RSUs (20%). The equity award values approved by the MDCC for the named executive officers for fiscal year 2015 were as follows:

Mr. Lynch .....	\$8,500,000
Mr. Hau .....	\$2,000,000
Mr. Curtin .....	\$2,400,000
Mr. Donahue .....	\$2,300,000
Mr. Shaddock .....	\$1,750,000

*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 2014, based on the data reported in the Summary Compensation Table. As indicated, performance-based incentives constituted at least 66%,

and as much as 74%, of fiscal year 2014 compensation for the named executive officers. The allocations differ among the named executive officers because of market practice for their respective positions.

	<u>Base Salary Rate</u>	<u>Long-Term Incentives<sup>(4)</sup></u>	<u>Annual Incentive</u>	<u>Other Compensation</u>
Lynch .....	10%	65%	22%	3%
Hau <sup>(1)</sup> .....	18%	55%	20%	7%
Curtin .....	17%	60%	19%	4%
Donahue <sup>(2)</sup> .....	17%	58%	19%	6%
Shaddock <sup>(2)(3)</sup> .....	18%	56%	21%	5%

- (1) The amount shown in the “Other Compensation” column for Mr. Hau includes relocation expenses.
- (2) For Mr. Donahue and Mr. Shaddock, amounts do not include the value of expatriate-related tax items.
- (3) The amount shown in the “Other Compensation” column for Mr. Shaddock includes his rental housing payments and company car-related expenses, but excludes the value of the other benefits paid on Mr. Shaddock’s behalf as a result of his assignment in China. For more information, see footnote (a) of the “All Other Compensation” table in the Summary Compensation table section of this proxy statement.
- (4) Long-term incentives are comprised of 50% stock options, 30% PSUs and 20% RSUs.

#### **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 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 for these purposes.

In evaluating compensation programs covering our executive officers, the MDCC considers the potential impact on the company of Section 162(m) and generally intends to maximize the deductibility of compensation. However, the MDCC reserves the right to approve nondeductible compensation where necessary to achieve our overall compensation objectives and to ensure the company makes appropriate payments to executive officers.

#### **Shareholder Advisory Vote on Executive Compensation**

Although the advisory shareholder vote on executive 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. At our annual general meeting of shareholders held on March 4, 2014, shareholders representing 90% of the votes cast on the “say-on-pay” proposal approved the compensation of our named executive officers. Based on those results, the MDCC believes shareholders support the company’s executive compensation philosophy and the compensation paid to the named executive officers.

## Risk Profile of Compensation Programs

The MDCC has structured our executive compensation programs to provide the appropriate level of incentives without encouraging our 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 2014. We first conducted an inventory of our executive and non-executive incentive compensation programs globally, including all significant sales incentive programs. 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 2014 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 a more appealing employer to prospective employees.

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

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

<u>Years of Service</u>	<u>Employee Contribution*</u>	<u>Company Contribution*</u>
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 compensation, which, for purposes of the RSIP, generally includes base salary and annual incentive awards.

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 and SSRP after three years of service.

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 (Company matching contributions stop once compensation reaches the IRS maximum compensation limit).

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.

Mr. Donahue has accrued a benefit under two frozen tax-qualified defined benefit plans, as described in the Pension Benefits for Fiscal 2014 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**

The company permits the Chief Executive Officer to use the company aircraft for limited non-company business purposes, as further described in footnote (a) to the All Other Compensation table following the Summary Compensation table. There are no other perquisites provided to U.S. executive officers.

### **Expatriate Assignment Benefits**

As described in the Summary Compensation table that follows this CD&A, Mr. Shaddock received certain benefits to compensate him for relocating to China. These benefits are paid 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, utility allowance, 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. Donahue was assessed additional taxes in fiscal year 2014 in conjunction with his overseas assignment that concluded at the end of 2011, 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. Hau received certain benefits to compensate him for relocating to the company's offices in Berwyn, Pennsylvania. 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. Hau's benefits were provided under the level covering senior managers of the company.

## Change in Control and Termination Payments

The company maintains the TE Connectivity Severance Plan for U.S. Executives (referred to as the Severance Plan) and the TE Connectivity Change in Control Severance Plan for Certain U.S. Executives (referred to as the CIC Plan). The company believes that maintaining severance and change in control benefits is appropriate in order to attract and retain executive talent: such benefits are standard at our peer companies. In addition, we believe such benefits help us avoid costly and potentially protracted separation negotiations, ensure continuity of management in the event of an actual or threatened change in control, and protect our executive officers' investment in the company. With the assistance of its compensation consultant, the MDCC performed a competitive analysis of both plans in fiscal year 2012 and determined that the benefits provided were standard in the marketplace.

The following describes our change in control and termination payments reflected in our current practice for executives that were in office and have employment agreements dated before January 1, 2014 when the Swiss Ordinance came into effect. Note that some of these features will change as a result of the Swiss Ordinance.

Under the Severance Plan, benefits are payable to an executive officer only upon an involuntary termination of employment for any reason other than cause, permanent disability or death. In order to obtain severance benefits, the executive officer must accept a confidentiality agreement, a one-year non-compete agreement, a two-year non-solicitation agreement, and non-disparagement covenants in favor of the company.

The Severance Plan provides cash severance upon termination of employment as follows:

- for the Chief Executive Officer, two times base salary plus two times target bonus
- for officers who are subject to Section 16 of the Securities Exchange Act of 1934 and also are direct reports to the Chief Executive Officer, one and one-half times base salary plus one and one-half times target bonus
- for other executive officers, an amount equal to base salary plus target bonus.

Cash severance payments under the Severance Plan will be made in monthly installments. In addition, the terminated executive will be eligible to receive a pro rata annual incentive payment for the year in which the termination occurs and continued health and welfare benefits for twelve months. Outstanding equity awards will be treated in accordance with the applicable award agreement.

“Cause” under the Severance Plan is defined as substantial failure or refusal to perform duties and responsibilities of the executive's job, violation of fiduciary duty, conviction of a felony or misdemeanor, dishonesty, theft, violation of our rules or policies, or other egregious conduct that has or could have a serious and detrimental impact on TE Connectivity and its employees.

Severance benefits for non-U.S. executives generally will be based on local statutory requirements.

The CIC Plan incorporates a “double trigger” concept before benefits become payable. In other words, benefits are payable to an executive officer under the CIC Plan only upon an involuntary termination of employment by the company or “good reason resignation” that occurs during a period shortly before and continuing after a change in control (a “qualifying termination”). In order to obtain benefits, the executive officer must accept confidentiality, non-competition, and non-solicitation agreements, and non-disparagement covenants in favor of the company.

For purposes of the CIC Plan, “good reason resignation” generally means assignment of duties materially inconsistent with the executive's position, a material adverse change in the executive's position, company actions that would cause the executive to violate his or her ethical or professional obligations, relocation to a place of employment more than 60 miles from the executive's current place

of employment, a reduction in the executive's base salary or annual bonus, a reduction in the aggregate of the executive's benefits, or failure by the company to have its obligations under the CIC Plan assumed by a successor.

No benefits are payable under the CIC Plan if the executive officer is terminated for "cause." "Cause" is defined as a violation of fiduciary duty, conviction of a felony or misdemeanor, dishonesty, theft, or other egregious conduct likely to have a materially detrimental impact on TE Connectivity and its employees.

The CIC Plan provides cash severance in the event of a qualifying termination as follows:

- for the Chief Executive Officer, three times base salary plus three times target bonus
- for officers who are subject to Section 16 of the Securities Exchange Act of 1934 and also are direct reports to the Chief Executive Officer, two times base salary plus two times target bonus
- for other executive officers, one and one-half times base salary plus one and one-half times target bonus.

Cash severance payments under the CIC Plan will be made in one lump sum. In addition, a terminated executive will be eligible to receive a pro rata annual incentive payment for the year in which the termination occurs and continued health and welfare benefits for twelve months. Outstanding stock options and RSUs will become fully vested in the event of a qualifying termination. PSUs will vest pro rata in accordance with their terms and performance criteria. Cash severance and other benefits payable as a result of a qualifying termination 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. Benefits payable under the CIC Plan will not be grossed up to reflect Section 280G or any other taxes.

### **Executive Stock Ownership Requirements**

The company maintains a Share Ownership and Retention Requirement Plan applicable to the executive officers, including the named executive officers. In fiscal year 2014, the MDCC reviewed the Share Ownership and Retention Requirement Plan and decided to increase the TE Connectivity common shares ownership requirement for direct reports to the Chief Executive Officer from two times base salary to three times base salary. TE Connectivity common share ownership requirements for the Chief Executive Officer continues to be six times base salary. Direct reports of the Chief Executive Officer were required to meet the share ownership requirements by July 9, 2012, or within five years of the officer's date of employment, if later. 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 2014 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. Additionally, our named executive officers and employees are prohibited from engaging in transactions in puts, calls, cashless collars, options, short sales, or similar rights, obligations, or transactions involving TE Connectivity securities, other than the exercise of a company issued stock option. Our policy also places timing restrictions on when executive officers can enter into trading transactions concerning our securities.

## **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 26, 2014 and in the company's proxy statement for the 2015 Annual General Meeting of Shareholders. This report is provided by the following independent directors, who comprise the Committee:

### **The Management Development and Compensation Committee:**

David P. Steiner, Chair  
Daniel J. Phelan  
Paula A. Sneed

December 16, 2014

## **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.

## EXECUTIVE OFFICER COMPENSATION

### Summary Compensation Table

The following table summarizes the compensation of the named executive officers for the fiscal years ended September 26, 2014 (“fiscal year 2014”), September 27, 2013 and September 28, 2012. The named executive officers are the company’s principal executive officer, principal financial officer and the three other most highly compensated executives.

Name and Principal Position	Year (b)	Salary <sup>(1)</sup>	Bonus	Stock Awards <sup>(2)</sup>	Option Awards <sup>(3)</sup>	Non-Equity Incentive Plan Compensation <sup>(4)</sup>	Change in Pension Value and Nonqualified Deferred Compensation Earnings <sup>(5)</sup>	All Other Compensation <sup>(6)</sup>	Total
		(\$) (c)	(\$) (d)	(\$) (e)	(\$) (f)	(\$) (g)	(\$) (h)	(\$) (i)	(\$) (j)
Thomas J. Lynch . . . . .	2014	\$1,172,308	—	\$3,685,986	\$3,828,213	\$2,512,800	—	\$ 417,675	\$11,616,982
Chief Executive Officer (PEO)	2013	\$1,074,615	—	\$3,602,490	\$3,358,155	\$2,098,800	—	\$ 338,968	\$10,473,028
	2012	\$1,000,000	—	\$2,083,196	\$5,301,950	\$1,062,500	—	\$ 383,295	\$ 9,830,941
Robert W. Hau . . . . .	2014	\$ 604,738	—	\$ 934,141	\$ 969,825	\$ 679,964	—	\$ 235,438	\$ 3,424,106
Chief Financial Officer (PFO)	2013	\$ 580,292	\$850,000	\$ 926,160	\$ 863,428	\$ 604,454	—	\$ 366,747	\$ 4,191,081
	2012	\$ 89,308	\$850,000	\$2,050,309	—	\$ 57,387	—	\$ 32,077	\$ 3,079,081
Terrence R. Curtin . . . . .	2014	\$ 651,500	—	\$1,130,259	\$1,174,175	\$ 739,693	—	\$ 157,436	\$ 3,853,063
EVP & President, Industrial Solutions; Chief Financial Officer (PFO) (through July 2012)	2013	\$ 625,164	—	\$1,183,919	\$1,103,388	\$ 732,580	—	\$ 139,215	\$ 3,784,266
	2012	\$ 581,756	—	\$ 624,959	\$1,590,775	\$ 445,044	—	\$ 159,900	\$ 3,402,434
Joseph B. Donahue . . . . .	2014	\$ 677,530	—	\$1,130,259	\$1,174,175	\$ 736,371	\$100,610	\$ 725,570	\$ 4,544,515
EVP & Chief Operating Officer; President, Network Solutions	2013	\$ 650,142	—	\$1,183,919	\$1,103,388	\$1,034,998	—	\$1,529,568	\$ 5,502,015
	2012	\$ 605,000	—	\$ 595,297	\$1,514,775	\$ 613,651	\$125,471	\$ 220,710	\$ 3,674,904
Robert N. Shaddock <sup>(7)</sup> . . . . .	2014	\$ 569,885	—	\$ 860,339	\$ 892,775	\$ 644,952	—	\$ 928,775	\$ 3,896,726
EVP & Chief Technology Officer	2013	\$ 537,308	—	\$ 771,914	\$ 719,452	\$ 615,648	—	\$ 941,590	\$ 3,585,912
	2012	\$ 493,523	—	\$ 327,310	\$ 833,150	\$ 375,328	—	\$1,031,015	\$ 3,060,326

- (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 (\$)	Maximum Value (\$)
Mr. Lynch . . . . .	\$2,211,489	\$4,422,978
Mr. Hau . . . . .	\$ 560,485	\$1,120,970
Mr. Curtin . . . . .	\$ 678,155	\$1,356,310
Mr. Donahue . . . . .	\$ 678,155	\$1,356,310
Mr. Shaddock . . . . .	\$ 516,100	\$1,032,200

- (3) This amount represents the grant date fair value of stock options calculated using the provisions of ASC 718. See Note 21 (Share Plans) to the notes to consolidated financial statements (“Note 21”) set forth in TE Connectivity’s Annual Report on Form 10-K for the fiscal year ended September 26, 2014 (the “10-K”) for the assumptions made in determining ASC 718 grant date fair values.
- (4) Represents amounts earned under the fiscal year 2014 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. Donahue under his frozen pension plan as described in “CD&A—Retirement and Deferred Compensation Benefits.” For fiscal year 2013, the change in pension value is a decrease from fiscal year 2012. Rather than report a negative value, a change of \$0 is reported. Mr. Lynch, Mr. Hau, Mr. Curtin and Mr. Shaddock 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’s 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) Mr. Shaddock was paid in part outside the U.S. in another currency. Due to the timing of payments, the following range of exchange rates, primarily as determined by TE Connectivity finance, was used to convert to U.S. dollars: \$0.162-\$0.163:CNY 1 in fiscal year 2014, \$0.159-\$0.163:CNY 1 in fiscal year 2013 and \$0.157-\$0.159:CNY 1 in fiscal year 2012.

### All Other Compensation

Name	Year	Perquisites <sup>(a)</sup> (\$)	Insurance Premiums <sup>(b)</sup> (\$)	Dollar Value of Dividends not factored into Grant Date Fair Value <sup>(c)</sup> (\$)	Company Contributions to DC Plans <sup>(d)</sup> (\$)	Total All Other Compensation (\$)
Thomas J. Lynch . . . . .	2014	\$ 17,353	—	\$236,767	\$163,555	\$417,675
Robert W. Hau . . . . .	2014	\$ 81,507	—	\$ 93,471	\$ 60,460	\$235,438
Terrence R. Curtin . . . . .	2014	\$ 0	—	\$ 74,391	\$ 83,045	\$157,436
Joseph B. Donahue . . . . .	2014	\$491,637	\$568	\$ 73,627	\$159,738	\$725,570
Robert N. Shaddock . . . . .	2014	\$820,548	—	\$ 48,950	\$ 59,277	\$928,775

(a) Amounts less than \$25,000 for Mr. Lynch include the incremental cost to us of Mr. Lynch’s non-business use of our aircraft. We own an aircraft that we use for business purposes. Mr. Lynch uses the aircraft for business purposes, but occasionally he will make a non-business related stop while on a business trip, provide travel to a family member while on a business trip, or travel on the aircraft to attend meetings of the Thermo Fisher Scientific Inc. board of directors, of which he is a member. The incremental cost to us includes the direct variable cost associated with travel to attend Thermo Fisher Scientific Inc. board meetings during fiscal year 2014.

The company provided Mr. Hau with tax gross-up payments in the amount of \$81,507 for calendar year 2013 on relocation allowances paid in fiscal year 2013. Tax gross-up payments to Mr. Hau made him whole for the additional taxes assessed on the value of the relocation benefits provided to him in accordance with our relocation benefit policy.

The amount for Mr. Donahue includes expenses pertaining to an expatriate assignment in Germany during fiscal 2009-2011. In fiscal year 2014, pursuant to the process of the company’s tax equalization program, the company paid on behalf of Mr. Donahue, foreign taxes in the amount of \$414,576 (net of amounts withheld from his base pay under the tax equalization program), and related U.S. state taxes in the amount of \$35,000. In fiscal year 2014, the company also provided Mr. Donahue tax gross-up payments of \$8,068 for calendar year 2013 under our tax equalization program which made him whole for additional taxes imposed in Germany. In fiscal year 2014, Mr. Donahue made a repayment to the company of \$191,338 as a result of a 2011 German tax assessment revision. Mr. Donahue also made repayment to the company of \$13,862 as a result of his 2013 tax equalization settlement. These amounts were not deducted from his fiscal year 2014 total compensation. Amounts less than \$25,000 for Mr. Donahue totaling \$1,229 are the net expenses paid by us for various miscellaneous fees and expenses. Due to the timing of payments in fiscal year 2014, the following range of exchange rates, primarily as determined by TE Connectivity finance, was used to convert amounts reported or paid in EUR to U.S. dollars: \$1.33-\$1.38:EUR 1.

Amounts greater than \$25,000 for Mr. Donahue are:

Benefit Type	Amount
Tax Preparation Fees . . . . .	\$32,765

The amount for Mr. Shaddock includes expenses pertaining to an expatriate assignment in China during fiscal 2011-2014. Amounts less than \$25,000 for Mr. Shaddock are comprised of insurance costs, tax preparation services, housing and utility allowances, auto expenses, and various miscellaneous fees and expenses which total \$92,107. Tax allowances are provided to individuals on expatriate assignments to make their assignments effectively tax and cost neutral to them. Under these arrangements, the company paid on behalf of Mr. Shaddock foreign taxes in the amount of \$335,117 (net of amounts withheld from his base pay under the tax equalization program) and related U.S. federal taxes in the amount of \$140,000 for services performed in China in fiscal 2011-2014. The company also provided Mr. Shaddock with tax gross-up payments of \$186,012 for calendar year 2013, gross-up amounts for calendar 2014 will not be determined until the end of calendar year 2014. Due to the timing of payments in fiscal year 2014, the following range of exchange rates, primarily as determined by TE Connectivity finance, was used to convert amounts reported or paid in CNY to U.S. dollars: \$0.162-\$0.163:CNY 1.

Amounts greater than \$25,000 for Mr. Shaddock are:

<u>Benefit Type</u>	<u>Amount</u>
Goods and services allowance . . . . .	\$63,785
(b) Represents the additional income reported for participation in a company paid split dollar life insurance program.	
(c) 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.	
(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:	

<u>Name</u>	<u>Year</u>	<u>Company Matching Contribution (Qualified Plan) <sup>(*)</sup></u>	<u>Company Contribution (Non-Qualified Plan)</u>
Mr. Lynch . . . . .	2014	\$13,000	\$150,555
Mr. Hau . . . . .	2014	\$13,000	\$ 47,460
Mr. Curtin . . . . .	2014	\$13,714	\$ 69,331
Mr. Donahue . . . . .	2014	\$29,010	\$130,728
Mr. Shaddock . . . . .	2014	\$13,000	\$ 46,277

<sup>(\*)</sup> Included in Mr. Donahue's amount is an additional supplemental contribution of \$5,610 as a result of a frozen defined benefit plan.

## Grants of Plan-Based Awards in Fiscal 2014

The following table discloses the potential payouts for fiscal year 2014 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 2014 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: Number of Shares of Stock or Units <sup>(3)</sup>	All Other Option Awards: Number of Securities Underlying Options <sup>(4)</sup>	Exercise or Base 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))	(# (i))	(# (j))	(\$/Sh (k))	(\$ (l))
Thomas J. Lynch											
Annual Incentive Plan . . . . .		900,000	1,800,000	3,600,000							
Stock Option . . . . .	11/14/2013							28,570	228,550	51.61	3,828,213
RSU . . . . .	11/14/2013										1,474,498
PSU . . . . .	11/14/2013				21,425	42,850	85,700				2,211,489
Robert W. Hau											
Annual Incentive Plan . . . . .		243,540	487,080	974,160							
Stock Option . . . . .	11/14/2013							7,240	57,900	51.61	969,825
RSU . . . . .	11/14/2013										373,656
PSU . . . . .	11/14/2013				5,430	10,860	21,720				560,485
Terrence R. Curtin											
Annual Incentive Plan . . . . .		295,169	590,337	1,180,674							
Stock Option . . . . .	11/14/2013							8,760	70,100	51.61	1,174,175
RSU . . . . .	11/14/2013										452,104
PSU . . . . .	11/14/2013				6,570	13,140	26,280				678,155
Joseph B. Donahue											
Annual Incentive Plan . . . . .		306,962	613,924	1,227,848							
Stock Option . . . . .	11/14/2013							8,760	70,100	51.61	1,174,175
RSU . . . . .	11/14/2013										452,104
PSU . . . . .	11/14/2013				6,570	13,140	26,280				678,155
Robert N. Shaddock											
Annual Incentive Plan . . . . .		231,000	462,000	924,000							
Stock Option . . . . .	11/14/2013							6,670	53,300	51.61	892,775
RSU . . . . .	11/14/2013										344,239
PSU . . . . .	11/14/2013				5,000	10,000	20,000				516,100

(1) The "Threshold" column represents the minimum amount payable (50% of target payout) when threshold performance is met. The "Target" column represents the amount payable (100% of target payout) if the specified performance targets are reached. The "Maximum" column represents the maximum amount payable (200% of target payout). See "CD&A—Elements of Compensation—Annual Incentive Awards."

(2) Amounts in columns (f) through (h) represent potential share payouts with respect to PSUs assuming threshold, target and maximum performance conditions are achieved. The "Threshold" column represents the minimum amount payable (50% of target payout) when threshold performance is met. The "Target" column represents the amount payable (100% of target payout) if the specified performance targets are reached. The "Maximum" column represents the maximum amount payable (200% of target payout). Awards vest following the conclusion of the three-year performance period which ends with the close of fiscal year 2016. See "CD&A—Elements of Compensation—Long-Term Incentive Awards—Fiscal 2014 Long-Term Incentive Awards" for additional information about these awards, including performance criteria.

(3) This column shows the number of RSUs granted in fiscal year 2014 to the named executive officers. The grants vest equally over four years starting on the first anniversary of the grant date.

(4) This column shows the number of stock options granted in fiscal year 2014 to the named executive officers. Stock options issued have a ten-year term and vest ratably over a four-year period, with 25% becoming vested and exercisable on each anniversary of the grant date.

(5) This column shows the full grant date fair value of PSUs, RSUs and stock options under ASC 718 granted to the named executive officers in fiscal year 2014. For PSUs, the grant date fair value has been determined based on target performance being achieved. For additional information on the valuation assumptions, see Note 21 in the 10-K. In determining the number of PSUs, RSUs and stock options that are awarded to eligible equity award participants, including each named executive officer, the company follows an established policy under which it uses the average daily closing price of the 20 business days preceding the grant date as the applicable value. For purposes of the fiscal year 2014 equity awards reflected in the table above, the applicable stock value used to determine the number of PSU, RSU and stock option shares awarded to each named executive officer was \$52.51 per share for the November grant. The value of the award shown in this column, however, is based on the grant date closing price, \$51.61 per share for the November grant.

## Outstanding Equity Awards at 2014 Fiscal Year-End

The following table shows the number of TE Connectivity shares covered by exercisable and unexercisable options, unvested RSUs and unvested PSUs held by the company's named executive officers on September 26, 2014. Each equity grant is shown separately for each named executive officer. The vesting schedule for each grant is shown following the table, based on the option, RSU or PSU award grant date.

Name (a)	Grant Date	Option Awards				Stock Awards			
		Number of Securities Underlying Unexercised Options		Option Exercise Price (\$)(e)	Option Expiration Date (f)	Number of Shares or Units of Stock That Have Not Vested <sup>(1)(2)(3)</sup> (#)(g)	Market Value of Shares or Units of Stock That Have Not Vested <sup>(4)</sup> (\$)(h)	Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(1)(2)(5)</sup> (#)(i)	Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested <sup>(4)</sup> (\$)(j)
		Exercisable (#)(b)	Unexercisable <sup>(1)</sup> (#)(c)						
Thomas J. Lynch . . . . .	11/21/06	216,269	0	\$35.03	11/20/16				
	07/02/07	527,750	0	\$39.97	07/01/17				
	11/18/08	382,650	0	\$14.56	11/18/18				
	12/03/09	741,800	0	\$24.60	11/17/19				
	11/08/10	395,625	131,875	\$33.73	11/08/20	17,808	\$1,047,110		
	11/14/11	279,050	279,050	\$34.49	11/14/21	32,141	\$1,889,891		
Robert W. Hau . . . . .	11/12/12	97,962	293,888	\$34.05	11/12/22	98,824	\$5,810,851	23,712	\$1,394,266
	11/14/13	0	228,550	\$51.61	11/14/23	53,383	\$3,138,920	29,365	\$1,726,662
	09/19/12	0	0			29,151	\$1,714,079		
	11/12/12	25,187	75,563	\$34.05	11/12/22	25,405	\$1,493,814	6,095	\$358,386
Terrence R. Curtin . . . . .	11/14/13	0	57,900	\$51.61	11/14/23	13,528	\$795,446	7,442	\$437,590
	12/03/09	30,000	0	\$24.60	11/17/19				
	11/08/10	118,087	39,363	\$33.73	11/08/20	5,316	\$312,581		
	11/14/11	83,725	83,725	\$34.49	11/14/21	9,641	\$566,891		
	11/12/12	32,187	96,563	\$34.05	11/12/22	32,475	\$1,909,530	7,792	\$458,170
Joseph B. Donahue . . . . .	11/14/13	0	70,100	\$51.61	11/14/23	16,369	\$962,497	9,004	\$529,435
	11/08/10	0	31,488	\$33.73	11/08/20	4,253	\$250,076		
	06/07/11	10,237	3,413	\$35.90	06/07/21	442	\$25,990		
	11/14/11	0	79,725	\$34.49	11/14/21	9,184	\$540,019		
Robert N. Shaddock . . . . .	11/12/12	32,187	96,563	\$34.05	11/12/22	32,475	\$1,909,530	7,792	\$458,170
	11/14/13	0	70,100	\$51.61	11/14/23	16,369	\$962,497	9,004	\$529,435
	09/22/08	32,700	0	\$29.15	09/21/18				
	11/17/08	20,700	0	\$14.11	11/17/18				
	12/03/09	99,650	0	\$24.60	11/17/19				
	11/08/10	59,062	19,688	\$33.73	11/08/20	2,656	\$156,173		
Robert N. Shaddock . . . . .	11/14/11	43,850	43,850	\$34.49	11/14/21	5,049	\$296,881		
	11/12/12	20,987	62,963	\$34.05	11/12/22	21,174	\$1,245,031	5,080	\$298,704
	11/14/13	0	53,300	\$51.61	11/14/23	12,460	\$732,648	6,853	\$402,956

<sup>(1)</sup> All outstanding options and RSUs vest equally over four years starting on the first anniversary of the grant date. Vesting of the PSUs occurs when the MDCC certifies year 3 results following the close of the three-year performance period.

<sup>(2)</sup> Any dividend equivalents issued on RSUs and PSUs, column g and i, respectively, have been included in the number of units reported. Those issued on PSUs reflect target performance and will be adjusted based on certified performance results following the close of the three-year performance period.

<sup>(3)</sup> Amounts include PSUs earned based on year 1 and 2 certification results of the November 12, 2012 PSU grant and year 1 certification results of the November 14, 2013 PSU grant.

<sup>(4)</sup> Value represents the market value of TE Connectivity common shares based on the closing price of \$58.80 per share on September 26, 2014.

<sup>(5)</sup> Represents target shares that have not yet been earned under the PSU program. See "CD&A—Elements of Compensation—Long-Term Incentive Awards—Fiscal 2014 Long-Term Incentive Awards" for additional information about these awards, including performance criteria. Delivery of vested shares occurs as soon as administratively feasible following the year 3 certification process.

## Option Exercises and Stock Vested in Fiscal 2014

The following table sets forth certain information regarding TE Connectivity options and stock awards exercised and vested, respectively, during fiscal year 2014 for the named executive officers.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#) (b)	Value Realized on Exercise <sup>(1)</sup> (\$) (c)	Number of Shares Acquired on Vesting <sup>(2)</sup> (#) (d)	Value Realized on Vesting <sup>(3)</sup> (\$) (e)
Thomas J. Lynch . . . . .	682,605	\$24,099,647	68,374	\$3,551,662
Robert W. Hau . . . . .	—	—	17,355	\$1,041,205
Terrence R. Curtin . . . . .	449,850	\$14,189,880	20,031	\$1,040,447
Joseph B. Donahue . . . . .	536,500	\$15,778,589	17,751	\$ 926,206
Robert N. Shaddock . . . . .	35,000	\$ 1,680,196	10,668	\$ 554,073

(1) The value realized on exercise is equal to the difference between the market price of the shares acquired upon exercise and the option exercise price for the acquired shares.

(2) Represents vesting of RSUs. Any dividend equivalents issued on RSUs that vested during fiscal year 2014 have been included in the number of units reported.

(3) The aggregate dollar amount realized upon vesting was computed by multiplying the number of units vested by the market value of the underlying shares on the vesting date.

## Pension Benefits for Fiscal 2014

The following table provides details regarding the present value of accumulated benefits under the plans described in “CD&A—Retirement and Deferred Compensation Benefits” for the named executive officers in fiscal year 2014.

Name <sup>(1)</sup>	Plan Name (b)	Number of Years Credited Service <sup>(2)</sup> (#) (c)	Present Value of Accumulated Benefit <sup>(3)</sup> (\$) (d)	Payments During Last Fiscal Year (\$) (e)
Joseph B. Donahue . . . . .	Tyco Electronics Pension Plan – Part II & AMP Restoration Plan	16.8	\$816,339	—

(1) Mr. Lynch, Mr. Hau, Mr. Curtin and Mr. Shaddock do not participate in any pension plan sponsored by TE Connectivity.

(2) Years of service is calculated from date of original hire through the end of 1999, when the plan was frozen.

(3) The present value of accumulated benefit amount has been measured as of September 26, 2014 and is based on a number of assumptions, including:

- A discount rate of 4.34% was used for the Tyco Electronics Pension Plan – Part II and a discount rate of 4.15% was used for the AMP Restoration Plan – the rates as of September 26, 2014 in accordance with ASC 715, *Compensation – Retirement Benefits*;
- Mortality rates based on the RP-2000 mortality table with generational mortality improvements using improvement scale AA; and
- No retirements prior to assumed retirement age (earliest unreduced age, as defined by the respective plan documents) or withdrawals for disability or otherwise prior to retirement.

## Nonqualified Deferred Compensation for Fiscal 2014

The following table discloses contributions and earnings credited to each of the named executive officers under the SSRP (Supplemental Savings and Retirement Plan) in fiscal year 2014 and balances at fiscal year-end. The SSRP is a nonqualified deferred compensation plan. See “CD&A—Retirement and Deferred Compensation Benefits” for information regarding the plan. Pursuant to the SSRP, executive officers may defer up to 50% of their base salary, up to 100% of their annual bonus and elect to contribute “Spillover” deferrals. Spillover deferrals allow them to continue their pre-tax contributions into the SSRP once they reach the qualified plan annual pre-tax contribution limit. We provide matching contributions based on the executive’s deferred base salary and bonus, as well as on the eligible wages used to calculate their Spillover deferrals. Matching contributions called “Company Credits” are also provided on any eligible compensation earned in excess of the Internal Revenue Code Section 401(a)(17) limit (\$260,000 in 2014). All employees become vested in the matching contributions once they complete three years of service, and matching contributions are calculated using the same matching percentage the executive officer is eligible to receive in the qualified plan (see page 47 of the CD&A). The company match structure for the qualified plan is based on years of service as well as the employee’s contributions.

Name	Executive Contributions in Last Fiscal Year <sup>(1)</sup> (\$) (b)	Registrant Contributions in Last Fiscal Year <sup>(2)</sup> (\$) (c)	Aggregate Earnings in Last Fiscal Year <sup>(3)(4)</sup> (\$) (d)	Aggregate Withdrawals/ Distributions (\$) (e)	Aggregate Balance at Last Fiscal Year End <sup>(4)</sup> (\$) (f)
Thomas J. Lynch . . . . .	\$466,048	\$150,555	\$316,527	—	\$5,113,080
Robert W. Hau . . . . .	\$ 23,951	\$ 47,460	\$ 9,115	—	\$ 106,583
Terrence R. Curtin . . . . .	\$353,405	\$ 69,331	\$399,545	—	\$4,066,621
Joseph B. Donahue . . . . .	\$143,511	\$130,728	\$121,264	\$9,272	\$1,409,500
Robert N. Shaddock . . . . .	\$202,914	\$ 46,277	\$110,004	—	\$1,223,680

(1) The amounts shown represent deferrals of cash and bonuses by the named executive officers under the SSRP, the amounts of which are included in the Summary Compensation table in the Salary or Non-Equity Incentive Plan Compensation column, as applicable.

(2) The amounts shown represent matching contributions by the company, the amounts of which are included in the Summary Compensation table in the All Other Compensation column.

(3) No portion of these earnings shown in column (d) were included in the Summary Compensation Table because the SSRP does not provide for “above-market” or preferential earnings as defined in applicable SEC rules.

(4) For Mr. Curtin, the balance shown also includes amounts credited under the TE Connectivity Supplemental Executive Retirement Plan, the predecessor to the SSRP that was frozen to new contributions effective December 31, 2004. The SSRP became effective on January 1, 2005.

## Termination and Change in Control Payments

The table below outlines the potential payments to our Chief Executive Officer and other named executive officers upon the occurrence of certain termination triggering events. For the purpose of the table, below are definitions generally applicable for the various types of terminations under the TE Connectivity Severance Plan for U.S. Executives (referred to in this proxy statement as the “Severance Plan”) and/or the TE Connectivity Change in Control Severance Plan for Certain U.S. Executives (referred to in this proxy statement as the “CIC Plan”). See “CD&A—Change in Control and Termination Payments” for information regarding the terms of the plans.

- “*Voluntary Resignation*” means any retirement or termination of employment that is not initiated by the company or any subsidiary other than a Good Reason Resignation (defined below).
- “*Good Reason Resignation*” means any retirement or termination of employment by a participant that is not initiated by the company or any subsidiary and that is caused by any one or more of the following events which occurs during the period beginning 60 days prior to the date of a Change in Control (defined below) and ending two years after the date of such Change in Control:

(1) without the participant’s written consent, the company (a) assigns or causes to be assigned to the participant any duties inconsistent in any material respect with his or her position as in effect immediately prior to the Change in Control, (b) makes or causes to be made any material adverse change in the participant’s position (including titles and reporting relationships and level), authority, duties or responsibilities, or (c) takes or causes to be taken any other action which, in the reasonable judgment of the participant, would cause him or her to violate his or her ethical or professional obligations (after written notice of such judgment has been provided by the participant to the Management Development and Compensation Committee and the company has been given a 15-day period within which to cure such action), or which results in a significant diminution in such position, authority, duties or responsibilities;

(2) without the participant’s written consent, the participant’s being required to relocate to a principal place of employment more than 60 miles from his or her existing principal place of employment;

(3) without the participant’s written consent, the company (a) reduces the participant’s base salary or annual bonus, or (b) reduces the participant’s retirement, welfare, stock incentive, perquisite and other benefits, taken as a whole; or

(4) the company fails to obtain a satisfactory agreement from any successor to assume and agree to perform the company’s obligations to the participant under the CIC Plan.

- “*Involuntary Termination*” means a termination of the participant initiated by the company or a subsidiary for any reason other than Cause (defined below), Permanent Disability (defined below) or death, subject to the conditions specified in the applicable plan.
- “*Cause*” means any misconduct identified as a ground for termination in company policy or other written policies or procedures, including among other things, misconduct, dishonesty, criminal activity, or egregious conduct that has or could have a serious and detrimental impact on the company and its employees.
- “*Permanent Disability*” means that a participant has a permanent and total incapacity from engaging in any employment for the employer for physical or mental reasons. A “Permanent Disability” will be deemed to exist if the participant meets the requirements for disability benefits under the employer’s long-term disability plan or under the requirements for disability benefits under the U.S. social security laws (or similar laws outside the United States, if the participant is employed in that

jurisdiction) then in effect, or if the participant is designated with an inactive employment status at the end of a disability or medical leave.

- “*Change in Control*” means any of the following events:

(1) any “person” (as defined in Section 13(d) and 14(d) of the Securities Exchange Act), excluding for this purpose, (i) the company or any subsidiary company (wherever incorporated) of the company, or (ii) any employee benefit plan of the company or any such subsidiary company (or any person or entity organized, appointed or established by the company for or pursuant to the terms of any such plan that acquires beneficial ownership of voting securities of the company), is or becomes the “beneficial owner” (as defined in Rule 13d-3 under the Securities Exchange Act) directly or indirectly of securities of the company representing more than 30 percent of the combined voting power of the company’s then outstanding securities; provided, however, that no Change in Control will be deemed to have occurred as a result of a change in ownership percentage resulting solely from an acquisition of securities by the company;

(2) persons who, as of July 1, 2007 (the “effective date”), constitute the board (the “Incumbent Directors”) cease for any reason (including without limitation, as a result of a tender offer, proxy contest, merger or similar transaction) to constitute at least a majority thereof, provided that any person becoming a director of the company subsequent to the effective date shall be considered an Incumbent Director if such person’s election or nomination for election was approved by a vote of at least 50 percent of the Incumbent Directors; but provided further, that any such person whose initial assumption of office is in connection with an actual or threatened proxy contest relating to the election of members of the board or other actual or threatened solicitation of proxies or consents by or on behalf of a “person” (as defined in Section 13(d) and 14(d) of the Securities Exchange Act) other than the Board, including by reason of agreement intended to avoid or settle any such actual or threatened contest or solicitation, shall not be considered an Incumbent Director;

(3) consummation of a reorganization, merger or consolidation or sale or other disposition of at least 80 percent of the assets of the company (a “Business Combination”), in each case, unless, following such Business Combination, all or substantially all of the individuals and entities who were the beneficial owners of outstanding voting securities of the company immediately prior to such Business Combination beneficially own directly or indirectly more than 50 percent of the combined voting power of the then outstanding voting securities entitled to vote generally in the election of directors, as the case may be, of the company resulting from such Business Combination (including, without limitation, a company which, as a result of such transaction, owns the company or all or substantially all of the company’s assets either directly or through one or more subsidiary companies (wherever incorporated) of the company) in substantially the same proportions as their ownership, immediately prior to such Business Combination, of the outstanding voting securities of the company; or

(4) consummation of a complete liquidation or dissolution of the company.

- “*Change in Control Termination*” means a participant’s Involuntary Termination or Good Reason Resignation that occurs during the period beginning 60 days prior to the date of a Change in Control and ending two years after the date of such Change in Control.

No named executive officer is entitled to a payment in connection with an Involuntary Termination for Cause.



<b>Executive Benefits and Payments Upon Termination</b>	<b>Retirement<sup>(8)</sup></b>	<b>Total Permanent Disability or Death</b>	<b>Involuntary Termination— Not for Cause</b>	<b>Involuntary Termination— Change in Control<sup>(9)</sup></b>
<b>Thomas J. Lynch</b>				
Compensation				
Severance <sup>(1)</sup> . . . . .			\$6,000,000	\$ 9,000,000
Short-Term Incentive <sup>(2)</sup> . . . . .	\$2,512,800	\$ 2,512,800	\$2,512,800	\$ 2,512,800
Long-Term Incentives				
• Stock Options (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .	\$7,602,132	\$19,006,814		\$19,006,814
• Restricted Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .	\$2,226,521	\$ 6,589,540		\$ 6,589,540
• Performance Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(4)</sup> . . . . .	\$4,025,036	\$ 5,479,337		\$ 5,479,337
Benefits and Perquisites <sup>(5)</sup>				
Health and Welfare Benefits Continuation <sup>(6)</sup> . . . . .			\$ 12,880	\$ 12,880
Outplacement <sup>(7)</sup> . . . . .			\$ 20,000	\$ 20,000
<b>Robert W. Hau<sup>(10)</sup></b>				
Compensation				
Severance <sup>(1)</sup> . . . . .			\$1,643,895	\$ 2,191,860
Short-Term Incentive <sup>(2)</sup> . . . . .		\$ 679,964	\$ 679,964	\$ 679,964
Long-Term Incentives				
• Stock Options (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .		\$ 2,286,485		\$ 2,286,485
• Restricted Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .		\$ 2,646,176		\$ 2,646,176
• Performance Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(4)</sup> . . . . .		\$ 1,403,321		\$ 1,403,321
Benefits and Perquisites <sup>(5)</sup>				
Health and Welfare Benefits Continuation <sup>(6)</sup> . . . . .			\$ 12,880	\$ 12,880
Outplacement <sup>(7)</sup> . . . . .			\$ 9,300	\$ 9,300
<b>Terrence R. Curtin</b>				
Compensation				
Severance <sup>(1)</sup> . . . . .			\$1,869,401	\$ 2,492,534
Short-Term Incentive <sup>(2)</sup> . . . . .	\$ 739,693	\$ 739,693	\$ 739,693	\$ 739,693
Long-Term Incentives				
• Stock Options (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .		\$ 5,916,138		\$ 5,916,138
• Restricted Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .		\$ 1,833,384		\$ 1,833,384
• Performance Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(4)</sup> . . . . .		\$ 1,768,528		\$ 1,768,528
Benefits and Perquisites <sup>(5)</sup>				
Health and Welfare Benefits Continuation <sup>(6)</sup> . . . . .			\$ 12,880	\$ 12,880
Outplacement <sup>(7)</sup> . . . . .			\$ 9,300	\$ 9,300
<b>Joseph B. Donahue</b>				
Compensation				
Severance <sup>(1)</sup> . . . . .			\$1,944,090	\$ 2,592,121
Short-Term Incentive <sup>(2)</sup> . . . . .	\$ 736,371	\$ 736,371	\$ 736,371	\$ 736,371
Long-Term Incentives				
• Stock Options (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .	\$2,184,817	\$ 5,699,630		\$ 5,699,630
• Restricted Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .	\$ 629,807	\$ 1,983,148		\$ 1,983,148
• Performance Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(4)</sup> . . . . .	\$1,322,588	\$ 1,768,528		\$ 1,768,528
Benefits and Perquisites <sup>(5)</sup>				
Health and Welfare Benefits Continuation <sup>(6)</sup> . . . . .			\$ 12,880	\$ 12,880
Outplacement <sup>(7)</sup> . . . . .			\$ 9,300	\$ 9,300

Executive Benefits and Payments Upon Termination	Retirement <sup>(8)</sup>	Total Permanent Disability or Death	Involuntary Termination— Not for Cause	Involuntary Termination— Change in Control <sup>(9)</sup>
<b>Robert N. Shaddock</b>				
Compensation				
Severance <sup>(1)</sup> . . . . .			\$1,559,250	\$ 2,079,000
Short-Term Incentive <sup>(2)</sup> . . . . .	\$ 644,952	\$ 644,952	\$ 644,952	\$ 644,952
Long-Term Incentives				
• Stock Options (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .	\$1,288,369	\$ 3,501,133		\$ 3,501,133
• Restricted Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(3)</sup> . . . . .	\$ 386,257	\$ 1,280,899		\$ 1,280,899
• Performance Stock Units (Unvested and Accelerated or Continued Vesting) <sup>(4)</sup> . . . . .	\$ 862,243	\$ 1,201,578		\$ 1,201,578
Benefits and Perquisites <sup>(5)</sup>				
Health and Welfare Benefits Continuation <sup>(6)</sup> . . . . .			\$ 12,880	\$ 12,880
Outplacement <sup>(7)</sup> . . . . .			\$ 9,300	\$ 9,300

- (1) Severance is calculated as follows under Involuntary Termination—Not for Cause for U.S.-based executives: Mr. Lynch—two times base salary plus two times target bonus, Mr. Hau, Mr. Curtin, Mr. Donahue and Mr. Shaddock—one and one-half times base salary plus one and one-half times target bonus; and as follows under Involuntary Termination—Change in Control for U.S.-based executives: Mr. Lynch—three times base salary plus three times target bonus, Mr. Hau, Mr. Curtin, Mr. Donahue and Mr. Shaddock—two times base salary plus two times target bonus. If the “parachute payment” (severance plus value of accelerated equity) is greater than three times the average W-2 reported compensation for the preceding five years, then an “excise tax” is imposed on the portion of the parachute payment that exceeds the average W-2 reported compensation for the preceding years. In this case, the participant will receive the greater of (i) payment of the full benefits provided under the CIC Plan and imposition of all taxes, including any applicable excise taxes under Internal Revenue Code Section 4999, or (ii) payment of the benefits capped at the Section 280G limit with no excise tax imposed. Under the CIC Plan, benefits payable thereunder will not be grossed up for the imposition of Internal Revenue Code Section 280G or any other taxes.
- (2) Assumes the effective date of termination is September 26, 2014 and that the pro rata payment under the annual incentive program is equal to 12/12ths of the actual award earned for fiscal year 2014.
- (3) Assumes the effective date of termination is September 26, 2014 and the price per TE Connectivity common share on the date of termination equals \$58.80. Under Total Permanent Disability or Death, and Involuntary Termination—Change in Control, all outstanding stock options and RSUs become fully vested as of the date of termination, including dividend equivalent units issued on RSUs. Stock options that are vested and exercisable as of the termination date, as well as the options that vest as a result of the acceleration, will be exercisable for the lesser of the period specified in the option agreement or three years from the termination date. In no event, however, will an option be exercisable beyond its original expiration date. Amounts disclosed for stock options only reflect options that are in-the-money as of September 26, 2014.
- (4) Assumes the effective date of termination is September 26, 2014 and the price per TE Connectivity common share on the date of termination equals \$58.80. Under Total Permanent Disability or Death, and Involuntary Termination—Change in Control, all outstanding PSUs vest on a pro rata basis following certification of performance results, including dividend equivalent units issued on PSUs. The shares to vest are prorated based on the termination date, and delivery of vested shares occurs as soon as administratively feasible following the certification process in the year of termination. Any remaining PSUs are immediately forfeited.
- (5) Payments associated with benefits and perquisites are limited to the items listed. No other benefits or perquisite continuation occurs under the termination scenarios listed.
- (6) Health and welfare benefits continuation is 12 months for all named executive officers under Involuntary Termination—Not for Cause and Involuntary Termination—Change in Control. Annual amount is an approximation based on the fiscal year 2014 per capita employee cost. In the event that provision of any of the benefits would adversely affect the tax status of the applicable plan or benefits, the company, in its sole discretion, may elect to pay to the participant cash in lieu of such coverage in an amount equal to the company’s premium or average cost of providing such coverage.
- (7) Outplacement is calculated as the cost of services for the participant for a period of twelve months from the participant’s termination date under Involuntary Termination—Change in Control. The company offers twelve month coverage not to exceed \$20,000 for the Chief Executive Officer and provides \$9,300 for executives under the executive program for outplacement services. The company has the right and sole discretion to pay outplacement services under Involuntary Termination—Not for Cause, but is not required to provide such benefits.
- (8) As of September 26, 2014, Mr. Lynch, Mr. Donahue and Mr. Shaddock satisfy the requirements for Retirement under our stock award plan and are entitled to a pro rata vesting of their outstanding stock options and RSUs for those

grants where a minimum of one year of service has been attained since the award grant date. Amounts disclosed represent the prorated value of eligible awards as of September 26, 2014. Mr. Hau and Mr. Curtin are not entitled to receive any pro rata vesting because they have not fulfilled the Retirement eligibility requirements under the terms of our stock award plan.

- <sup>(9)</sup> The payments shown in this column are the same payments that would be made in the event of a “Good Reason Resignation.”
- <sup>(10)</sup> Under the SSRP, the required vesting period on the company match is three years. In the event of a change in control, the SSRP company match immediately vests for participants who have not yet met the vesting requirement which is the case for Mr. Hau. All other named executive officers have met the SSRP vesting requirement. For additional details, see “Nonqualified Deferred Compensation for Fiscal 2014.”

## COMPENSATION OF NON-EMPLOYEE DIRECTORS

Fiscal year 2014 compensation of each director who is not our salaried employee or an employee of our subsidiaries was set at \$250,000 per annum, payable \$90,000 in cash and \$160,000 in equity value. The chair of the Audit Committee received an additional \$25,000 cash retainer and the chairs of the Management Development and Compensation Committee and Nominating, Governance and Compliance Committee received an additional \$15,000 cash retainer. The Lead Independent Director received an additional retainer fee of \$160,000 (\$100,000 in cash and \$60,000 in equity value). Audit Committee members, including the chair, each received an additional \$10,000 in cash compensation. Directors who are employed by us or our subsidiaries, including our current Chairman of the Board who was appointed effective January 7, 2013, do not receive any compensation for their services as directors.

Each non-employee director received the equity component of their compensation in the form of a grant of common shares of TE Connectivity Ltd., with the exception of Dr. Gromer, who received the equity component of his compensation in the form of deferred stock units (“DSUs”). Under current U.S. tax law, our U.S.-based non-employee directors cannot defer any portion of their compensation, including DSUs, and therefore, they were issued common shares (which are immediately taxable) in lieu of DSUs. Because Dr. Gromer is a German citizen, he receives his equity compensation in the form of DSUs. DSUs awarded to Dr. Gromer vested immediately upon grant, and will be paid in common shares within 30 days following termination (subject to the previously-existing option of deferring the payout). Dividend equivalents or additional DSUs are credited to a non-employee director’s DSU account when dividends or distributions are paid on our common shares.

Fiscal year 2015 compensation for non-employee directors will be substantially the same as fiscal year 2014. We reimburse our Board members for expenses incurred in attending Board and committee meetings or performing other services for us in their capacities as directors. Such expenses include food, lodging and transportation.

The following table discloses the cash and equity awards paid to each of our non-employee directors during the fiscal year ended September 26, 2014.

Name	Fees Earned or Paid in Cash <sup>(1)</sup> (\$) (b)	Stock Awards <sup>(2)</sup> (\$) (c)	All Other Compensation <sup>(3)</sup> (\$) (g)	Total (\$) (h)
Pierre R. Brondeau	\$100,000	\$157,256	\$22,895	\$280,151
Juergen W. Gromer	\$100,000	\$157,256	\$37,339	\$294,595
William A. Jeffrey	\$ 90,000	\$157,256	\$ 1,000	\$248,256
Yong Nam	\$ 90,000	\$157,256	\$ 3,450	\$250,706
Daniel J. Phelan	\$ 90,000	\$157,256	\$22,895	\$270,151
Frederic M. Poses	\$205,000	\$216,246	\$24,468	\$445,714
Lawrence S. Smith	\$125,000	\$157,256	\$27,461	\$309,717
Paula A. Sneed	\$ 90,000	\$157,256	\$25,810	\$273,066
David P. Steiner	\$105,000	\$157,256	\$22,895	\$285,151
John C. Van Scoter	\$ 90,000	\$157,256	\$ 8,388	\$255,644
Laura H. Wright <sup>(4)</sup>	\$ 58,333	\$ 96,089	\$60,000	\$214,422

<sup>(1)</sup> The amounts shown represent the amount of cash compensation earned in fiscal year 2014 for Board and committee services. Mr. Poses received additional fees for his work as Lead Independent Director for fiscal year 2014. Mr. Poses, Mr. Smith and Mr. Steiner each received additional fees for their roles as chair of the Nominating, Governance and Compliance Committee, the Audit Committee and the Management Development and Compensation Committee, respectively. Dr. Brondeau, Dr. Gromer, Mr. Smith and Ms. Wright each received an additional Audit Committee cash retainer for serving on the committee.

- (2) On November 14, 2013, Dr. Brondeau, Dr. Jeffrey, Mr. Nam, Mr. Phelan, Mr. Poses, Mr. Smith, Ms. Sneed, Mr. Steiner and Mr. Van Scoter each received a grant of 3,047 common shares. Dr. Gromer received an award of 3,047 DSUs. Mr. Poses received an additional 1,143 shares in equity compensation for serving as Lead Independent Director. In determining the number of common shares and DSUs to be issued, we used the average daily closing price for the 20-day period prior to the grant date (\$52.51 per share), the same methodology used to determine employee equity awards. The grant date fair value of these awards, as shown above for fiscal year 2014, was calculated by using the closing price of TE Connectivity Ltd. common shares on the date of grant (\$51.61 per share). On March 5, 2014, Ms. Wright received a grant of 1,630 common shares. In determining the number of common shares and DSUs to be issued, we used the average daily closing price for the 20-day period prior to the grant date (\$57.26 per share), the same methodology we use to determine employee equity awards. The grant date fair value of these awards, as shown above for fiscal year 2014, was calculated by using the closing price of TE Connectivity Ltd. common shares on the date of grant (\$58.95 per share). The common shares and DSUs vested immediately and non-employee directors receive dividend equivalents in connection with any DSU award granted to them. As of fiscal 2014 year-end, the aggregate number of DSUs outstanding for each non-employee director was as follows: Dr. Brondeau—12,102; Dr. Gromer—34,978; Mr. Phelan—12,102; Mr. Poses—13,566; Mr. Smith—16,196; Ms. Sneed—14,855; Mr. Steiner—12,102; Mr. Van Scoter—6,481.
- (3) The amounts shown represent the value of dividend equivalent units earned on current and prior DSU awards calculated using the market value on the date of the dividend, company matching gift contributions made on behalf of certain directors under TE Connectivity's matching gift program, and amounts reimbursed to Mr. Smith for expenses incurred when attending a continuing education course. Our Board Governance Principles encourage directors to attend certain continuing education courses that are related to their duties as directors, and provide that we will reimburse the costs associated with attending one course every two years. The \$37,339 amount reported for Dr. Gromer is the dividend equivalent unit amount earned on his DSU awards. For Ms. Wright amounts also include fees paid for consulting services performed prior to being elected to the board.
- (4) On March 4, 2014, Ms. Wright was elected to our Board of Directors. Cash compensation for Ms. Wright was pro-rated for her service during fiscal year 2014.

### **Charitable Contributions**

Our Board Governance Principles require that the Board approve all charitable donations by TE Connectivity to organizations associated with a director. The amount of any such donation is limited to an amount that is less than one percent of that organization's annual charitable receipts and is less than one percent of TE Connectivity's annual charitable contributions.

Any matching donation by TE Connectivity to organizations associated with a director is limited to an amount that is no greater than the amount contributed by the director and is required to be made in a manner consistent with TE Connectivity's employee matching gift program.

#### ***TE Connectivity's Political Action Committee Charitable Match Program***

TE Connectivity matches fifty cents for each dollar contributed by a director to the TE Connectivity, Inc. Political Action Committee (TELPAC). This match may be designated by the director to an eligible public charity of their choice. Eligible organizations include, but are not limited to: colleges, private universities, private and public elementary and secondary schools, civic, arts and culture, health and human service agencies, and environmental organizations.

## CERTAIN RELATIONSHIPS AND RELATED TRANSACTIONS

All relationships and transactions in which the company and our directors and executive officers or their immediate family members are participants were reviewed to determine whether such persons have a direct or indirect material interest. As required under SEC rules, transactions that are determined to be directly or indirectly material to a related person are disclosed in the company's proxy statement. In addition, we have adopted a written policy with respect to related person transactions pursuant to which the Nominating, Governance and Compliance Committee reviews and approves or ratifies any related person transaction that is required to be disclosed. In the course of its review and approval or ratification of a disclosable related person transaction, the committee considers whether the transaction is fair and reasonable to the company and will take into account, among other factors it deems appropriate:

- whether the transaction is on terms no less favorable than terms generally available to an unaffiliated third-party under the same or similar circumstances;
- the extent of the related person's interest in the transaction and the materiality of the transaction to the company;
- the related person's relationship to the company;
- the material facts of the transaction, including the proposed aggregate value of the transaction;
- the business purpose for and reasonableness of the transaction, taken in the context of the alternatives available to the company for attaining the purposes of the transaction;
- whether the transaction is in the ordinary course of the company's business and was proposed and considered in the ordinary course of business; and
- the effect of the transaction on the company's business and operations, including on the company's internal control over financial reporting and system of disclosure controls or procedures, and any additional conditions or controls (including reporting and review requirements) that should be applied to such transaction.

Any member of the committee who is a related person with respect to a transaction under review may not participate in the deliberations or vote respecting approval or ratification of the transaction, provided, however, that such director may be counted in determining the presence of a quorum at a meeting at which the committee considers the transaction.

Frederic Poses, Lead Independent Director, is Chief Executive Officer and an equity owner of Ascend Performance Materials ("Ascend"), a private manufacturer of nylon related chemicals, resins and fibers for commercial and industrial products. TE Connectivity made \$10.9 million in purchases from Ascend during fiscal year 2014. David Steiner, a director, is the Chief Executive Officer of Waste Management, Inc., a provider of waste management services, from which TE Connectivity made \$0.2 million in purchases during fiscal year 2014. Such transactions were arms-length commercial dealings between the companies, none of which are material individually or in the aggregate. The committee has reviewed and approved or ratified these transactions.

## SECTION 16(a) BENEFICIAL OWNERSHIP REPORTING COMPLIANCE

Section 16(a) of the Securities Exchange Act requires TE Connectivity's executive officers and directors and persons who beneficially own more than ten percent of TE Connectivity's common shares to file electronically reports of ownership and changes in ownership of such common shares with the SEC and NYSE. These persons are required by SEC regulations to furnish TE Connectivity with copies of all Section 16(a) forms they file. As a matter of practice, TE Connectivity's administrative staff assists TE Connectivity's executive officers and directors in preparing initial reports of ownership and reports of changes in ownership and files those reports on their behalf. Based on TE Connectivity's review of such forms, as well as information provided and representations made by the reporting persons, TE Connectivity believes that all of its executive officers, directors and beneficial owners of more than ten percent of its common shares complied with the reporting requirements of Section 16(a) during TE Connectivity's fiscal year ended September 26, 2014, other than one late Form 4 filing for each of the following officers reporting one transaction each: Thomas J. Lynch, Mario Calastri, Terrence R. Curtin, Joseph B. Donahue, Bradley A. Gambill, Robert W. Hau, John S. Jenkins, Jr., Jane A. Leipold, Steven T. Merkt, James O'Toole, Robert J. Ott, Eric J. Resch, Robert N. Shaddock and Joan E. Wainwright.

## AUDIT COMMITTEE REPORT

*The information contained in the report below shall not be deemed to be "soliciting material" or to be "filed" with the SEC, nor shall such information be incorporated by reference into any future filing under the Securities Act of 1933, as amended, or the Securities Exchange Act of 1934, as amended, except to the extent that the company specifically incorporates it by reference in such filing.*

During our fiscal year ended September 26, 2014, the Audit Committee of the Board was composed of four directors. Lawrence S. Smith served as chair and Pierre R. Brondeau and Juergen W. Gromer served as members of the Committee. Laura H. Wright was appointed to the committee on March 4, 2014. The Board of Directors determined that each of the members of the Audit Committee met the independence and experience requirements of the NYSE and applicable federal regulations. In addition, the Board determined that Mr. Smith, Dr. Brondeau and Ms. Wright are audit committee financial experts.

The Audit Committee operates under a charter approved by the Board of Directors. A summary description of the duties and powers of the Audit Committee can be found in "The Board of Directors and Board Committees" section of this proxy statement. The Audit Committee oversees the company's financial reporting process on behalf of the Board. Management has the primary responsibility for the financial statements and the reporting process, assures that the company develops and maintains adequate financial controls and procedures, and monitors compliance with these processes. The company's independent registered public accounting firm (the "independent auditor") is responsible for performing an audit of the consolidated year-end financial statements in accordance with the standards of the Public Company Accounting Oversight Board ("PCAOB") (United States) to obtain reasonable assurance that the company's consolidated financial statements are free from material misstatement and expressing an opinion on the conformity of the financial statements with accounting principles generally accepted in the United States. The company's Swiss registered auditor is responsible for performing an audit of the statutory financial statements of TE Connectivity Ltd. prepared in accordance with Swiss law and the company's articles of association. The internal auditors are responsible to the Audit Committee and the Board for testing the integrity of the financial accounting and reporting control systems and such other matters as the Audit Committee and Board determine. The company's special auditor is responsible for delivering reports in accordance with Swiss law confirming that the receivables of the creditors of the company will be fully covered by assets after giving effect to any reductions of capital in connection with shareholders' approvals of distributions to shareholders in the form of capital reductions or under other circumstances.

In this context, the Audit Committee has reviewed the consolidated financial statements in TE Connectivity's Annual Report on Form 10-K for the fiscal year ended September 26, 2014. The Committee held discussions with management, the internal auditors, the independent auditor and the Swiss registered auditor concerning the consolidated financial statements, as well as the independent auditor's and Swiss registered auditor's opinions thereon. The Committee also discussed with management, the internal auditors and the independent auditor the report of management and the independent auditor's opinion regarding the company's internal control over financial reporting required by Section 404 of the Sarbanes-Oxley Act of 2002. Management represented to the Committee that the company's consolidated financial statements were prepared in accordance with generally accepted accounting principles in the United States. The Audit Committee reviewed and discussed the statutory financial statements with management, the internal auditors and the Swiss registered auditor, as well as the Swiss registered auditor's opinion thereon. The Committee routinely reviewed and discussed with management and the Ombudsman any concerns from employees or external constituencies (including investors, suppliers and customers) about the company's accounting, internal accounting controls or auditing matters.

The Committee discussed with the independent auditor all communications required by auditing standards of the PCAOB (United States). In addition, the Committee discussed with the independent auditor the auditor's independence from TE Connectivity and its management, including the matters in the letter received from the independent auditor regarding the independent auditor's communications with the Audit Committee concerning independence.

Based upon the Committee's review and discussions referred to above, the Committee recommended that the Board include the company's audited consolidated financial statements in TE Connectivity's Annual Report on Form 10-K for the fiscal year ended September 26, 2014 filed with the Securities and Exchange Commission. The Committee further recommended that the audited statutory financial statements of TE Connectivity Ltd., together with the company's audited consolidated financial statements, be included in the company's Annual Report to Shareholders for the fiscal year ended September 26, 2014.

**The Audit Committee:**

Lawrence S. Smith, Chair  
Pierre R. Brondeau  
Juergen W. Gromer  
Laura H. Wright

December 16, 2014



## **AGENDA ITEM NO. 4—ELECTION OF THE INDEPENDENT PROXY**

### **Motion Proposed by the Board of Directors**

Our Board of Directors proposes that Dr. Jvo Grundler, of Ernst & Young Ltd., or another individual representative of Ernst & Young Ltd. if Dr. Grundler is unable to serve at the meeting, be elected to serve as the independent proxy at our 2016 annual general meeting of shareholders and also at any shareholder meeting that may be held prior to the 2016 annual general meeting.

### **Explanation**

Under Swiss law, our shareholders must elect an independent proxy to serve as a voting proxy at our shareholder meetings for shareholders who wish to vote at the meeting by proxy. The main task of the independent proxy is to vote shares held by shareholders of record at the shareholder meeting if instructed to do so by the shareholder. The independent proxy will vote the shares as instructed by the shareholder. If the shareholder authorized the independent proxy to vote the shareholders' shares without giving instructions, the independent proxy will abstain from voting the shares.

### **Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 4.

### **Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 4.**

**AGENDA ITEM NO. 5—APPROVAL OF THE ANNUAL REPORT  
AND FINANCIAL STATEMENTS FOR THE FISCAL YEAR ENDED SEPTEMBER 26, 2014**

**Agenda Item No. 5.1—Approval of the 2014 Annual Report of TE Connectivity Ltd. (excluding the statutory financial statements for the fiscal year ended September 26, 2014 and the consolidated financial statements for the fiscal year ended September 26, 2014)**

**Motion Proposed by the Board of Directors**

Our Board of Directors proposes that the 2014 Annual Report of TE Connectivity Ltd. (excluding the statutory financial statements for the fiscal year ended September 26, 2014 and the consolidated financial statements for the fiscal year ended September 26, 2014) be approved.

**Explanation**

Our 2014 Annual Report, which accompanies this proxy statement, includes the statutory financial statements of TE Connectivity Ltd. (which do not consolidate the results of operations for our subsidiaries) for the fiscal year ended September 26, 2014 and the TE Connectivity Ltd. consolidated financial statements for the fiscal year ended September 26, 2014 and contains the reports of our Swiss registered auditor and our independent registered public accounting firm, as well as information on our business, organization and strategy. Copies of our 2014 Annual Report and this proxy statement are available on the Internet at <http://www.te.com/2015AnnualMeeting>.

Under Swiss law, certain portions of our annual report must be submitted to shareholders for approval or disapproval at each annual general meeting. This agenda item must be submitted to shareholders for approval or disapproval in addition to the statutory financial statements and the consolidated financial statements, which are presented separately for approval as Agenda Items No. 5.2 and No. 5.3, respectively.

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 Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 5.1.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 5.1.**

**Agenda Item No. 5.2—Approval of the statutory financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014**

**Motion Proposed by the Board of Directors**

Our Board of Directors proposes that the statutory financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014 be approved.

**Explanation**

TE Connectivity Ltd.’s statutory financial statements for the fiscal year ended September 26, 2014 are contained in our 2014 Annual Report, which accompanies this proxy statement. Our 2014 Annual Report also contains the report of our Swiss registered auditor with respect to the statutory financial statements of TE Connectivity Ltd.

Under Swiss law, our statutory financial statements must be submitted to shareholders for approval or disapproval at each annual general meeting.

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.

Deloitte AG, Zurich, Switzerland, as our Swiss registered auditor, has issued an unqualified recommendation to the Annual General Meeting that the statutory financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014 be approved. As our Swiss registered auditor, Deloitte AG has expressed its opinion that the statutory financial statements for the fiscal year ended September 26, 2014 comply with Swiss law and our articles of association and has reported on other legal requirements. Representatives of Deloitte AG will attend the Annual General Meeting and will have an opportunity to make a statement if they wish. They also will be available to answer appropriate questions at the meeting.

#### **Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 5.2.

#### **Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 5.2.**

#### **Agenda Item No. 5.3—Approval of the consolidated financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014**

##### **Motion Proposed by the Board of Directors**

Our Board of Directors proposes that the consolidated financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014 be approved.

##### **Explanation**

Our consolidated financial statements for the fiscal year ended September 26, 2014 are contained in our 2014 Annual Report, which accompanies this proxy statement. Our 2014 Annual Report also contains the report of our Swiss registered auditor with respect to the consolidated financial statements.

Under Swiss law, our consolidated financial statements must be submitted to shareholders for approval or disapproval at each annual general meeting.

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.

Deloitte AG, Zurich, Switzerland, as our Swiss registered auditor, has issued an unqualified recommendation to the Annual General Meeting that the consolidated financial statements of TE Connectivity Ltd. for the fiscal year ended September 26, 2014 be approved. As our Swiss registered auditor, Deloitte AG has expressed its opinion that the consolidated financial statements present fairly, in all material respects, the financial position, the results of operations and the cash flows of TE Connectivity in accordance with accounting principles generally accepted in the United States of America (U.S. GAAP) and comply with Swiss law and has reported on other legal requirements. Representatives of Deloitte AG will attend the Annual General Meeting and will have an opportunity

to make a statement if they wish. They also will be available to answer appropriate questions at the meeting.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 5.3.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 5.3.**

**AGENDA ITEM NO. 6—RELEASE OF THE MEMBERS OF THE BOARD OF DIRECTORS AND  
EXECUTIVE OFFICERS FOR ACTIVITIES DURING THE FISCAL YEAR ENDED  
SEPTEMBER 26, 2014**

**Motion Proposed by the Board of Directors**

Our Board of Directors proposes that shareholders release the members of the Board of Directors and executive officers of TE Connectivity from liability for their activities during the fiscal year ended September 26, 2014.

**Explanation**

As is customary for Swiss corporations and in accordance with article 698, subsection 2, item 5 of the Swiss Code of Obligations (the “Swiss Code”), shareholders are requested to release the members of the Board of Directors and the executive officers of TE Connectivity from liability for their activities during the fiscal year ended September 26, 2014. This release from liability claims brought by TE Connectivity or its shareholders against members of the Board of Directors and executive officers of TE Connectivity for activities carried out during the fiscal year ended September 26, 2014 is only effective with respect to facts that have been disclosed to shareholders. This release binds shareholders who either voted in favor of the agenda item or who subsequently acquired shares with knowledge of the resolution. Registered shareholders that do not vote in favor of this agenda item are not bound by the result for a period ending six months after the vote.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, not counting the votes of any director or executive officer of TE Connectivity, is required for approval of Agenda Item No. 6.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 6.**

## AGENDA ITEM NO. 7—ELECTION OF AUDITORS

### Agenda Item No. 7.1—Election of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending September 25, 2015

#### Motion Proposed by the Board of Directors

Our Board of Directors proposes that our shareholders elect Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending September 25, 2015.

#### Explanation

The election of our independent registered public accounting firm is recommended by our Audit Committee to the Board of Directors for approval by our shareholders annually. The Audit Committee reviews both the audit scope and estimated fees for professional services for the coming year. The Audit Committee has recommended the ratification of the engagement of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending September 25, 2015.

Representatives of Deloitte & Touche LLP will attend the Annual General Meeting and will have an opportunity to make a statement if they wish. They also will be available to answer appropriate questions at the meeting.

#### Independent Auditor Fee Information

Aggregate fees for professional services rendered by Deloitte & Touche LLP, the member firms of Deloitte Touche Tohmatsu, and their respective affiliates as of and for the fiscal years ended September 26, 2014 and September 27, 2013 are set forth below. The aggregate fees included in the audit fees category are fees related to the fiscal years for the services described below, irrespective of when services are rendered. The aggregate fees included in each of the other categories are fees for services rendered in the fiscal years for the services described below. (All references to “\$” below are to United States dollars.)

#### Fiscal Years 2014 and 2013 Fees

	<u>Fiscal Year 2014</u>	<u>Fiscal Year 2013</u>
Audit Fees . . . . .	\$15,513,000	\$15,210,000
Audit-Related Fees . . . . .	2,271,000	—
Tax Fees . . . . .	212,000	257,000
All Other Fees . . . . .	14,000	33,000
Total . . . . .	<u>\$18,010,000</u>	<u>\$15,500,000</u>

Audit fees for the fiscal years ended September 26, 2014 and September 27, 2013 were for professional services rendered for the annual audits of the consolidated financial statements of the company, including the audits of internal control over financial reporting, review of quarterly financial statements included in the company’s quarterly reports on Form 10-Q, consents, registration statements and statutory audits and regulatory filings in foreign jurisdictions.

Audit-related fees for the fiscal year ended September 26, 2014 were for audits of carve-out financial statements.

Tax fees for the fiscal years ended September 26, 2014 and September 27, 2013 were primarily for tax compliance services.

Other fees for the fiscal years ended September 26, 2014 and September 27, 2013 were for subscriptions and miscellaneous advisory services.

None of the services described above were approved by the Audit Committee under the de minimis exception provided by Rule 2-01(c)(7)(i)(C) under Regulation S-X.

#### **Policy for the Pre-Approval of Audit and Non-Audit Services**

The Audit Committee adopted a pre-approval policy that provides guidelines for the audit, audit-related, tax and other permissible non-audit services that may be provided by the independent auditor. The policy identifies the principles that must be considered by the Audit Committee in approving services to ensure that the auditor's independence is not impaired. The policy provides that the Corporate Controller will support the Audit Committee by providing a list of proposed services to the Audit Committee, monitoring the services and fees pre-approved by the Audit Committee, providing periodic reports to the Audit Committee with respect to pre-approved services and ensuring compliance with the policy.

Under the policy, the Audit Committee annually pre-approves the audit fee and terms of the engagement, as set forth in the audit engagement letter. These services may not extend for more than twelve months, unless the Audit Committee specifically provides for a different period. All audit-related services and non-audit tax services must be separately pre-approved by the Audit Committee. The independent auditor may not begin work on any engagement without confirmation of Audit Committee pre-approval from the Corporate Controller or his delegate.

In accordance with the policy, the Audit Committee may delegate one or more of its members the authority to pre-approve the engagement of the independent auditor when the entire Audit Committee is unable to do so. The chair must report all such pre-approvals to the Audit Committee at the next committee meeting.

#### **Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 7.1.

#### **Recommendation**

**The Board of Directors recommends a vote "FOR" approval of Agenda Item No. 7.1.**

#### **Agenda Item No. 7.2—Election of Deloitte AG, Zurich, Switzerland as our Swiss registered auditor until our next annual general meeting**

#### **Motion Proposed by the Board of Directors**

Our Board of Directors proposes that Deloitte AG, Zurich, Switzerland be elected as the company's Swiss registered auditor until our next annual general meeting.

#### **Explanation**

Under Swiss law, our shareholders must elect an independent Swiss registered public accounting firm. The Swiss registered auditor's main task is to audit our consolidated financial statements and the statutory financial statements of TE Connectivity. Our Board of Directors has recommended that Deloitte AG, Zurich, Switzerland, be elected as our Swiss registered auditor for our consolidated financial statements and the statutory financial statements of TE Connectivity Ltd.

Representatives of Deloitte AG will attend the Annual General Meeting and will have an opportunity to make a statement if they wish. They also will be available to answer appropriate questions at the meeting.

For independent auditor fee information and information on our pre-approval policy of audit and non-audit services, see Agenda Item No. 7.1. See the Audit Committee Report included in this proxy statement for additional information about our Swiss registered auditors.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 7.2.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 7.2.**

**Agenda Item No. 7.3—Election of PricewaterhouseCoopers AG, Zurich, Switzerland as special auditing firm until our next annual general meeting**

**Motion Proposed by the Board of Directors**

Our Board of Directors proposes that PricewaterhouseCoopers AG, Zurich, Switzerland be elected as our special auditing firm until our next annual general meeting.

**Explanation**

Under Swiss law, special reports by an auditor are required in connection with certain corporate transactions, including certain types of increases and decreases in share capital.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 7.3.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 7.3.**



**AGENDA ITEM NO. 8—APPROVAL OF AMENDMENTS TO  
THE ARTICLES OF ASSOCIATION TO IMPLEMENT REQUIREMENTS  
UNDER THE SWISS ORDINANCE REGARDING ELECTIONS AND  
CERTAIN OTHER MATTERS**

Pursuant to the Swiss Ordinance, Swiss companies listed on a stock exchange are required to amend their articles of association to implement the new legal requirements which became effective on January 1, 2014, concerning election of the Board of Directors, the Chairman of the Board of Directors, the members of the Management Development and Compensation Committee and the independent voting rights representative (independent proxy), and certain other matters. The amendments proposed by Agenda Item No. 8 are primarily intended to reflect these requirements.

**Motion Proposed by the Board of Directors**

The Board of Directors proposes that shareholders adopt certain amendments to the articles of association regarding elections and certain other matters as described below and set forth in Appendix B, such amendments to become effective upon their registration in the commercial register.

**Explanation**

The Swiss Ordinance requires the Company to amend its articles of association to implement the new legal requirements concerning election of the Board of Directors, the Chairman of the Board of Directors, the members of the Management Development and Compensation Committee and the independent voting rights representative (independent proxy), and certain other matters. Accordingly, the Board of Directors proposes the amendments to the articles of association contained in Appendix B to implement such requirements. The main provisions of the proposed amendments are summarized below. Please refer to Appendix B for the full text of the proposed amendments.

*Powers of the General Meeting of Shareholders (Articles 10 and 24)*

The proposed amendments to article 10, paragraphs 1(b), (c) and (e) of the articles of association reflect the new powers of the General Meeting of Shareholders that the Swiss Ordinance requires to be reflected in the articles of association. The proposed amendments give the shareholders the non-transferable power to elect the Chairperson of the Board of Directors, the members of the committee of the Board of Directors responsible for compensation matters (i.e., the Management Development and Compensation Committee, which is defined as the “Compensation Committee” in the articles of association, as proposed to be amended), and the independent proxy at the General Meeting of Shareholders. The proposed amendments also give the shareholders the power to approve the compensation of the Board of Directors and the executive management, and the management report at the General Meeting of Shareholders.

In addition, the proposed amendment to article 10, paragraph 1(f) is being made to clarify that shareholders have the power under Swiss law to grant a discharge from liability of the *executive officers* (in addition to a discharge from liability of the *Directors*, as currently provided for in the articles of association). This proposed amendment does not change the existing power of shareholders under Swiss law to discharge the executive officers and directors from liability, and accords with the Company’s current practice of requesting that shareholders approve a discharge of liability of Directors and executive officers at each annual meeting.

Conforming changes are proposed to be made to article 24, paragraph 1, to provide that the Board of Directors no longer elects the Chairperson of the Board of Directors or the members of the Compensation Committee.

### *Independent Proxy (Article 16)*

The proposed amendments to article 16 of the articles of association provide that, pursuant to the Swiss Ordinance, shareholders may be represented by an independent proxy who must be elected annually by the shareholders at a General Meeting of Shareholders for a term of office until completion of the next annual Ordinary General Meeting of Shareholders. The proposed amendments also provide that re-election of the independent proxy is permissible and that if the office of the independent proxy is vacant for whatever reason, the Board of Directors shall appoint an independent proxy for the next General Meeting of Shareholders. As required by the Swiss Ordinance, the proposed amendments further provide that a proxy and instructions to the independent proxy can be granted by electronic means as determined by the Board of Directors from time to time. The proposed amendments reflect current practice and do not introduce any substantive changes to the voting rights and the representation rights of shareholders.

### *The Compensation Committee (Article 22)*

The Swiss Ordinance further requires the articles of association to include provisions regarding the principles of the powers and duties of the Compensation Committee. The Swiss Ordinance does not require any specific mandatory powers and duties of the Compensation Committee. The proposed amendments to article 22, paragraph 5 of the articles of association provide that the members of the Compensation Committee shall, among other things, (i) assist the Board of Directors in establishing and implementing compensation policies and programs for the Board of Directors and the executive management and in any related disclosures, (ii) prepare and recommend for approval by the Board of Directors the proposals to be presented by the Board of Directors to the General Meeting of Shareholders on the compensation of the Board of Directors and the executive management, and (iii) perform such other tasks as delegated to the Compensation Committee by the Board of Directors in regulations or charter, or as otherwise delegated from time to time. The proposed amendments generally reflect the current role and responsibilities of the Compensation Committee as set forth in its charter, which also comply with NYSE listing rules.

The proposed amendments to article 22, paragraphs 3 and 4 of the articles of association provide that the Compensation Committee shall consist of a minimum of two members and that any vacancies on the Compensation Committee shall be filled by the appointment of substitute members by and from among the Board of Directors who shall serve on the Compensation Committee until completion of the next Ordinary General Meeting of Shareholders. The proposed amendments further provide that the Board of Directors shall appoint the chairperson of the Compensation Committee and shall establish the particulars of the organization, powers and duties of the Compensation Committee in regulations or a charter.

### *The Compensation Report (Articles 13 and 23)*

The Swiss Ordinance also requires that the Board of Directors prepare an annual compensation report that is in addition to compensation disclosures required in the Compensation Discussion & Analysis section of the Company's Annual General Meeting Proxy Statement pursuant to U.S. securities regulations. Beginning in 2015, this compensation report will replace—but is substantially similar to—the disclosure regarding the compensation of the board of directors and executive management historically contained in the notes to the statutory standalone financial statements of the Company. The report will be audited by the Company's Swiss auditor.

The proposed amendments to article 23, paragraph 1 include the preparation of the compensation report in the list of non-transferable and irrevocable duties of the Board of Directors. In addition, the proposed amendments to article 13, paragraph 3 reflect the Swiss Ordinance requirement that the compensation report be made available for inspection by the shareholders of the registered office of

the Company for a period of time prior to each Ordinary General Meeting of Shareholders, and that each shareholder is entitled to request a copy of the compensation report.

*Permissible Mandates of Members of the Board of Directors and the Executive Management (Articles 26a and 33)*

The Swiss Ordinance requires that the articles of association set forth the maximum number of additional “mandates” in “supreme governing bodies” of entities outside the company’s group that a member of the Board of Directors or executive management may hold. The term “mandates” in “supreme governing bodies” is generally understood to refer to a position on a company’s board of directors or an equivalent position. The Board of Directors proposes that shareholders adopt certain amendments to the articles of association regarding permissible mandates of members of the Board of Directors and the executive management as described below and set forth in Appendix B.

In relation to mandates in public companies, the Board of Directors proposes to include a new article 26a in the articles of association that sets forth the following limits:

- No member of the Board of Directors may, in addition to his or her mandate at the Company, hold (a) more than four mandates in entities whose shares are listed on a stock exchange, and (b) more than ten mandates in non-listed companies, foundations, trusts and other legal entities; and
- No member of the executive management may, in addition to his or her mandate at the Company, if any, hold (a) more than two additional mandates in entities whose shares are listed on a stock exchange, and (b) more than five mandates in non-listed companies, foundations, trusts and other legal entities.

It is also proposed that Directors and members of the executive management may exceed the limitations set forth above by a maximum of two mandates per category, each for a maximum period of six months.

Certain mandates are not subject to the limitations specified above. These mandates include:

- Mandates in companies controlled by or under common control with the Company;
- Mandates held at the instruction of the Company or any person controlled by or under common control with the Company. These types of mandates are proposed to be subject to a limit of ten mandates applicable to members of the Board of Directors and the executive management; and
- Mandates in associations, charitable organizations, not-for-profit organizations, foundations, trusts or similar legal entities. These types of mandates are also proposed to be subject to a limit of ten mandates applicable to members of the Board of Directors and the executive management.

Mandates that are under joint control or beneficial ownership are deemed to be one mandate pursuant to the proposed definition of “mandate” to be included in article 33.

The Board of Directors believes the proposed approach strikes the right balance between effectively limiting the number of mandates and allowing the Company to find and retain directors and members of the executive management who have broad experience and significant engagements in business, scientific, cultural and social organizations and institutions. The proposed maximum number of mandates is generally more stringent than that currently set forth in the Company’s Board Governance Principles, which provide that non-executive directors who are not fully employed cannot serve on more than five outside boards.

*Legal Nature of the Articles (Article 26d)*

The Board of Directors is proposing to amend the articles of association to add new article 26d, to clarify that the provisions of Chapter III of the articles of association (relating to Organization of the Company, including matters relating to elections and compensation) qualify as company law and do not give rise to individual claims of any person. This proposed amendment reflects applicable Swiss law already in effect and does not operate to limit shareholder rights in any way, and is a mere clarification for the avoidance of doubt.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 8.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of the amendments to the articles of association as set forth in Appendix B.**

**AGENDA ITEM NO. 9—APPROVAL OF AMENDMENTS TO  
THE ARTICLES OF ASSOCIATION TO IMPLEMENT REQUIREMENTS  
UNDER THE SWISS ORDINANCE REGARDING THE COMPENSATION OF  
MEMBERS OF THE BOARD OF DIRECTORS AND THE EXECUTIVE  
MANAGEMENT, AND CERTAIN OTHER MATTERS**

Pursuant to the Swiss Ordinance, Swiss companies listed on a stock exchange are required to amend their articles of association to implement the new legal requirements which became effective on January 1, 2014, concerning a binding shareholder vote on compensation for the Board of Directors and executive management, and certain other matters. The amendments proposed by Agenda Item No. 9 are primarily intended to reflect these requirements.

**Motion Proposed by the Board of Directors**

The Board of Directors proposes that shareholders adopt certain amendments to the articles of association regarding the compensation of members of the Board of Directors and the executive management, and certain other matters as described below and set forth in Appendix C, such amendments to become effective upon their registration in the commercial register.

**Explanation**

The Swiss Ordinance requires the Company to amend its articles of association to implement the new legal requirements concerning the compensation of members of the Board of Directors and the executive management, and certain other matters. Accordingly, the Board of Directors proposes the amendments to the articles of association contained in Appendix C to implement such requirements. The main provisions of the proposed amendments are summarized below. Please refer to Appendix C for the full text of the proposed amendments.

*Binding Shareholder Approval of the Compensation of the Board of Directors and the Executive Management (Article 25, paragraphs 1 through 4)*

The Swiss Ordinance requires that the articles of association set forth the procedure for annual approval by shareholders at the Ordinary General Meeting of Shareholders, in two separate binding votes, of the maximum aggregate compensation amount for (i) the Board of Directors and (ii) the executive management, as well as the procedure that would be followed if a shareholder resolution relating to compensation is rejected. The Board of Directors proposes that shareholders adopt certain amendments to the articles of association regarding binding shareholder approval of Board of Director and executive management compensation as described below and set forth in Appendix C.

The Board of Directors has proposed that shareholders adopt new article 25, paragraphs 1 through 4, pursuant to which, except as otherwise provided in article 25, the Board of Directors shall recommend for approval by shareholders the maximum aggregate amount of compensation prospectively for the following business year of the Board of Directors and, separately, of the executive management.

Under the proposed amendments, the Board of Directors is also authorized to seek shareholder approval on a retrospective or prospective basis (or a combination thereof) of the maximum aggregate amount of compensation (or any element thereof) of the Board of Directors or the executive management, or any additional or contingent amount with respect to time periods other than the period of the next fiscal year, for any reason including if the initial recommendation of the Board of Directors pursuant to article 25 has been rejected by the shareholders.

The proposed amendments further provide that, in the event the shareholders do not approve the proposed compensation amount, the Board of Directors may recommend for approval a new proposal

during the same meeting or seek shareholder approval at an Extraordinary General Meeting of Shareholders or at the next Ordinary General Meeting of Shareholders. The proposed amendments also provide that the Company may pay compensation prior to shareholder approval (including in circumstances where the aggregate compensation amount has not been approved by shareholders) as determined by the Board of Directors, but such compensation shall be subject to shareholder approval at the next shareholder meeting.

The proposed amendments provide that the Board of Directors or, where delegated to it, the Compensation Committee shall, within the aggregate amounts approved by the shareholders, have the exclusive authority to determine the individual compensation of, respectively, each member of the Board of Directors and each member of the executive management.

As required by U.S. laws and regulations, the Company will, in addition, continue to provide shareholders at the Ordinary General Meeting of Shareholders with an annual advisory (i.e., non-binding) vote on the compensation of the Company's Named Executive Officers as disclosed in the proxy statement for such meeting. Shareholders will thus have the opportunity to vote, on an advisory basis, on how the Board of Directors and/or the Compensation Committee actually used their authority within the shareholder-approved maximum aggregate compensation amount in relation to those Named Executive Officers who are also members of the executive management.

*Principles Applicable to the Compensation of the Members of the Board of Directors and the Executive Management (Article 25, paragraphs 5 through 11, and 13)*

The Swiss Ordinance requires that the articles of association set forth the basic principles applicable to the compensation of the Board of Directors and the executive management. The Board of Directors proposes that shareholders adopt certain amendments to the articles of association regarding general compensation principles as described below and set forth in Appendix C.

The proposed amendments to the articles of association set forth in article 25, paragraph 5 provide that the compensation of the Board of Directors may include (i) annual compensation, (ii) additional retainer fees (such as for the Chairperson of the Board of Directors, membership in committees or the performance of special tasks or assignments), and (iii) further benefits and perquisites, as shall be determined by the Board of Directors or, if delegated to it, the Compensation Committee and/or other Board committee subject to the terms of any applicable plans, including employer's social security contributions, contributions to pension plans, payments of insurance premiums, post-retirement benefit plans and allowances. The compensation may be paid in cash, shares, restricted shares, deferred or restricted stock units, or other form of compensation (including benefits in kind or services) as determined by the Board of Directors, or, if delegated to it, the Compensation Committee and/or other Board committee, subject to any applicable plans. The proposed amendments will also provide that Directors who also serve as officers of the Company shall not receive any compensation in addition to the compensation paid to them in their function as officers of the Company.

The proposed amendments to the articles of association set forth in article 25, paragraph 6 provide that, except as otherwise determined by the Board of Directors or, where delegated to it, the Compensation Committee, the compensation of the members of the executive management shall generally consist of (i) an annual base salary, (ii) compensation under short-term and/or long-term incentive programs, and (iii) any other compensation as required by any applicable laws or as deemed appropriate by the Board of Directors or, if delegated to it, the Compensation Committee, including without limitation employer's social security payments, post-retirement benefit plans and allowances, health, welfare, expatriate assignment or relocation benefits (including certain reimbursements), perquisite benefits, outplacement benefits and payment of premiums under insurances policies.

The proposed amendments to the articles of association set forth in article 25, paragraph 7 provide that members of the Board of Directors and the executive management may receive compensation from, and for activities in, enterprises that are directly or indirectly controlled by the Company.

The proposed amendments to the articles of association set forth in article 25, paragraph 8 provide that the value of any compensation shall be determined as of the date of grant of the compensation in accordance with generally recognized valuation methods.

The proposed amendments to the articles of association set forth in article 25, paragraphs 9 and 10 provide that short-term and long-term incentive compensation shall be designed so as to deliver competitive compensation and recognize employees for their contributions in achieving short-term or long-term financial or strategic performance objectives. In addition, long-term incentives shall be designed to align executive management with shareholders in focusing on long-term growth and stock performance. The Board of Directors or, where delegated to it, the Compensation Committee shall take into account the position and level of duties and responsibility of the respective recipient, retention considerations, the current business environment, individual performance, performance of the Company or parts thereof, market benchmark data, internal pay equity and other factors. Short-term incentive compensation is typically structured as cash payments but may be granted in other forms of remuneration. Long-term incentive awards are typically structured as awards in the form of stock options, restricted stock units, performance stock units or cash, but may consist of other forms of remuneration.

The proposed amendments to the articles of association set forth in article 25, paragraph 11 further provide that, in relation to incentive programs and awards, the Board of Directors or, where delegated to it, the Compensation Committee shall, as applicable, determine the grant, vesting, exercise, forfeiture and recoupment conditions; and the Board of Directors or, where delegated to it, the Compensation Committee may provide for the continuation, acceleration or removal of vesting and exercise conditions, for the payment or grant of compensation based upon actual or assumed target achievement, or for forfeiture of a particular award, in each case with regard to pre-determined events such as a change-of-control, death, disability, or termination of employment, mandate or other agreements.

The proposed amendments to the articles of association set forth in article 25, paragraph 13 further provide that the Board of Directors, or, where delegated to it, the Compensation Committee, shall issue guidelines, programs or plans to implement the principles set forth in article 25, as amended.

*Supplementary Amount for Changes in the Executive Management (Article 25, paragraph 12)*

As discussed above, the maximum aggregate compensation amount for members of the executive management will be submitted for shareholder approval at each Annual general meeting. However, the composition or the size of the executive management may change between annual general meetings. Because of such changes, the maximum aggregate compensation amount of the executive management already ratified by shareholders may no longer be sufficient to also cover the additional compensation of persons assuming an executive management position during such period. The Swiss Ordinance therefore permits the Company to adopt a provision in the articles of association to authorize the Board of Directors, within the limits of a specified “supplementary amount,” to grant compensation to such persons for the period until the next annual general meeting without subsequent shareholder ratification. The Board of Directors proposes that shareholders adopt certain amendments to the articles of association regarding the supplementary amount for changes in the executive management as described below and set forth in Appendix C.

The Board of Directors proposes that shareholders adopt new article 25, paragraph 12 to provide that a “supplementary amount” may be payable to a person who newly assumes an executive management function or to a member of the executive management who is promoted within the

executive management during a compensation period for which the maximum aggregate amount of compensation has already been approved by the shareholders at the General Meeting of Shareholders. Pursuant to the proposed amendments, the Company or companies directly or indirectly controlled by it is authorized to pay and/or grant compensation (including, without limitation, amounts paid for loss of compensation or other financial disadvantages caused by the change in employment) to all such persons with respect to the relevant compensation period up to an additional maximum amount of 40% of the maximum aggregate compensation of the members of the executive management that was approved by shareholders at the General Meeting of Shareholders. In addition, the proposed amendments provide that no further shareholder approval shall be required for any such additional compensation paid.

The Board of Directors believes the proposed amendments will provide the necessary flexibility to attract and hire executive talent, in particular in the event a TE employee is promoted internally to become a member of the executive management or if a member of the executive management is recruited externally. Within the proposed limits, the Board of Directors will in each case determine what is appropriate in individual circumstances. The proposal does not reflect a change in the Company's compensation philosophy or compensation practice. The Board of Directors remains committed to continued excellent governance practices in all aspects of its business, including with respect to executive compensation.

*Agreements Regarding Compensation with Members of the Board of Directors and Executive Management (Article 26b)*

The Swiss Ordinance requires that the articles of association establish the maximum duration of agreements with directors and members of the executive management related to compensation that have a fixed term and the maximum termination notice period applicable to such agreements that have an indefinite term. Under the Swiss Ordinance, the maximum duration and the maximum termination notice period are each twelve months. The Board of Directors proposes that shareholders adopt certain amendments to the articles of association relating to compensation agreements with members of the Board of Directors and executive management, as described below and set forth in Appendix C.

The Board of Directors proposes to include a new article 26b in the articles of association that sets forth the following requirements:

- For compensation agreements entered into with a member of the Board of Directors, article 26b, paragraph 1 provides that the duration of any fixed-term agreement may not exceed the term of office and the notice period for termination of any indefinite-term agreement may not exceed the term of office;
- For compensation agreements entered into with a member of executive management, article 26b, paragraph 2 provides that the term of any fixed-term agreement shall not exceed twelve months and the notice period for termination of any indefinite-term agreement shall not exceed twelve months;
- Article 26b, paragraph 3 provides that members of the executive management may be released from their duty to work during the notice period following a notice of termination and that the Company may agree to termination or similar agreements;
- Article 26b, paragraph 4 authorizes the Company to enter into post-employment non-competition agreements with members of the executive management covering a period of up to 18 months following termination of the employment agreement. The total consideration paid for a non-competition undertaking by a member of the executive management shall not exceed the total annual compensation paid to such person during the last full fiscal year in which he or she was employed at the Company or companies under its control; and



- Article 26b, paragraph 5 provides that new members of the executive management may be paid a sign-on bonus in cash or in any other form of compensation where otherwise permitted by the articles of association.

#### *Loans and Post-Retirement Benefits (Article 26c)*

The Swiss Ordinance requires that the articles of association set forth the maximum amount of loans and post-retirement benefits beyond occupational pensions that may be granted or paid to members of the Board of Directors and the executive management. The Board of Directors proposes that shareholders adopt certain amendments to the articles of association regarding loans and post-retirement benefits as described below and set forth in Appendix C.

The Board of Directors proposes to add a new article 26c, paragraph 1 to the articles of association that will provide that the Company shall not grant loans to any member of the Board of Directors or the executive management (except to the extent permitted under any applicable laws and regulations) provided that the total amount of such loans shall not exceed an amount corresponding to the annual compensation of the relevant director or member of executive management. This proposed provision is consistent with the Company's prior policy and the Sarbanes-Oxley Act of 2002 prohibition on certain loans to directors and executive officers, except that the proposed provision imposes a cap on loans that may otherwise have been provided pursuant to limited exceptions to the Sarbanes-Oxley prohibition.

The Board of Directors further proposes to add a new article 26c, paragraph 2 to the articles of association to authorize the Company to grant a member of the executive management post-retirement benefits beyond occupational pensions, provided that any such benefit may not exceed an amount equal to the total annual compensation of such person in the fiscal year immediately preceding the retirement. Pursuant to the proposed amendments to the articles of association, the Company will not have authority to grant post-retirement benefits to members of the Board of Directors, which is consistent with the Company's current practice.

#### *Additional Organizational and Clarifying Changes (Article 24, Paragraph 5 and Article 25)*

The Board of Directors has proposed additional organizational and clarifying changes with respect to article 24, paragraph 5 and article 25, as follows:

- Deletion of the provision relating to director compensation from article 24, paragraph 5, which subject matter is now reflected in proposed amendments to article 25; and
- Movement of the provision relating to signatory rights from article 25 to article 24, paragraph 5, with language added to clarify that the signing authority shall be registered with the competent commercial register.

#### **Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 9.

#### **Recommendation**

**The Board of Directors recommends a vote "FOR" approval of the amendments to the articles of association as set forth in Appendix C.**

**AGENDA ITEM NO. 10—APPROVAL OF AMENDMENT TO  
THE ARTICLES OF ASSOCIATION REGARDING THE VOTE STANDARD  
FOR SHAREHOLDER RESOLUTIONS AND ELECTIONS**

**Motion Proposed by the Board of Directors**

The Board of Directors proposes that article 17, paragraph 1 of the articles of association be amended to provide that when determining whether a shareholder resolution has passed or a person has been elected by shareholders to a particular position, abstentions and broker non-votes will no longer be taken into account (i.e., they will be disregarded and have no effect).

The proposed amendment to article 17, paragraph 1 of the articles of association is set forth in Appendix D.

If approved, the amended vote standard would become effective at the first meeting of shareholders after the 2015 Ordinary General Meeting.

**Explanation**

Shareholders currently pass resolutions and carry out elections with an absolute majority of the share votes represented at the meeting, with abstentions and broker non-votes counting as votes “against.” Under the proposed amendment to the articles of association, shareholders will pass resolutions and carry out elections with a relative majority of the votes cast, and abstentions and broker non-votes will be disregarded and have no effect. A relative majority of votes is calculated by reference to the number of votes cast “For” a proposal divided by the number of votes cast “For” and “Against” the proposal, thereby excluding abstentions and broker non-votes from the denominator. Adopting these amendments would bring the Company’s voting standard in line with other full U.S. registrants that are incorporated in Switzerland, as well as with a large number of S&P 500 companies. Similarly, proxy advisory firm guidelines apply a “votes cast” test—thereby disregarding abstentions and broker non-votes—when determining the level of shareholder support for a particular proposal or candidate. The Company believes any potential impact on shareholders of adopting this change would be negligible as shareholders will continue to have the ability to communicate negative sentiment by voting “Against” a proposal or candidate.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 10.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of the amendment to the articles of association as set forth in Appendix D.**

**AGENDA ITEM NO. 11—APPROVAL OF AMENDMENT TO  
THE ARTICLES OF ASSOCIATION REGARDING THE APPLICABLE  
VOTE STANDARD FOR CONTESTED ELECTIONS OF DIRECTORS,  
THE CHAIRPERSON OF THE BOARD AND THE MEMBERS OF THE  
MANAGEMENT DEVELOPMENT AND COMPENSATION COMMITTEE**

**Motion Proposed by the Board of Directors**

The Board of Directors proposes that article 17, paragraph 1 of the articles of association be amended to provide that in a contested election for members of the Board of Directors, the Chairperson of the Board of Directors or members of the Compensation Committee, the candidates to fill those positions are elected by a plurality of the votes cast at the general meeting. A plurality means that the individual who receives the greatest number of votes for a position is elected to that position, disregarding votes against any candidate, abstentions, broker non-votes, and blank and invalid ballots, which will all have no effect. Uncontested elections will continue to be subject to a majority vote standard pursuant to the articles of association currently in effect.

The proposed amendment to article 17, paragraph 1 of the articles of association is set forth in Appendix E.

If approved, the plurality vote standard for contested elections would become effective at the first meeting of shareholders after the 2015 Ordinary General Meeting.

**Explanation**

Shareholders currently elect members of the Board of Directors, the Chairperson of the Board of Directors and members of the Compensation Committee pursuant to a majority vote standard in both contested and uncontested elections. Under a plurality vote standard for contested elections, if one position is available, the candidate who receives the greatest number of votes “for” that position is elected, or, if several positions are available, the candidates who receive the greatest number of votes are elected up to the maximum number of positions to be filled at the election. Pursuant to the proposed amendment to article 17, paragraph 1 of the articles of association, a “contested election” is any election where the number of the candidates exceeds the number of the positions that are on the agenda of the invitation to the General Meeting of Shareholders. A plurality vote standard in contested elections ensures that there will not be a “failed” election—which could potentially lead to issues under Swiss corporate law and/or non-compliance with NYSE listing rules (including those relating to the independence of directors, committee composition and/or the maintenance of an audit committee financial expert)—as all positions that are up for election will be filled by election at the meeting.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 11.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of the amendment to the articles of association as set forth in Appendix E.**

## AGENDA ITEM NO. 12—ADVISORY VOTE TO APPROVE EXECUTIVE COMPENSATION

### Motion Proposed by the Board of Directors

Our Board of Directors proposes that shareholders approve, on an advisory (non-binding) basis, the compensation of our named executive officers. We explain this compensation pursuant to the compensation disclosure rules of the SEC in the Compensation Discussion and Analysis, the Fiscal 2014 Summary Compensation table, and related tables and discussions in this proxy statement.

### Explanation

This proposal gives shareholders the opportunity to cast a non-binding advisory vote to approve the compensation of our named executive officers. This vote often is referred to as “say-on-pay.”

As described in our CD&A, which begins on page 32, TE Connectivity’s executive compensation philosophy is designed to deliver competitive total compensation that will reward executives for achieving business unit and corporate performance objectives and will attract, motivate and retain leaders who will drive the creation of shareholder value. In order to implement that philosophy, the Management Development and Compensation Committee has established a disciplined process for adopting executive compensation programs and individual executive officer pay packages. Among other things, the MDCC analyzes competitive market data, reviews each executive officer’s role and performance assessment, and consults with an independent compensation consultant.

Our executive compensation program has several features that were designed to ensure that compensation is consistent with TE Connectivity’s executive compensation philosophy. The items highlighted below are described in more detail in the CD&A.

- For fiscal year 2014, 50% of the value of each executive officer’s annual long-term incentive award is in the form of stock options and 30% is in the form of performance stock units to drive long-term performance and alignment with shareholder interests.
- Awards of stock options and restricted stock units have a four-year vesting period, and awards of performance stock units have a three-year cliff vesting period, to further emphasize long-term performance and executive officer commitment.
- Our annual incentive plan incorporates five financial or operational performance metrics in order to properly balance risk with compensation incentives.
- The annual incentive program incorporates a cap on the maximum payout to further manage risk and reduce the possibility of excessive payments.
- Our compensation risk assessment process has determined that our incentive compensation programs are not reasonably likely to create a material risk to the company.
- Our Share Ownership and Retention Requirement Plan, together with the design of the long-term incentive awards, drives long-term executive stock ownership.
- Our Change in Control Severance Plan only pays upon a change-in-control termination (i.e., a “double trigger”) and does not permit the payment of any gross-up amounts.

Our executive compensation philosophy emphasizes performance-based pay. The Pay Mix chart in the CD&A demonstrates that in fiscal year 2014, performance-based incentives constituted at least 66%, and as much as 74%, of compensation for the named executive officers. Similarly, since TE Connectivity became a public company in 2007, pay levels have been relatively low in fiscal years in which the company has not met its target performance measures and relatively high in years in which company performance has been strong.

We encourage shareholders to read the CD&A, which discusses in greater detail how our compensation policies and procedures align with our executive compensation philosophy. The MDCC believes that our executive compensation programs and executive officer pay levels are consistent with our executive compensation philosophy, fully support the goals of that philosophy, and provide an appropriate balance between risk and incentives.

We are asking our shareholders to indicate their support for our named executive officer compensation as described in this proxy statement.

**Text of the Shareholder Resolution**

IT IS RESOLVED, that shareholders of TE Connectivity Ltd. approve, on an advisory basis, the compensation of the named executive officers of the company, as disclosed in the proxy statement for the 2015 Annual General Meeting pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, the Fiscal 2014 Summary Compensation table, and the other related tables and discussions.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required to approve Agenda Item No. 12. The vote is not binding on the company, the MDCC or our Board. Nevertheless, our Board and the MDCC value the opinions of our shareholders and we will consider those opinions when designing compensation programs and individual executive compensation packages.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 12.**

**AGENDA ITEM NO. 13—BINDING VOTE TO APPROVE FISCAL YEAR 2016 MAXIMUM  
AGGREGATE COMPENSATION AMOUNT FOR EXECUTIVE MANAGEMENT**

**Motion Proposed by the Board of Directors**

Our Board of Directors proposes that shareholders approve the maximum aggregate compensation that can be paid, granted or promised to the members of Executive Management in fiscal year 2016 in an amount not to exceed \$57.7 million.

**Explanation**

As discussed in Agenda Items No. 8 and No. 9, we have asked our shareholders to approve amendments to the articles of association which are intended to implement the new Swiss Ordinance. Among the amendments, article 25 provides that the Board of Directors shall recommend for approval by the shareholders the maximum amount of aggregate compensation that can be paid, granted or promised to the members of Executive Management, prospectively for the next business year.

The requirement to obtain shareholder approval of the compensation of the Executive Management is effective for compensation paid in fiscal year 2016 and after. Consequently, the proposal described in this Agenda Item No. 13 gives shareholders the opportunity to approve, on a binding basis, the aggregate amount of compensation that can be paid, granted or promised to the members of Executive Management for our fiscal year ending September 30, 2016 (“fiscal year 2016”). The members of Executive Management currently include the following 11 senior executives: Thomas J. Lynch, Robert W. Hau, John S. Jenkins, Jane A. Leipold, Robert N. Shaddock, Joan E. Wainwright, Terrence R. Curtin, Joseph B. Donahue, Steven T. Merkt, James O’Toole and Bradley A. Gambill (see position titles on pages 29-31).

The general principles of the Company’s executive compensation program are described in article 25 of the amended articles of association. A more detailed description of our executive compensation programs currently in effect and the actual amounts paid to the Chief Executive Officer and other named executive officers for fiscal year 2014 are described in our Compensation Discussion & Analysis (“CD&A”), which begins on page 32. As described more fully in the CD&A, the Management Development and Compensation Committee (“Compensation Committee”) has established and follows a disciplined process in adopting our executive compensation programs and in making individual executive compensation determinations. That process has been followed since the Company came into existence as a publicly-traded company in fiscal year 2007, has been followed in fiscal year 2015 and we expect will continue to be followed in fiscal year 2016 and beyond. We urge our shareholders to read the amended articles of association and the CD&A to understand our executive compensation philosophy and process when considering this proposal.

In addition, shareholders have had the opportunity since 2011 under U.S. law to cast a non-binding advisory vote to approve the compensation paid to our named executive officers, although that approval is for compensation paid in the business year preceding the Annual General Meeting of Shareholders. (Shareholders should understand that U.S. proxy rules require disclosure of the compensation of our named executive officers and a non-binding shareholder vote on the compensation paid to those named executive officers. The Swiss Ordinance requires a binding shareholder vote for the aggregate compensation of the 11 members of Executive Management listed above.) Our shareholders have consistently voiced their strong support for the Company’s executive compensation programs, providing approval of the non-binding proposals in each year since 2011, the year that the non-binding shareholder advisory vote requirement became effective. For fiscal years 2011, 2012 and 2013, the shareholder approval levels have been 80.8%, 89.5% and 90.0%, respectively. The non-binding advisory vote required under U.S. law is still in effect, so our shareholders are again provided the opportunity to cast a non-binding advisory vote to approve the compensation paid to the named executive officers in fiscal year 2014, as is more fully discussed in Agenda Item No. 12.

For fiscal year 2016, we ask that shareholders approve maximum aggregate compensation that can be paid, granted or promised to the members of Executive Management in an amount not to exceed

\$57.7 million. Our shareholders should understand that this amount is the maximum amount that the Company can pay, grant or promise to its Executive Management (other than additional amounts that may be payable to persons who newly assume Executive Management functions or who are promoted within Executive Management during fiscal year 2016) and has been calculated using very conservative assumptions in order to provide the Board and Company management wide flexibility to reward extremely superior performance across all businesses and to address unforeseen circumstances that might arise during fiscal year 2016. The table below provides insight to our maximum amounts of compensation that could have been paid, granted or promised in the last fully completed fiscal year (fiscal year 2014), the maximum amounts available to be paid, granted or promised for the 2015 fiscal year and our estimates for maximum compensation levels for the 2016 fiscal year. The comments provide insight into the assumptions we have used to make the estimates.

	Fiscal Year 2014 Maximum \$million	Fiscal Year 2015 Maximum Available \$million	Fiscal Year 2016 Maximum Requested \$million	Comment
<b>Base Salaries</b>	\$ 6.9	\$ 7.0	\$ 7.3	<ul style="list-style-type: none"> <li>Fiscal Year 2014 Maximum reflects actual salaries for Executive Management for the period.</li> <li>Fiscal Year 2015 Maximum Available reflects actual salaries for Executive Management effective January 1, 2015.</li> <li>Fiscal Year 2016 Maximum Requested assumes a 4.5% salary increase budget.</li> </ul>
<b>Annual Incentives<sup>(1)</sup></b>	\$12.7	\$13.0	\$13.6	<ul style="list-style-type: none"> <li>Fiscal Year 2014 Maximum and Fiscal Year 2015 Maximum Available reflect the maximum payout of 200% of target, available only upon achievement of superior performance.</li> <li>Fiscal Year 2016 Maximum Requested annual incentive amount is based on the 2016 base salary amount (as described above) and a payout at the maximum payout of 200% of target, available only upon achievement of superior performance.</li> </ul>
<b>Long Term Incentives</b>	\$30.3	\$30.3	\$33.3	<ul style="list-style-type: none"> <li>Fiscal Year 2014 Maximum and Fiscal Year 2015 Maximum Available reflect the total equity pool available for Executive Management assuming all grants were made at the range maximum of 150% of target.</li> <li>Fiscal Year 2016 Maximum Requested assumes that all grants are made at the range maximum of 150% of target, and includes a 10% uplift to account for any extraordinary circumstances.</li> </ul>
<b>Other Compensation</b>	\$ 3.2	\$ 3.2	\$ 3.5	<ul style="list-style-type: none"> <li>All numbers are based on other compensation components as reported in the 2014 Proxy Statement.</li> <li>Fiscal Year 2016 Maximum Requested provides for a 10% increase.</li> </ul>
<b>Total Compensation</b>	\$53.1	\$53.5	\$57.7	

<sup>(1)</sup> Actual payouts are based on measures that support our strategic business objectives (which are approved by our board of directors). To achieve 200% payout, maximum performance objectives would need to be met. See page 41 of CD&A.

We do not anticipate that the aggregate amount paid to members of Executive Management in fiscal year 2016 will be at the maximum amount requested. Actual compensation paid to Executive Management in fiscal year 2014 was \$41.3 million (includes grant date fair value of fiscal year 2014 equity grants). We anticipate fiscal year 2015 compensation to range between \$36.5 million and \$49.5 million (includes grant date fair value of fiscal year 2015 equity grants). Actual fiscal year 2015 level is dependent on our performance pursuant to our Annual Incentive Plan as described in the CD&A on pages 42-43. For fiscal year 2015, amounts paid to members of Executive Management have been or will be awarded under the same or substantially similar executive compensation programs and under substantially the same terms as those in effect in fiscal year 2014. For a description of the base salary adjustments and fiscal year 2015 long term equity awards granted to our current named executive officers, please refer to the CD&A on pages 39 and 45-46. The fiscal year 2015 annual incentive program has likewise been designed with terms and conditions substantially similar to the fiscal year 2014 program, with performance goals for fiscal year 2015 adjusted to reflect our fiscal year 2015 financial plan and strategic needs. We expect to make fiscal year 2016 compensation awards in the same or substantially similar manner, utilizing our current executive compensation programs and adjusting performance goals to reflect fiscal year 2015 performance, our fiscal year 2016 financial plan and the strategic needs of the Company for fiscal year 2016.

Assuming current projections for fiscal year 2016 and no unforeseen circumstances occurring, we expect that the total compensation paid to members of Executive Management for fiscal year 2016 will be in line with the total compensation amounts paid in fiscal year 2014 and that which will be paid in fiscal year 2015, as described in the preceding paragraph, adjusted for base salary increases and Company performance in fiscal years 2015 and 2016. Nonetheless, we request that our shareholders approve the maximum aggregate amount of \$57.7 million to assure that the board and management have the flexibility to award superior performance across all business units in fiscal year 2016 and/or to respond to unforeseen circumstances that may arise in fiscal year 2016.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required to approve Agenda Item No. 13.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 13.**



**AGENDA ITEM NO. 14—BINDING VOTE TO APPROVE FISCAL YEAR 2016  
MAXIMUM AGGREGATE COMPENSATION AMOUNT FOR  
THE BOARD OF DIRECTORS**

**Motion Proposed by the Board of Directors**

Our Board of Directors proposes that shareholders approve the maximum aggregate compensation that can be paid to the Board of Directors in fiscal year 2016 in an amount not to exceed \$4.35 million.

**Explanation**

As discussed in Agenda Items No. 8 and No. 9, we have asked our shareholders to approve amendments to the articles of association which are intended to implement the new Swiss Ordinance. Among the amendments, article 25 provides that the Board of Directors shall recommend for approval by the shareholders the maximum amount of aggregate compensation that can be paid, granted or promised to the Board of Directors, prospectively for the next business year.

The requirement to obtain shareholder approval of the compensation of the Board of Directors is effective for compensation paid in fiscal year 2016 and after. Consequently, the proposal described in this Agenda Item No. 14 gives shareholders the opportunity to approve, on a binding basis, the aggregate amount of compensation that can be paid, granted or promised to the Board of Directors for our fiscal year 2016. For purposes of this proposal, the Board of Directors refers only to the outside directors, and does not include the Chairman and Chief Executive Officer, where those two positions are held by the same person.

The general principles of the Company's compensation program for the Board of Directors are described in article 25 of the amended articles of association. A more detailed description of our compensation programs currently in effect for the Board of Directors and the actual amounts paid to each member of the Board for fiscal year 2014 are described in our Compensation Discussion & Analysis ("CD&A"), which begins on page 32. As described more fully in the CD&A, the current program consists of (i) cash retainer amounts, (ii) equity retainer amounts, awarded in the form of Company common shares or deferred stock units (for Board members not subject to U.S. taxation), and (iii) other miscellaneous benefits. Basic retainer fees for Board members are the same, but additional retainer fees are paid to the Lead Independent Director, committee chairs and members of the Audit Committee.

For fiscal year 2016, we ask that shareholders approve maximum aggregate compensation that can be paid, granted or promised to the Board of Directors in an amount not to exceed \$4.35 million. Our shareholders should understand that this amount is the maximum amount that the Company can pay, grant or promise to its Board of Directors in fiscal year 2016 and has been calculated based on the fiscal year 2015 Board compensation structure with an additional 35% reserve added to provide flexibility to make appropriate fee increases in fiscal year 2016 in light of competitive market practices or in the event the number of directors is increased. (Board fees were last adjusted in fiscal year 2014).

The table below first shows the aggregate compensation paid to the Board of Directors in fiscal year 2014 and anticipated compensation for fiscal year 2015. The table also shows our requests for

maximum compensation levels for fiscal year 2016. The comments provide insight into the assumptions we have used to make the estimates.

	Fiscal Year 2014 Actual \$million	Fiscal Year 2015 Proposed \$million <sup>(3)</sup>	Fiscal Year 2016 Requested \$million	Comment
<b>Cash Retainers (including committee and Chair fees)</b>	\$1.14	\$1.13	\$1.57	Both fiscal year 2014 and fiscal year 2015 include partial year directors. Fiscal year 2016 assumes 11 full year directors and a 35% added reserve as described above.
<b>Equity Retainers</b>	\$1.73 <sup>(1)</sup>	\$1.85 <sup>(1)</sup>	\$2.50	Both fiscal year 2014 and fiscal year 2015 include partial year directors. Fiscal year 2016 assumes 11 full year directors and a 35% added reserve as described above.
<b>Other Miscellaneous Benefits</b>	\$ .26 <sup>(2)</sup>	\$ .26	\$ .28	Fiscal year 2015 and fiscal year 2016 hold Other Miscellaneous Benefits fairly constant and assumes a slightly higher level of director educational opportunities.
<b>Total Compensation</b>	\$3.13	\$3.24	\$4.35	

<sup>(1)</sup> Values represent grant date fair value using the Company's closing stock price on the date of grant. See pages 64-65 of Compensation of Non-Employee Directors for information. Fiscal year 2015 Equity Retainer was granted on November 10, 2014 and used a closing stock price equal to \$61.50.

<sup>(2)</sup> Includes \$60,000 consulting fee for Ms. Wright for services performed prior to being elected to the board.

<sup>(3)</sup> Includes prorated fees for Lead Independent Director.

Assuming current projections for fiscal year 2016, and fees and number of directors stay the same, we expect that the total compensation paid to members of the Board of Directors for fiscal year 2016 will be in line with the total compensation amounts paid in fiscal year 2014 and that will be paid in fiscal year 2015. Nonetheless, we request that our shareholders approve the maximum aggregate amount of \$4.35 million to allow the Company to have sufficient flexibility to implement any fee adjustments and/or to respond to unforeseen circumstances that may arise in fiscal year 2016.

#### **Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required to approve Agenda Item No. 14.

#### **Recommendation**

**The Board of Directors recommends a vote "FOR" approval of Agenda Item No. 14.**

**AGENDA ITEM NO. 15—CARRYFORWARD OF UNAPPROPRIATED  
ACCUMULATED EARNINGS**

**Motion Proposed by the Board of Directors**

Our Board of Directors proposes that shareholders approve that our unappropriated accumulated earnings of CHF 659 million at September 26, 2014 be carried forward in available earnings.

**Background**

Under Swiss law, the appropriation of available earnings as set forth in our Swiss statutory financial statements must be submitted to shareholders for approval at each annual general meeting. At September 26, 2014, our balance sheet in our Swiss statutory financial statements reflected unappropriated accumulated earnings of CHF 659 million.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 15.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 15.**

## AGENDA ITEM NO. 16—DECLARATION OF DIVIDEND

### Motion Proposed by the Board of Directors

Our Board of Directors proposes (based on resolutions adopted on December 17, 2014) that shareholders resolve to make a dividend payment in the amount of \$1.32 per issued share out of reserves from capital contributions in our Swiss statutory accounts on the dates designated below in four equal quarterly installments of \$0.33 each to shareholders of record on the dates designated below, starting with the third fiscal quarter of 2015 and ending in the second fiscal quarter of 2016.

### Explanation

The Board of Directors proposes that the company pay an ordinary cash dividend in the amount of \$1.32 per share out of reserves from capital contributions in our Swiss statutory accounts. Subject to the cap described below, payment of the dividend will be made in four equal quarterly installments of \$0.33, with the first installment to be paid on June 12, 2015 to shareholders of record at the close of business on May 29, 2015, the second installment to be paid on September 11, 2015 to shareholders of record at the close of business on August 28, 2015, the third installment to be paid on December 11, 2015 to shareholders of record at the close of business on November 27, 2015, and the fourth installment to be paid on March 11, 2016 to shareholders of record at the close of business on February 26, 2016. Dividend payments will be made with respect to our outstanding share capital on the record date for the applicable dividend payment. The reduction to our reserves from capital contributions in our Swiss statutory accounts, which is required to be made in Swiss francs, will be determined based on the aggregate amount of the dividend and will be calculated based on the USD/CHF exchange rate in effect on the date of the Annual General Meeting as published on the website of the Swiss National Bank.

If the proposal is approved, the U.S. dollar amount of the dividend will be capped at an amount such that the aggregate reduction to our reserves from capital contributions will not exceed CHF 1,040,000,000 (or approximately \$2.49 per share based on the USD/CHF exchange rate of CHF 1.0085 per \$1.00 in effect on January 6, 2015). To the extent that a dividend payment would exceed the cap, the U.S. dollar per share amount of the current or future dividends will be reduced on a pro rata basis so that the aggregate amount of all dividends paid does not exceed the cap. If the cap were reached, no further installment payments could then be made. In addition, the aggregate reduction in reserves from capital contributions will be increased for any shares issued, and decreased for any shares acquired, after the Annual General Meeting and before the record date for the applicable dividend installment payment.

Our statutory auditor, Deloitte AG, must confirm that the dividend proposal conforms with the requirements of the Swiss Code and our articles of association. The auditor's report will be available at the meeting.

### Text of the Shareholder Resolution

IT IS RESOLVED, that a dividend of \$1.32 per share payable from reserves from capital contributions shall be distributed to the shareholders out of the reserves of TE Connectivity Ltd., to be paid to the shareholders in four equal quarterly installments of \$0.33, (1) on June 12, 2015 to the shareholders of record on May 29, 2015, (2) on September 11, 2015 to the shareholders of record on August 28, 2015, (3) on December 11, 2015 to the shareholders of record on November 27, 2015, and (4) on March 11, 2016 to the shareholders of record on February 26, 2016; the U.S. dollar amount of the dividend will be capped at an amount such that the aggregate reduction to our reserves from capital contributions will not exceed CHF 1,040,000,000, so that to the extent that a dividend payment would exceed the cap, the U.S. dollar per share amount of the

current or future dividends will be reduced on a pro rata basis so that the aggregate amount of all dividends paid does not exceed the cap.

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 16.

**Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 16.**

## **AGENDA ITEM NO. 17—RENEWAL OF AUTHORIZED CAPITAL**

### **Motion Proposed by the Board of Directors**

Our Board of Directors proposes that its authority to issue shares out of the company's authorized capital be reapproved and extended for an additional period ending two years after the date of the Annual General Meeting (March 3, 2017, assuming no postponement or adjournment of the Annual General Meeting), by the shareholders' approval of an amendment to article 5, paragraph 1 of our articles of association. This proposed amendment to article 5, paragraph 1 of our articles of association is set forth below under "Text of Shareholder Resolution." See also "Agenda Item No. 18—Approval of Share Capital Reduction for Shares Acquired under our Share Repurchase Program" which proposes a further amendment to article 5, paragraph 1 of our articles of association in connection with a share capital reduction.

### **Explanation**

The Board of Directors believes it is advisable and in the best interests of the company to authorize the Board of Directors to be reauthorized to issue new authorized capital in accordance with the provisions of the Swiss Code and our articles of association. Our articles of association approved by our shareholders at our 2013 Annual General Meeting of Shareholders held on March 6, 2013 authorized our Board of Directors to issue new authorized capital at any time during the two-year period ending on March 6, 2015 (the second anniversary of such approval), and thereby increase the share capital, without shareholder approval, by a maximum amount of 50% of the share capital at the time of the increase. The Swiss Code provides that the shareholders may, by amendment to the articles of association, authorize the Board of Directors to increase the share capital for a period of no longer than two years from such approval. The amount of authorized capital set forth in article 5, paragraph 1 would be reduced during the two-year period ending on March 3, 2017 proportionately to any reduction to the company's total authorized share capital approved by the shareholders and effected during this two-year period, including the share capital reduction proposed for approval under Agenda Item No. 18.

If this Agenda Item is approved, we would nevertheless seek shareholder approval for share issuances to the extent required under NYSE rules. Under current NYSE rules, shareholder approval is generally required, with certain enumerated exceptions, to issue common shares or securities convertible into or exercisable for common shares in one or a series of related transactions if such common shares represent 20% or more of the voting power or outstanding common shares of the company. NYSE rules also require shareholder approval for an issuance of shares that would result in a change of control of the company, as well as for share issuances in connection with certain benefit plans or related party transactions.

### **Text of Shareholder Resolution**

IT IS RESOLVED, that the meeting of shareholders approves the amendment of article 5, paragraph 1 of the articles of association of TE Connectivity Ltd. as follows:

#### **Previous version**

##### **Art. 5 Authorized Capital**

<sup>1</sup>The Board of Directors is authorized to increase the share capital at any time until 6 March 2015 by an amount not exceeding CHF 119,435,172.30 through the issuance of up to 209,535,390 fully paid up registered shares with a par value of CHF 0.57 each.

#### **Proposed new version**

##### **Art. 5 Authorized Capital**

<sup>1</sup>The Board of Directors is authorized to increase the share capital at any time until 3 March 2017 by an amount not exceeding CHF 119,435,172.30 through the issuance of up to 209,535,390 fully paid up registered shares with a par value of CHF 0.57 each.

### **Vote Requirement to Approve Agenda Item**

The approval of two-thirds of the share votes represented and the absolute majority of the par value of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 17.

### **Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 17.**

**AGENDA ITEM NO. 18—APPROVAL OF SHARE CAPITAL REDUCTION FOR SHARES  
ACQUIRED UNDER OUR SHARE REPURCHASE PROGRAM**

**Motion Proposed by the Board of Directors**

Our Board of Directors proposes that 5,006,400 shares purchased under our share repurchase program by TE Connectivity Ltd. during the period beginning December 28, 2013 and ending December 26, 2014 be cancelled and that, as a result, shareholders approve amendments to our articles of association to effect the share capital reduction by CHF 2,853,648.00 to CHF 236,016,697.17. The proposed amendments to article 4, paragraph 1, article 5, paragraph 1 and article 6, paragraph 1 of our articles of association are set forth below under “Text of Shareholder Resolution.”

**Explanation**

The Board of Directors believes it is advisable and in the best interests of the company to cancel shares purchased by TE Connectivity Ltd. under our share repurchase program during the second, third and fourth fiscal quarters of 2014 and the first fiscal quarter of 2015 and accordingly effect the reduction of the share capital of the company by approval of the proposed amendments to the articles of association.

PricewaterhouseCoopers AG, Zürich, Switzerland, the company’s special auditor, will deliver a report to the Annual General Meeting confirming that the receivables of the creditors of TE Connectivity will be fully covered after giving effect to the share capital reduction in accordance with article 732, paragraph 2 of the Swiss Code. The auditor’s report will be available at the meeting.

The capital reduction by cancellation of shares can only be accomplished after publication of three notices to creditors in the Swiss Official Gazette of Commerce (*SHAB*) and in the manner provided for by the articles of association after the two-month time period set for the creditors to file claims has expired and all creditors who have filed claims have been satisfied or secured and a public deed of compliance has been established. If approved by shareholders, we expect that the share capital reduction will be accomplished in the second half of May 2015.

**Text of Shareholder Resolution**

IT IS RESOLVED, that, based on a special auditor report dated March 3, 2015 in accordance with article 732, paragraph 2 of the Swiss Code of Obligations (the “Swiss Code”), which is at hand, provided by PricewaterhouseCoopers AG, Zürich, Switzerland, as state supervised auditing enterprise present at the shareholders’ meeting:

1. the registered share capital of TE Connectivity Ltd. in the aggregate amount of Swiss francs (“CHF”) 238,870,345.17 shall be reduced by the amount of CHF 2,853,648.00 to CHF 236,016,697.17 by cancelling 5,006,400 registered shares;
2. it is acknowledged and recorded that according to the report dated March 3, 2015 of PricewaterhouseCoopers AG, Zürich, Switzerland, as state supervised auditing enterprise present at the shareholders’ meeting, in accordance with article 732, paragraph 2 of the Swiss Code, it is confirmed that the receivables of the creditors of TE Connectivity Ltd. are fully covered by assets after giving effect to the capital reduction; and



3. the articles of association of TE Connectivity Ltd. shall be adapted as follows:

Previous version

**Art. 4  
Share Capital**

<sup>1</sup>The Company's share capital is CHF 238,870,345.17. It is divided into 419,070,781 registered shares with a par value of CHF 0.57 each.

**Art. 5  
Authorized Capital**

<sup>1</sup>The Board of Directors is authorized to increase the share capital at any time until 3 March 2017 by an amount not exceeding CHF 119,435,172.30 through the issuance of up to 209,535,390 fully paid up registered shares with a par value of CHF 0.57 each.\*

**Art. 6  
Conditional Share Capital**

<sup>1</sup>The share capital of the Company shall be increased by an amount not exceeding CHF 119,435,172.30 through the issue of a maximum of 209,535,390 registered shares, payable in full, with a par value of CHF 0.57 each [rest of paragraph unchanged]

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\* Assumes that the amendments to our articles set forth in this agenda item occur after the amendment to our articles of association set forth in Agenda Item No. 17 (renewal of authorized capital) (whereby the date set forth in article 5, paragraph 1 is amended to be 3 March 2017 rather than 6 March 2015).

Proposed new version

**Art. 4  
Share Capital**

<sup>1</sup>The Company's share capital is CHF 236,016,697.17. It is divided into 414,064,381 registered shares with a par value of CHF 0.57 each.

**Art. 5  
Authorized Capital**

<sup>1</sup>The Board of Directors is authorized to increase the share capital at any time until 3 March 2017 by an amount not exceeding CHF 118,008,348.30 through the issuance of up to 207,032,190 fully paid up registered shares with a par value of CHF 0.57 each.\*

**Art. 6  
Conditional Share Capital**

<sup>1</sup>The share capital of the Company shall be increased by an amount not exceeding CHF 118,008,348.30 through the issue of a maximum of 207,032,190 registered shares, payable in full, with a par value of CHF 0.57 each [rest of paragraph unchanged]

**Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 18.

**Recommendation**

**The Board of Directors recommends a vote "FOR" approval of Agenda Item No. 18.**

## **AGENDA ITEM NO. 19—APPROVAL OF ANY ADJOURNMENTS OR POSTPONEMENTS OF THE MEETING**

### **Motion Proposed by the Board of Directors**

Our Board of Directors proposes that our shareholders approve any adjournments or postponements of the Annual General Meeting.

### **Explanation**

You are being asked to approve any adjournments or postponements of the meeting so that we can solicit additional proxies if there are insufficient proxies to elect directors and approve the remaining agenda items at the time of the meeting, including, without limitation, the amendments to the articles of association required by the Swiss Ordinance.

### **Vote Requirement to Approve Agenda Item**

The approval of an absolute majority of the share votes represented at the meeting, whether in person or by proxy, is required for approval of Agenda Item No. 19.

### **Recommendation**

**The Board of Directors recommends a vote “FOR” approval of Agenda Item No. 19.**

## **ADDITIONAL INFORMATION**

### **Cost of Solicitation**

The cost of solicitation of proxies will be paid by TE Connectivity. TE Connectivity has engaged MacKenzie Partners, Inc. as the proxy solicitor for the Annual General Meeting for an approximate fee of \$15,000. In addition, certain directors, officers or employees of TE Connectivity may solicit proxies by telephone or personal contact. Upon request, TE Connectivity will reimburse brokers, dealers, banks and trustees, or their nominees, for reasonable expenses incurred by them in forwarding proxy materials to beneficial owners of shares.

### **Registered and Principal Executive Offices**

The registered and principal executive offices of TE Connectivity are located at Rheinstrasse 20, CH-8200 Schaffhausen, Switzerland. The telephone number is +41 (0) 52 633 66 61.

### **Annual Report**

Copies of our Annual Report for the fiscal year ended September 26, 2014 containing our audited consolidated financial statements with accompanying notes and our audited Swiss statutory financial statements prepared in accordance with Swiss law as well as additionally required Swiss disclosures, are available to shareholders free of charge on our website at [www.te.com](http://www.te.com) or by writing to TE Connectivity Shareholder Services, TE Connectivity Ltd., Rheinstrasse 20, CH-8200 Schaffhausen, Switzerland.

## **TE CONNECTIVITY 2016 ANNUAL GENERAL MEETING OF SHAREHOLDERS**

TE Connectivity anticipates that the 2016 Annual General Meeting of Shareholders will be held on or about March 2, 2016.

Shareholder proposals submitted pursuant to Rule 14a-8 under the Securities Exchange Act and article 14 of TE Connectivity’s articles of association will be considered for inclusion in TE Connectivity’s 2016 proxy statement and proxy card for the meeting if the proposal is received in

writing by TE Connectivity's Secretary no later than September 17, 2015. The notice of proposal must comply with the requirements established by the SEC and must include the information specified in article 14 of TE Connectivity's articles of association and must be a proper subject for shareholder action under Swiss law.

Article 14 of TE Connectivity's articles of association sets forth the procedures (including, without limitation, advance notice requirements) a shareholder must follow to request that an item be put on the agenda of a general meeting of shareholders. No prior notice is required to bring proposals (including the nomination of persons for election to the Board of Directors) at a general meeting of shareholders where such proposals relate to items that are already included on the agenda for that meeting.

Proposals should be addressed to Harold G. Barksdale, Secretary, TE Connectivity Ltd., Rheinstrasse 20, CH-8200 Schaffhausen, Switzerland.

TE Connectivity will furnish a copy of its articles of association to any shareholder without charge upon written request to the Secretary.

#### **WHERE YOU CAN FIND MORE INFORMATION**

We file annual, quarterly and special reports, proxy statements and other information with the SEC. You may read and copy these materials at the SEC reference room at 100 F Street, N.E., Washington, D.C. 20549, USA. Please call the SEC at 1-800-SEC-0330 for further information on their public reference room. Our SEC filings also are available to the public at the SEC's website (<http://www.sec.gov>). In addition, you can obtain reports and proxy statements and other information about us at the offices of the NYSE, 20 Broad Street, New York, New York 10005, USA.

We maintain a website on the Internet at <http://www.te.com>. We make available free of charge, on or through our website, our annual report on Form 10-K, quarterly reports on Form 10-Q, current reports on Form 8-K and any amendments to those reports, as soon as reasonably practicable after such material is filed with the SEC. This reference to our Internet address is for informational purposes only and shall not, under any circumstances, be deemed to incorporate the information available at such Internet address into this proxy statement.

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## APPENDIX A

### PRIMARY TALENT MARKET PEER GROUP

#### Aerospace & Defense; Electronic, Electrical & Scientific Equipment & Components; Industrial Manufacturing

3M Company	ITT Corporation
Alliant Techsystems Inc.	Johns Manville Corporation
AMETEK Inc.	Kennametal Inc.
AMSTED Industries Incorporated	Knowles Corporation
A. O. Smith Corporation	Kyocera Corporation
Arrow Electronics, Inc.	L-3 Communications Holdings Inc.
BAE Systems PLC	Lafarage North America
BBA Aviation PLC	Lutron Electronics
Bechtel Systems & Infrastructure, Inc.	Makino
Ball Corp.	Milacron LLC
The Boeing Company	MTS Systems Corporation
BorgWarner Inc.	Northrop Grumman Corporation
Calgon Carbon Corporation	Owens Corning
Celestica Inc.	Pall Corporation
Colfax Corporation	Panasonic of North America
Continental Automotive Systems	Parker Hannifin Corporation
Corning Incorporated	Regal-Beloit Corporation
Curtiss-Wright Corporation	Robertshaw Controls
Cytec Industries Inc.	Rockwell Automation Inc.
Deere & Company	Rockwell Collins Inc.
Dematic	Rolls-Royce North America (USA) Holdings Co.
Donaldson Co. Inc.	SAIC, Inc.
Eaton Corporation	Saint-Gobain
Emerson Electric Co.	Shaw-Cor
Esterline Technologies Corporation	Sonoco Products Co.
Exelis Inc.	Spirit AeroSystems Holdings, Inc.
GAF Materials Corporation (Canada)	SPX Corporation
General Dynamics Corporation	Terex Corporation
Graco Inc.	Textron Inc.
Harman International Industries, Incorporated	Toro Co.
HD Supply, Inc.	Trinity Industries, Inc.
Hexcel Corporation	United Launch Alliance
Honeywell Inc.	United Technologies Corporation
Hubbell Incorporated	USG Corporation
Husky Injection Molding Systems Ltd.	Worthington Industries, Inc.
Ingersoll-Rand	Xylem Inc.

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## APPENDIX B

### Text of Proposed Amendments to Articles of Association to Implement Requirements Under the Swiss Ordinance Regarding Elections and Certain Other Matters

German version	English version
<p style="text-align: center;"><b>Art. 10</b> <b>Befugnisse</b></p>	<p style="text-align: center;"><b>Art. 10</b> <b>Authority</b></p>
<p><sup>1</sup>Die Generalversammlung ist das oberste Organ der Gesellschaft. Sie hat die folgenden unübertragbaren Befugnisse:</p>	<p><sup>1</sup>The General Meeting of Shareholders is the supreme corporate body of the Company. It has the following non-transferable powers:</p>
<p>(a) die Festsetzung und die Änderung der Statuten;</p>	<p>(a) the adoption and amendment of the articles of association;</p>
<p>(b) die Wahl und Abwahl der Mitglieder des Verwaltungsrates, des Präsidenten des <u>Verwaltungsrates, der Mitglieder des Ausschusses für Vergütungsfragen (der “Vergütungsausschuss”)</u>, des unabhängigen <u>Stimmrechtsvertreters</u> und der externen Revisionsstelle;</p>	<p>(b) election and removal of the Directors, <u>the Chairperson of the Board of Directors, the members of the committee responsible for compensation matters (the “Compensation Committee”)</u>, <u>the independent proxy</u> and the external audit firm;</p>
<p>(c) die Genehmigung des <u>Lageberichts Jahresberichts</u> und der Konzernrechnung der Gesellschaft;</p>	<p>(c) approval of the <u>management annual-report</u> and the consolidated financial statements of the Company;</p>
<p>(d) die Genehmigung der Jahresrechnung und die Beschlussfassung über die Verwendung des Bilanzgewinns, insbesondere die Festsetzung der Dividende und der Gewinnbeteiligung der Geschäftsleitung;</p>	<p>(d) approval of the annual statutory financial statement as well as the resolution on the allocation of profit, in particular, the declaration of dividends and profit sharing by Directors;</p>
<p>(e) die Genehmigung der Vergütung des <u>Verwaltungsrates und der Geschäftsleitung gemäss Art. 25;</u></p>	<p>(e) approval of the compensation of the <u>Board of Directors and the executive management pursuant to art. 25;</u></p>
<p>(ef) die Entlastung der Mitglieder des <u>Verwaltungsrates und der Geschäftsleitung;</u></p>	<p>(fe) grant of discharge from liability of the <u>Directors and the executive officers;</u></p>
<p>(fg) die Beschlussfassung über eine Kapitalrückerstattungen mittels Kapitalherabsetzung; und</p>	<p>(gf) resolutions about a return of capital by way of a share capital reduction; and</p>
<p>(gh) die Beschlussfassung über die Gegenstände, die der Generalversammlung durch das Gesetz oder die Statuten vorbehalten sind.</p>	<p>(hg) adoption of resolutions on matters that are reserved to the General Meeting of Shareholders by law, these Articles of Association or, subject to art. 716a CO, that are submitted to the General Meeting of Shareholders by the Board of Directors.</p>
<p>[remainder unchanged]</p>	<p>[remainder unchanged]</p>
<p style="text-align: center;"><b>Art. 13</b> <b>Einberufung</b></p>	<p style="text-align: center;"><b>Art. 13</b> <b>Notice</b></p>
<p>[initial paragraphs unchanged]</p>	<p>[initial paragraphs unchanged]</p>

<sup>3</sup>Spätestens 20 Kalendertage vor der ordentlichen Generalversammlung sind der Geschäftsbericht,<sup>2</sup> der Vergütungsbericht und der Bericht der Revisionsstelle zur Einsicht für die Aktionäre am Gesellschaftssitz aufzulegen. Jeder Aktionär ist berechtigt zu beantragen, dass ihm der Geschäftsbericht, der Vergütungsbericht und der Bericht der Revisionsstelle gebührenfrei und umgehend zugestellt werden. Die im Aktienbuch vermerkten Aktionäre werden schriftlich über das Recht auf Zustellung dieser Dokumente benachrichtigt.

#### Art. 16

##### Recht auf Teilnahme, Stimmrecht

[initial paragraph unchanged]

<sup>2</sup>Vorbehältlich den Bestimmungen in diesem Art. 16 berechtigt jede Aktie, die im Aktienbuch als Aktie mit Stimmrecht eingetragen ist, zu einer Stimme. Art. 693 Abs. 3 OR bleibt vorbehalten. Mittels Vollmacht kann jeder Aktionär seine Aktien in der Generalversammlung durch einen Dritten vertreten lassen, der selber nicht Aktionär sein muss oder durch den unabhängigen Stimmrechtsvertreter, wobei die Vollmacht und die Weisungen an den unabhängigen Stimmrechtsvertreter auch elektronisch, nach vom Verwaltungsrat von Zeit zu Zeit festzulegenden Vorschriften, erteilt werden können. Wirtschaftliche Eigentümer von Aktien, die ihre Aktien durch einen Nominee halten, üben ihre Aktionärsrechte mittels Vertretung durch diesen Nominee aus.

<sup>3</sup>Der unabhängige Stimmrechtsvertreter wird von der Generalversammlung für eine Amtsdauer bis zur nächsten ordentlichen Generalversammlung gewählt. Eine Wiederwahl ist zulässig. Sollte das Amt des unabhängigen Stimmrechtsvertreters aus irgendeinem Grund vakant sein, ernennt der Verwaltungsrat einen unabhängigen Stimmrechtsvertreter für die nächste Generalversammlung.

#### Art. 22

##### Delegation, Vergütungsausschuss

[initial paragraphs unchanged]

<sup>3</sup>The annual report, the compensation report and the auditor's report shall be made available for inspection by the shareholders at the registered office of the Company at least twenty calendar days prior to the date of the Ordinary General Meeting of Shareholders. Each Shareholder is entitled to request prompt delivery of a copy of the annual report, the compensation report and the auditor's report free of charge. Shareholders registered in the share register shall be notified of the availability of these documents in writing.

#### Art. 16

##### Right to Participation, Voting Rights

[initial paragraph unchanged]

<sup>2</sup>Subject to the other provisions of this art. 16, each share recorded in the share register as a share with voting rights confers one vote on its holder. Art. 693 para. 3 CO remains reserved. By means of proxy, each shareholder may have his shares represented in a General Meeting of Shareholders by a third person who need not himself be a shareholder or by the independent proxy, provided, however, that the proxy and the instructions to the independent proxy also may be given by electronic means as determined by the Board of Directors from time to time. Beneficial Owners of shares who hold shares through a Nominee exercise shareholders' rights through the intermediation of such Nominee.

<sup>3</sup>The independent proxy shall be elected by the shareholders at a General Meeting of Shareholders for a term of office until the next Ordinary General Meeting of Shareholders. Re-election is permissible. If the office of the independent proxy is vacant for whatever reason, the Board of Directors shall appoint an independent proxy for the next General Meeting of Shareholders.

#### Art. 22

##### Delegation, Compensation Committee

[initial paragraphs unchanged]



**German version**

<sup>3</sup>Der Vergütungsausschuss besteht aus mindestens zwei Mitgliedern. Der Verwaltungsrat ernennt den Vorsitzenden des Vergütungsausschusses. Vorbehältlich der Bestimmungen des anwendbaren Rechts und dieser Statuten regelt der Verwaltungsrat die Einzelheiten der Organisation, der Befugnisse und der Pflichten des Vergütungsausschusses in einem Reglement oder einer Satzung.

<sup>4</sup>Ist der Vergütungsausschuss aus irgendeinem Grund nicht vollständig besetzt, ernennt der Verwaltungsrat aus seiner Mitte Ersatzmitglieder für eine sich bis zum Abschluss der nächsten ordentliche Generalversammlung erstreckende Amtsdauer.

<sup>5</sup>Der Vergütungsausschuss hat unter anderem die Aufgaben (a) den Verwaltungsrat bei der Festlegung und Umsetzung von Vergütungsgrundsätzen und -programmen für die Mitglieder des Verwaltungsrates und der Geschäftsleitung und bei Offenlegungen in dieser Hinsicht zu unterstützen, (b) für den Verwaltungsrat die Anträge zur Vergütung des Verwaltungsrates und der Geschäftsleitung, welche der Verwaltungsrat an die Generalversammlung stellt, vorzubereiten und eine Empfehlung zur Genehmigung durch den Verwaltungsrat abzugeben und (c) andere mit der Vergütung in Zusammenhang stehende Aufgaben, die dem Vergütungsausschuss vom Verwaltungsrat von Zeit zu Zeit in Reglementen, Satzungen oder auf eine andere Art delegiert werden, auszuüben.

**Art. 23  
Befugnisse**

<sup>1</sup>Der Verwaltungsrat hat folgende unübertragbare und unentziehbare Befugnisse:

[paragraphs (a)-(d) unchanged]

(e) die Oberaufsicht über die Geschäftsführung, insbesondere im Hinblick auf die Befolgung der Gesetze, der Statuten, des Organisationsreglements, und anderer Reglemente und Weisungen;

(f) die Erstellung des jährlichen Geschäftsberichts, des Vergütungsberichts sowie die Vorbereitung der Generalversammlung und die Umsetzung deren Beschlüsse;

[remainder unchanged]

**English version**

<sup>3</sup>The Compensation Committee shall consist of a minimum of two members. The Board of Directors appoints the chairman of the Compensation Committee. Subject to the applicable law and the Articles of Association, the Board of Directors shall establish the particulars of the organization, powers and duties of the Compensation Committee in regulations or a charter.

<sup>4</sup>If there are vacancies on the Compensation Committee for any reason, the Board of Directors shall appoint from among its members substitutes for a term of office extending until completion of the next Ordinary General Meeting of Shareholders.

<sup>5</sup>The Compensation Committee shall, among other things, (a) assist the Board of Directors in establishing and implementing compensation policies and programs for the Board of Directors and the executive management and in any related disclosures, (b) prepare and recommend for approval by the Board of Directors the proposals to be presented by the Board of Directors to the General Meeting of Shareholders on the compensation of the Board of Directors and the executive management, and (c) perform such other tasks as delegated to the Compensation Committee by the Board of Directors in regulations or charter, or as otherwise delegated from time to time.

**Art. 23  
Specific Powers**

<sup>1</sup>The Board of Directors has the following non-transferable and irrevocable duties:

[paragraphs (a)-(d) unchanged]

(e) to ultimately supervise the persons entrusted with the management, in particular with respect to compliance with the law and with the Articles of Association, the Organizational Regulations, and other regulations and directives;

(f) to prepare the annual business report, the compensation report and the General Meeting of Shareholders and to implement the latter's resolutions where appropriate;

[remainder unchanged]

**Art. 24****Organisation, Entschädigung**

~~Der~~ Vorbehältlich der Wahl des Verwaltungsratspräsidenten und der Mitglieder des Vergütungsausschusses durch die Aktionäre an einer Generalversammlung, konstituiert sich der Verwaltungsrat konstituiert sich selber. Er wählt seinen Präsidenten und einen Sekretär, der weder Aktionär noch Verwaltungsrat(smitglied) zu sein braucht.

[paragraphs 2, 3 and 4 unchanged]

**Art. 26a****Mandate ausserhalb des Konzerns**

~~Kein Mitglied des Verwaltungsrates kann mehr als vier zusätzliche Mandate bei börsenkotierten Gesellschaften (diese Gesellschaft ausgeschlossen) und zehn zusätzliche Mandate bei nicht börsenkotierten Gesellschaften, Stiftungen, Trusts oder anderen juristischen Personen wahrnehmen.~~

~~Kein Mitglied der Geschäftsleitung kann mehr als zwei zusätzliche Mandate bei börsenkotierten Gesellschaften (diese Gesellschaft ausgeschlossen) und fünf zusätzliche Mandate bei nicht börsenkotierten Gesellschaften, Stiftungen, Trusts oder anderen juristischen Personen wahrnehmen.~~

~~Die folgenden Mandate fallen nicht unter die Beschränkungen gemäss Abs. 1 und Abs. 2 dieses Art. 26a:~~

~~(a) Mandate in Personen, welche die Gesellschaft kontrollieren, durch die Gesellschaft kontrolliert werden oder unter gemeinsamer Kontrolle mit der Gesellschaft stehen;~~

~~(b) ohne Einschränkung von lit. a hiervor, Mandate, die auf Anordnung der Gesellschaft oder von Personen, welche die Gesellschaft kontrollieren, durch die Gesellschaft kontrolliert werden oder unter gemeinsamer Kontrolle mit der Gesellschaft stehen, wahrgenommen werden; wobei kein Mitglied des Verwaltungsrates oder der Geschäftsleitung mehr als zehn (10) solcher Mandate wahrnehmen kann; und~~

**Art. 24****Organization, Remuneration**

~~The~~ Except for the election of the Chairperson of the Board of Directors and the members of the Compensation Committee by the shareholders at a General Meeting of Shareholders, the Board of Directors shall constitute itself. It appoints its Chairperson as well as a Secretary who does not need to be a shareholder or a Director.

[paragraphs 2, 3 and 4 unchanged]

**Art. 26a****Mandates Outside the Group**

~~No Director may hold more than four additional Mandates in listed companies (other than the Company) and ten additional Mandates in non-listed companies, foundations, trusts and other legal entities.~~

~~No member of the executive management may hold more than two additional Mandates in listed companies (other than the Company) and five additional Mandates in non-listed companies, foundations, trusts and other legal entities.~~

~~The following Mandates shall not be subject to the limitations set forth in para. 1 and para. 2 of this art. 26a:~~

~~(a) Mandates in any Person which controls, is controlled by or is under common control with the Company;~~

~~(b) without limitation to subpara. (a) above, Mandates held at the instructions of the Company or any Person which controls, is controlled by or is under common control with the Company; provided, however, that no member of the Board of Directors or the executive management shall hold more than ten (10) such Mandates; and~~

**German version**

(c) Mandate in Vereinen und Verbänden, gemeinnützigen Organisationen, Not-For-Profit Organisationen, Stiftungen (einschliesslich Personalfürsorgestiftungen), Trusts und ähnliche Personen; wobei kein Mitglied des Verwaltungsrates oder der Geschäftsleitung mehr als zehn (10) solcher Mandate wahrnehmen kann.

<sup>4</sup>Jedes Mitglied des Verwaltungsrates ist berechtigt, die Beschränkung dieses Art. 26a Abs. 1 bei einem Maximum von zwei Mandaten pro Kategorie zu überschreiten, und jedes Geschäftsleitungsmitglied ist berechtigt, die Beschränkungen gemäss Art. 26a Abs. 2 bei einem Maximum von zwei Mandaten pro Kategorie zu überschreiten, solange in beiden Fällen die Überschreitung nicht länger als sechs Monate dauert.

**Art. 26d**

**Rechtsnatur der Statutenbestimmungen**

Die Bestimmungen dieses Kapitels III (Organisation der Gesellschaft) sind gesellschaftsrechtlicher Natur und bilden keine Grundlage für individuelle Ansprüche jedweder Person.

**Art. 33**

**Allgemeine Definitionen**

[initial paragraphs unchanged]

“Mandat” wird definiert als jeglicher Einsitz in das oberste Leitungs- oder Verwaltungsorgan einer Person, die zur Eintragung in ein schweizerisches Handelsregister oder ein entsprechendes ausländisches Register verpflichtet ist. Mandate in unterschiedlichen Personen, welche unter einheitlicher Kontrolle oder wirtschaftlicher Berechtigung stehen, werden als ein Mandat behandelt.

[remainder unchanged]

**English version**

(c) Mandates in associations, charitable organizations, not-for-profit organizations, foundations (including in relation to post-retirement benefits), trusts and similar Persons; *provided, however*; that no member of the Board of Directors or the executive management shall hold more than ten (10) such Mandates.

<sup>4</sup>Each Director shall be permitted to exceed the limitations set out in para. 1 of this art. 26a by a maximum of two Mandates per category, and each member of the executive management shall be permitted to exceed the limitations set out in para. 2 of this art. 26a by a maximum of two Mandates per category, in each case during a maximum period of six months.

**Art. 26d**

**Legal Nature of Articles**

The provisions of this chapter III (Organization of the Company) qualify as company law and do not give rise to individual claims of any Person.

**Art. 33**

**General Definitions**

[initial paragraphs unchanged]

“Mandate” means any position in the supreme governing body of a Person that is required to be registered in a Swiss commercial register or a foreign register of equivalent nature. Mandates in different Persons that are under joint control or Beneficial Ownership shall be deemed to be one Mandate.

[remainder unchanged]

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## APPENDIX C

### Text of Proposed Amendments to Articles of Association to Implement Requirements Under the Swiss Ordinance Regarding the Compensation of Members of the Board of Directors and Executive Management, and Certain Other Matters

German version	English version
<p style="text-align: center;"><b>Art. 24</b> <b>Organisation, Entschädigung</b></p> <p>[paragraphs 2-4 unchanged]</p> <p><sup>5</sup>Jeder Verwaltungsrat ist berechtigt, für seine Tätigkeit als Verwaltungsrat eine Entschädigung zu erhalten, sofern und soweit eine solche vom Gesamtverwaltungsrat festgelegt wird, entweder zusätzlich oder anstelle von Entschädigungen, welche diesem aufgrund einer Exekutivtätigkeit oder einer Anstellung bezahlt werden. Jeder Verwaltungsrat hat Anspruch auf Ersatz seiner im Rahmen der Geschäftstätigkeit der Gesellschaft oder in Erfüllung seiner Pflichten als Verwaltungsrat aufgewendeten vernünftigen Auslagen. Keine Bestimmung dieser Statuten soll dahingehend interpretiert werden, dass es einem Verwaltungsrat verwehrt ist, für die Gesellschaft in einer anderen Eigenschaft als Verwaltungsrat tätig zu sein und dafür entschädigt zu werden. Die rechtsverbindliche Vertretung der Gesellschaft durch Mitglieder des Verwaltungsrates und anderer Personen wird gemäss dem Organisationsreglement festgelegt; die Zeichnungsberechtigung wird im zuständigen Handelsregister registriert.</p>	<p style="text-align: center;"><b>Art. 24</b> <b>Organization, Remuneration</b></p> <p>[paragraphs 2-4 unchanged]</p> <p><sup>5</sup>Each Director shall be entitled to receive such fees for his services as a Director, if any, as the Board of Directors may from time to time determine, either in addition to or in lieu of any compensation payable to that Director in respect of any executive office or employment. Each Director shall be paid or reimbursed for all expenses properly and reasonably incurred by him in the conduct of the Company's business or in the discharge of his duties as a Director. Nothing in these Articles of Association shall be construed to preclude any Director from serving the Company in any other capacity or receiving compensation therefore. The due and valid representation of the Company by Directors and other persons shall be set forth in <u>Organizational Regulations</u>; the signing authority shall be registered with the competent commercial register.</p>
<p style="text-align: center;"><b>Art. 25</b> <b>Vergütung des Verwaltungsrats und der Geschäftsleitung Zeichnungsberechtigung</b></p> <p><sup>1</sup>Die rechtsgültige Vertretung der Gesellschaft durch die Verwaltungsratsmitglieder und weitere Personen wird im Organisationsreglement geregelt und soll beim zuständigen Handelsregisteramt eingetragen werden. <sup>1</sup>Vorbehältlich der Bestimmungen in diesem Art. 25 stellt der Verwaltungsrat zuhanden der ordentlichen Generalversammlung Antrag auf Genehmigung eines Maximalgesamtbetrags der Vergütung (a) des Verwaltungsrats und separat davon (b) der Geschäftsleitung, je prospektiv für das nächste Geschäftsjahr.</p>	<p style="text-align: center;"><b>Art. 25</b> <b>Compensation of the Board of Directors and the Executive Management Signatory Rights</b></p> <p><sup>1</sup>The due and valid representation of the Company by Directors and other persons shall be set forth in <u>Organizational Regulations</u> and shall be duly registered with the competent commercial register. <sup>1</sup>Except as otherwise provided in this art. 25, the Board of Directors shall recommend for approval by the Ordinary General Meeting of Shareholders the maximum aggregate amount of compensation prospectively for the following business year of (a) the Board of Directors and, separately, of (b) the executive management.</p>

German version

<sup>2</sup>Der Verwaltungsrat kann den Aktionären hinsichtlich einer Generalversammlung beantragen, den Maximalgesamtbetrag der Vergütungen des Verwaltungsrats oder der Geschäftsleitung, oder Teile dieses Maximalgesamtbetrags, oder zusätzliche oder bedingte Beträge, retrospektiv, prospektiv oder in einer Kombination davon, und betreffend Zeitperioden, die von denjenigen gemäss Abs. 1 dieses Art. 25 abweichen, zu genehmigen, insbesondere, aber nicht ausschliesslich, wenn der Antrag des Verwaltungsrates gemäss Art. 25 Abs. 1 durch die Generalversammlung abgelehnt wurde.

<sup>3</sup>Wenn ein Antrag des Verwaltungsrates gemäss Art. 25 Abs.1 oder Abs. 2 von der Generalversammlung nicht genehmigt wurde, kann der Verwaltungsrat (a) während derselben Generalversammlung einen neuen Antrag zur Genehmigung stellen, oder (b) wenn der Verwaltungsrat keinen neuen Antrag stellt oder der neue Antrag durch die Generalversammlung erneut abgelehnt wird, die Genehmigung an einer ausserordentlichen Generalversammlung oder an der nächsten ordentlichen Generalversammlung beantragen. Wenn ein Vorschlag des Verwaltungsrates gemäss Art. 25 Abs. 1 durch die Aktionäre an einer ordentlichen oder ausserordentlichen Generalversammlung nicht genehmigt wurde, bestimmt der Verwaltungsrat die betreffende an den Verwaltungsrat und/oder die Geschäftsleitung auszubezahlende Vergütung, unter dem Vorbehalt der Genehmigung durch die Aktionäre an der nächsten ordentlichen oder ausserordentlichen Generalversammlung.

<sup>4</sup>Unter Vorbehalt von Art. 10 Abs. 1 lit. e und der Bestimmungen dieses Art. 25 ist der Verwaltungsrat, oder soweit an ihn delegiert der Vergütungsausschuss, für die Festlegung der Vergütung jedes einzelnen Mitgliedes des Verwaltungsrates oder der Geschäftsleitung ausschliesslich zuständig und verantwortlich.

English version

<sup>2</sup>The Board of Directors shall have the right to seek shareholder approval by a General Meeting of Shareholders on a retrospective or prospective basis, or a combination thereof, of the maximum aggregate amount of compensation, or any element thereof, of the Board of Directors or the executive management, or any additional or contingent amount with respect to time periods that are different from those set forth in this art. 25 para. 1, in particular, without limitation, if the recommendation of the Board of Directors pursuant to art. 25 para. 1 has been rejected by the General Meeting of Shareholders.

<sup>3</sup>If a recommendation of the Board of Directors pursuant to art. 25 para. 1 or para. 2 has not been approved by the General Meeting of Shareholders, the Board of Directors may (a) recommend for approval a new proposal during the same General Meeting, or (b) if the Board of Directors does not recommend a new proposal or a new proposal is again rejected by the General Meeting of Shareholders, seek shareholder approval at an Extraordinary General Meeting of Shareholders or at the next Ordinary General Meeting of Shareholders. If a recommendation of the Board of Directors pursuant to art. 25 para. 1 has not been approved by the shareholders at an Ordinary or Extraordinary General Meeting of Shareholders, the Board of Directors shall determine the amount of compensation to be paid to the Board of Directors and/or the executive management, as applicable, subject to approval at the next Ordinary or Extraordinary General Meeting of Shareholders, as applicable.

<sup>4</sup>Subject to art. 10 para 1 subpara. (e) and the provisions of this art. 25, it shall be within the exclusive authority and responsibility of the Board of Directors, or, where delegated to it, the Compensation Committee, to determine the individual compensation of each Director or member of the executive management.

German version

<sup>5</sup>Die Vergütung der Mitglieder des Verwaltungsrates kann eine jährliche Vergütung, zusätzliche Honorare (beispielsweise für den Präsidenten des Verwaltungsrates, Mitgliedschaft in Ausschüssen oder für die Erbringung spezieller Aufgaben oder Aufträgen) sowie weitere Leistungen und Vorteilszuwendungen umfassen, die vom Verwaltungsrat oder, sofern an diesen delegiert, vom Vergütungsausschuss und/oder einem anderen Verwaltungsratsausschuss festzulegen sind, unter Einhaltung etwaiger Planvorschriften, inklusive Beiträge des Arbeitgebers an die Sozialversicherungen, Beiträge an die Altersvorsorgepläne, Zahlungen für Versicherungsprämien, Vorsorgeleistungen und Spesenpauschalen. Die Vergütung kann in bar, Aktien, gesperrten Aktien, aufgeschobenen oder gesperrten Aktieneinheiten (*deferred oder restricted stock units*) oder in jeder anderen Vergütungsform (insbesondere Sach- oder Dienstleistungen) ausgerichtet werden, wie vom Verwaltungsrat oder, sofern an diesen delegiert, vom Vergütungsausschuss und/oder einem anderen Verwaltungsratsausschuss festgelegt, jeweils unter Einhaltung der anwendbaren Planvorschriften. Verwaltungsratsmitglieder, welche auch Exekutivfunktionen der Gesellschaft ausüben, erhalten abgesehen von der Vergütung, welche sie in ihrer Funktion als Geschäftsleitungsmitglied der Gesellschaft erhalten, keine zusätzliche Vergütung.

<sup>6</sup>Die Vergütung der Mitglieder der Geschäftsleitung besteht grundsätzlich aus (a) einer jährlichen Basisvergütung, (b) Vergütungen unter kurzfristigen Leistungs- und Erfolgsprogrammen (gemäss Art. 25 Abs. 9 unten), (c) Vergütungen unter langfristigen Leistungs- und Erfolgsprogrammen (gemäss Art. 25 Abs. 10 unten), und (d) weiteren Vergütungen, die gemäss anwendbarer Gesetze vorgeschrieben sind oder vom Verwaltungsrat oder, sofern an ihn delegiert, vom Vergütungsausschuss als angemessen angesehen werden, inklusive, und nicht ausschliesslich, Beiträge des Arbeitgebers an die Sozialversicherungen, Vorsorgeleistungen und Spesenpauschalen, Vorteilszuwendungen für die Gesundheits- und die allgemeine Fürsorge, Leistungen für Entsendungen ins Ausland oder Umzüge (inklusive Ersatz von wegen der Auslandsentsendung oder dem Umzug entstehender zusätzlicher Steuerlasten), Vorteilszuwendungen aufgrund von Vergünstigungen, Aussenvermittlungsleistungen und Prämienzahlungen aus Versicherungsverträgen.

English version

<sup>5</sup>The compensation of the Directors may consist of an annual compensation, additional retainer fees (such as for the Chairperson of the Board of Directors, membership in committees or the performance of special tasks or assignments) as well as further benefits and perquisites, as shall be determined by the Board of Directors or, if delegated to it, the Compensation Committee and/or other Board committee subject to the terms of any applicable plans, including employer's social security contributions, contributions to pension plans, payments of insurance premiums, post-retirement benefit plans and allowances. The compensation may be paid in cash, shares, restricted shares, deferred or restricted stock units, or any other form of compensation (including benefits in kind or services) as determined by the Board of Directors, or, if delegated to it, the Compensation Committee and/or other Board committee, subject to any applicable plans. Directors who also serve as officers of the Company shall not receive any compensation in addition to the compensation paid to them in their function as officers of the Company.

<sup>6</sup>The compensation of the members of the executive management shall generally consist of (a) an annual base salary, (b) compensation under short-term incentive programs (according to art. 25 para. 9 below), (c) compensation under long-term incentive programs (according to art. 25 para. 10 below), and (d) any other compensation as required by any applicable laws or as deemed appropriate by the Board of Directors or, if delegated to it, the Compensation Committee, including without limitation employer's social security payments, post-retirement benefit plans and allowances, health, welfare, expatriate assignment or relocation benefits (including reimbursement of additional tax liabilities associated with the assignment or relocation), perquisite benefits, outplacement benefits and payment of premiums under insurances policies.

**German version**

7Die Mitglieder des Verwaltungsrates und der Geschäftsleitung können Vergütungen von, und für Aktivitäten in, Unternehmen erhalten, welche direkt oder indirekt von der Gesellschaft kontrolliert werden. Derartige Vergütungen müssen im von der Generalversammlung zu genehmigenden Maximalgesamtbetrag enthalten sein.

8In der Regel wird der Wert einer Vergütung, welche von der Generalversammlung zu genehmigen ist, nach den anerkannten Bewertungsmethoden zum Zeitpunkt des Zuspruchs des jeweiligen Vergütungselements bestimmt. Jeglicher Ersatz von Auslagen, welche ein Mitglied des Verwaltungsrats oder der Geschäftsleitung vollständig und direkt in Ausübung seiner Verpflichtungen getätigt hat, und jegliche Zahlung von Schadenersatz, Schäden, Verlusten, Vorschüssen oder Versicherungsprämien (gemäss Art. 26) werden nicht als Vergütung qualifiziert.

9Die kurzfristige Leistungs- und Erfolgsvergütung ist so auszugestalten, dass die Vergütung der Geschäftsleitung konkurrenzfähig ist und die Mitarbeitenden für ihre Beiträge zwecks Erreichens kurzfristiger Leistungs- und Erfolgsziele, die vom Verwaltungsrat oder, sofern an diesen delegiert, vom Vergütungsausschuss festgelegt werden, belohnt. Die kurzfristige Leistungs- und Erfolgsvergütung ist so auszugestalten, dass die Geschäftsleitung für die Erreichung finanzieller oder strategischer Leistungsziele während des Geschäftsjahres auf der Ebene der Gesellschaftsgruppe, eines Segmentes oder einer Geschäftseinheit belohnt werden, wobei Anpassungen erlaubt sind, um der persönlichen Leistung Rechnung zu tragen. Die Leistungsziele werden vom Verwaltungsrat oder, sofern an ihn delegiert, vom Vergütungsausschuss definiert. Die kurzfristige Leistungs- und Erfolgsvergütungen erfolgen normalerweise in Form von Barzahlungen, können aber auch in jeder anderen Vergütungsform entrichtet werden. Die kurzfristige Leistungs- oder Erfolgsvergütungen sind normalerweise so auszugestalten, dass die Erreichung jährlicher Leistungsziele belohnen wird, wobei Vorkehren für kürzere Fristen als für ein Jahr durch den Verwaltungsrat oder, sofern an diesen delegiert, den Vergütungsausschuss genehmigt werden dürfen, sofern dies unter den jeweiligen Umständen notwendig und angemessen erscheint.

**English version**

7The Directors and the members of the executive management may receive compensation from, and for activities in, enterprises that are directly or indirectly controlled by the Company. Such compensation shall be included in the maximum aggregate amount to be approved by the General Meeting of Shareholders.

8As a rule, the value of compensation that is subject to the approval by the General Meeting of Shareholders shall be determined in accordance with recognized valuation methods as of the grant date of the relevant element of compensation. Any reimbursement of expenses incurred by a Director or member of the executive management that are integrally and directly related to the performance of such Person's duties, and any indemnification payment, payment for damages, losses, advance payment, or insurance premium payment (as referred to in art. 26 below) shall not be considered to constitute compensation.

9The short-term incentive compensation shall be designed to deliver executive management compensation that is competitive and recognizes employees for their contributions in achieving short-term performance objectives as established by the Board of Directors or, if delegated to it, the Compensation Committee. The short-term incentive compensation shall be designed to reward executive management for achieving fiscal year financial or strategic performance goals at the corporate, segment or business unit level, with adjustments permitted to recognize individual performance. The performance objectives shall be defined by the Board of Directors or, if delegated to it, the Compensation Committee. The short-term incentive compensation is typically structured as cash payments, but may be granted in any other form of remuneration. Short-term incentive compensation is typically designed to reward performance over annual periods, but arrangements for periods less than one year may be approved by the Board of Directors or, if delegated to it, by the Compensation Committee, as deemed necessary and appropriate in light of prevailing circumstances.



German version

<sup>10</sup>Die langfristige Leistungs- und Erfolgsvergütung ist so auszugestalten, dass die Vergütung der Geschäftsleitung konkurrenzfähig ist, die Mitarbeitenden für ihre Beiträge zwecks Erreichens langfristiger Leistungs- und Erfolgsziele, die vom Verwaltungsrat oder, sofern an diesen delegiert, vom Vergütungsausschuss festgelegt werden, belohnt, und die Geschäftsleitung und die Aktionäre hinsichtlich der Ausrichtung auf langfristiges Wachstum und Kursentwicklung in Einklang bringen. Bei der Festlegung der Ausgestaltung der langfristigen Leistungs- und Erfolgsvergütungsregelungen kann der Verwaltungsrat oder, sofern an diesen delegiert, der Vergütungsausschuss, unter anderem die aktuellen und die erwarteten künftigen Wirtschaftsbedingungen, langfristige strategische Gesellschaftsgruppen- und/oder Geschäftseinheitsziele und/oder Erfordernisse betreffend die Konkurrenzfähigkeit, individuelle Retentions- und Anreizerfordernisse und weitere als relevant betrachtete Faktoren berücksichtigen. Anlässlich der Festlegung individueller Vergütungen im Rahmen einer langfristigen Leistungs- und Erfolgsvergütungsregelung kann der Verwaltungsrat oder, sofern an diesen delegiert, der Vergütungsausschuss unter anderem das Leistungsergebnis der Gesellschaftsgruppe, Vergleichsdaten, die interne Lohngerechtigkeit, die individuelle Leistung, den Beitrag zu strategischen Initiativen, die Erfahrungsstufe, die Auswirkung auf die Organisation, das zukünftige Potenzial und die Vergütungshistorie berücksichtigen. Die langfristigen Leistungs- und Erfolgsvergütungen erfolgen normalerweise als Vergütungen in Form von Aktienoptionen, gesperrten Aktieneinheiten (*restricted stock units*), Leistungs-Aktieneinheiten (*performance stock units*) oder in bar, können aber in jeder anderen Vergütungsform entrichtet werden, inklusive, und nicht ausschliesslich, in Form von Aktien, gesperrten Aktien, aufgeschobenen Aktieneinheiten (*deferred stock units*), Aktienwertsteigerungsrechten und weiteren Finanzinstrumenten oder Derivaten, wie vom Verwaltungsrat oder, sofern an diesen delegiert, vom Vergütungsausschuss festgelegt.

English version

<sup>10</sup>The long-term incentive compensation shall be designed to deliver executive management compensation that is competitive, recognizes employees for their contributions in achieving long-term performance objectives as established by the Board of Directors, or, if delegated to it, the Compensation Committee, and aligns executive management with shareholders in focusing on long-term growth and stock performance. In determining the design of any long-term incentive compensation arrangement, the Board of Directors or, if delegated to it, the Compensation Committee may, among other things, take into account current and expected future economic conditions, long term Company and/or business unit strategic goals and/or competitive needs, individual retention and incentive needs and any other factor deemed relevant. In determining individual awards under a long term incentive compensation arrangement, the Board of Directors, or, if delegated to it, the Compensation Committee, may, among other things, take into account Company performance, market benchmark data, internal pay equity, individual performance, contribution to strategic initiatives, level of experience, impact on the organization, future potential and compensation history. The long-term incentive awards are typically structured as awards in the form of stock options, restricted stock units, performance stock units or cash, but may consist of any other form of remuneration, including, without limitation, shares, restricted shares, deferred stock units, share appreciation rights, and other financial instruments or derivatives, as determined by the Board of Directors or, if delegated to it, the Compensation Committee.

German version

<sup>11</sup>In Bezug auf Leistungs- und Erfolgsprogramme und -vergütungen legt der Verwaltungsrat oder, sofern an diesen delegiert, der Vergütungsausschuss die anzuwendenden Zuteilungs-, Vesting-, Ausübungs-, Verfalls- und Entschädigungsbedingungen fest. In Bezug auf im Voraus bestimmte Ereignisse, inklusive Kontrollwechsel, Tod, Invalidität, Beendigung des Arbeitsverhältnisses, Mandates oder anderen Vereinbarungen, bestimmt der Verwaltungsrat oder, sofern an diesen delegiert, der Vergütungsausschuss über die Fortführung, Beschleunigung oder den Wegfall von Vesting- und Ausübungsbedingungen, die Zahlung oder Zuteilung von Vergütungen basierend auf tatsächlichen oder anzunehmenden Zielerreichungsgraden, oder den Verfall der entsprechenden Vergütung. Der Verwaltungsrat oder, sofern an diesen delegiert, der Vergütungsausschuss hat überdies die Befugnis, das Ermessen, die Pflichten und die Verantwortlichkeiten bezüglich Leistungs- und Erfolgsprogrammen und—vergütungen zu beachten, welche ihm in den von der Generalversammlung genehmigten anwendbaren Plänen zugewiesen sind.

<sup>12</sup>Tritt eine Person neu in eine Geschäftsleitungsfunktion ein oder wird ein Geschäftsleitungsmitglied innerhalb der Geschäftsleitung während einer Vergütungsperiode befördert, für welche der Maximalgesamtbetrag der Vergütung bereits durch die Generalversammlung genehmigt wurde, und reicht der genehmigte Betrag nicht aus, um zusätzlich die Vergütung für eine solche Person zu entrichten, steht der Gesellschaft oder Unternehmen, welche direkt oder indirekt von der Gesellschaft kontrolliert werden, für solche Personen für die relevante Vergütungsperiode ein zusätzlicher Betrag zur Verfügung (inklusive und nicht ausschliesslich zwecks Ausgleich einer Vergütungseinbusse oder anderer finanzieller Nachteile als Folge eines Arbeitgeberwechsels), der 40% des Maximalgesamtbetrags der Vergütung der Mitglieder der Geschäftsleitung, welcher durch die Generalversammlung genehmigt wurde, entspricht, wobei diese zusätzliche Vergütung der Generalversammlung nicht zur Genehmigung vorgelegt werden muss.

English version

<sup>11</sup>With respect to incentive programs and awards, the Board of Directors or, if delegated to it, the Compensation Committee, shall determine the applicable grant, vesting, exercise, forfeiture and recoupment conditions. With respect to pre-determined events, including change-of-control, death, disability, termination of employment, mandate or other agreements, the Board of Directors or, if delegated to it, the Compensation Committee shall provide for the continuation, acceleration or removal of vesting, and exercise conditions, the payment or grant of compensation based on actual or assumed target achievement, or for forfeiture of the particular award. The Board of Directors, or, if delegated to it, the Compensation Committee, shall also have such authority, discretion, duties and responsibilities with respect to incentive programs and awards, as are described in any applicable plan that has been approved by a General Meeting of Shareholders.

<sup>12</sup>If a person newly assumes an executive management function or a member of the executive management is promoted within the executive management during a compensation period for which the maximum aggregate amount of compensation has already been approved by the General Meeting of Shareholders and the approved amount is not sufficient to also cover the compensation of such person, an additional amount of 40% of the maximum aggregate compensation of the members of the executive management that was approved by the General Meeting of Shareholders shall be available to the Company or companies directly or indirectly controlled by it to pay the additional compensation (including, without limitation, amounts paid for loss of compensation or other financial disadvantages caused by the change in employment) for all such persons with respect to the relevant compensation period, which additional compensation shall not be subject to approval by the General Meeting of Shareholders.

German version

<sup>13</sup>Der Verwaltungsrat oder, sofern an diesen delegiert, der Vergütungsausschuss erlässt Richtlinien, Programme oder Pläne zur Umsetzung der in diesem Art. 25 vorgesehenen Grundsätze.

**Art. 26b**

**Verträge betreffend Vergütung von Mitgliedern des Verwaltungsrats und der Geschäftsleitung**

<sup>1</sup>Die Kündigungsfrist jeder Vereinbarung mit einem Mitglied des Verwaltungsrates betreffend seine Vergütung als Mitglied des Verwaltungsrates darf eine Amtsdauer nicht überschreiten. Die Dauer einer befristeten Vereinbarung mit einem Mitglied des Verwaltungsrates betreffend seine Vergütung als Mitglied des Verwaltungsrates darf eine Amtsdauer nicht überschreiten.

<sup>2</sup>Die Kündigungsfrist jeder Vereinbarung mit einem Mitglied der Geschäftsleitung betreffend seine Vergütung als Mitglied der Geschäftsleitung darf 12 Monate nicht übersteigen. Eine Vereinbarung mit einem Mitglied der Geschäftsleitung bezüglich der Vergütung als Mitglied der Geschäftsleitung kann befristet oder unbefristet sein, die Dauer jeder befristeten Vereinbarung darf aber 12 Monate nicht übersteigen.

<sup>3</sup>Die Mitglieder der Geschäftsleitung können nach der Kündigung während der Kündigungsfrist von ihrer Arbeitspflicht freigestellt werden. Die Gesellschaft kann Aufhebungsvereinbarungen oder ähnliche Verträge abschliessen.

<sup>4</sup>Arbeitsverträge mit Mitgliedern der Geschäftsleitung können Vereinbarungen zu Konkurrenzverboten beinhalten, welche nach der Beendigung des Arbeitsvertrages bis zu 18 Monaten fortauern können, wobei jede, für eine Konkurrenzverbotsverpflichtung entrichtete Entschädigung die totale jährliche Vergütung des entsprechenden Mitgliedes der Geschäftsleitung, welche es während dem letzten vollen Geschäftsjahr erhielt, in welchem es angestellt war, nicht überschreiten darf.

<sup>5</sup>Neuen Mitgliedern der Geschäftsleitung kann eine Antrittsprämie in bar oder in jeder anderen Vergütungsform entrichtet werden, welche betragsmässig durch Art. 25 Abs. 1 oder durch den zusätzlichen Betrag von Art. 25 Abs. 13 gedeckt ist.

English version

<sup>13</sup>The Board of Directors or, if delegated to it, the Compensation Committee shall issue guidelines, programs or plans to implement the principles set forth in this art. 25.

**Art. 26b**

**Agreements Regarding Compensation of Directors and Members of the Executive Management**

<sup>1</sup>The notice period of any agreement entered into with a Director regarding the compensation as Director may not exceed a term of office. The duration of any fixed term agreement entered into with a Director regarding the compensation as Director may not exceed a term of office.

<sup>2</sup>The notice period of any agreement entered into with a member of the executive management regarding compensation as a member of the executive management may not exceed 12 months. An agreement entered into with a member of the executive management regarding compensation as a member of the executive management may be of a fixed or indefinite term, but the duration of any fixed term agreement may not exceed 12 months.

<sup>3</sup>Members of the executive management may be released from their duty to work during the notice period following a notice of termination. The Company may agree to termination or similar agreements.

<sup>4</sup>Employment contracts entered into with members of the executive management may include non-compete agreements covering a period of up to 18 months following termination of the employment contract, provided, however, that any consideration paid for a non-compete undertaking shall not exceed the total annual compensation of the relevant member of the executive management during the last full fiscal year when the member was employed.

<sup>5</sup>New members of the executive management may be paid a sign-on bonus in cash or in any other form of compensation that is covered by the amount according to art. 25 para. 1 or by the additional amount according to art. 25 para. 12.

**Art. 26c**

**Darlehen und Vorsorgeleistungen**

<sup>1</sup>Die Gesellschaft gewährt keine Darlehen an Mitglieder des Verwaltungsrates oder der Geschäftsleitung (ausser, sofern dies nach den jeweils anwendbaren Gesetzen und Rechtsvorschriften zulässig ist, wobei der totale Betrag solcher Darlehen den Betrag der jährlichen Vergütung des jeweiligen Mitgliedes des Verwaltungsrates oder der Geschäftsleitung nicht übersteigen darf).

<sup>2</sup>Die Gesellschaft kann an ein jeweiliges Mitglied der Geschäftsleitung Vorsorgeleistungen ausserhalb der beruflichen Vorsorge ausrichten, wobei derartige Vorsorgeleistungen den Betrag der totalen jährlichen Vergütung vor der Pensionierung nicht übersteigen dürfen.

**Art. 26c**

**Loans and Post-Retirement Benefits**

<sup>1</sup>The Company shall not grant loans to any Director or any member of the executive management (except to the extent permitted under any applicable laws and regulations, provided, however, that the total amount of such loans shall not exceed an amount corresponding to the annual compensation of the relevant Director or member of the executive management).

<sup>2</sup>The Company may grant a member of the executive management post-retirement benefits beyond occupational pensions, provided, however, that such post-retirement benefits may not exceed an amount corresponding to the total annual compensation preceding the retirement.

APPENDIX D

Text of Proposed Amendment to Articles of Association Regarding the  
Vote Standard for Shareholder Resolutions and Elections

German version

English version

**Art. 17**  
**Beschlüsse und Wahlen**

**Art. 17**  
**Resolutions and Elections**

[the first sentence of paragraph 1 is replaced in its entirety]

[the first sentence of paragraph 1 is replaced in its entirety]

<sup>1</sup>Die Generalversammlung fasst ihre Beschlüsse und entscheidet Wahlen mit der relativen Mehrheit der abgegebenen Aktienstimmen, soweit das Gesetz oder diese Statuten es nicht anders bestimmen, wobei Enthaltungen, sog. *Broker Nonvotes*, leere oder ungültige Stimmen für die Bestimmung des Mehrs nicht berücksichtigt werden.

<sup>1</sup>The General Meeting of Shareholders shall take resolutions and carry out its elections with a relative majority of the votes cast in person or by proxy, not counting abstentions, broker non-votes or blank or invalid ballots, which have no effect, to the extent that neither the law nor the Articles of Association provide otherwise.

[paragraphs 2, 3, 4 and 5 remain unchanged]

[paragraphs 2, 3, 4 and 5 remain unchanged]

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## APPENDIX E

### Text of Proposed Amendment to Articles of Association Regarding the Applicable Vote Standard for Contested Elections of Directors, the Chairperson of the Board and the Members of the Management Development and Compensation Committee

German version	English version
<p style="text-align: center;"><b>Art. 17</b> <b>Beschlüsse und Wahlen</b></p>	<p style="text-align: center;"><b>Art. 17</b> <b>Resolutions and Elections</b></p>
<p>[a second and third sentence of paragraph 1 is added]</p>	<p>[a second and third sentence of paragraph 1 is added]</p>
<p><u><sup>1</sup>[...] Sofern mehr Kandidaten zur Verfügung stehen als gemäss der Traktandenliste der Einladung zur Generalversammlung Stellen zu besetzen sind, entscheidet die Generalversammlung über die Wahl von Mitgliedern des Verwaltungsrates, den Präsidenten des Verwaltungsrates und die Mitglieder des Vergütungsausschusses mit der Ja-Mehrheit der abgegebenen Stimmen, derart, dass, wenn eine Stelle zu besetzen ist, derjenige Kandidat gewählt ist, welcher die grösste Anzahl der abgegebenen Stimmen für diese Stelle erhält, und wenn mehrere Stellen zu besetzen sind, diejenigen Kandidaten für die durch die Wahlen maximal zu besetzenden Stellen gewählt sind, welche die grösste Anzahl der abgegebenen Stimmen erhalten. Ja-Mehrheit bedeutet, dass diejenige Person, welche die grösste Anzahl Stimmen für eine Stelle erhält, für diese Stelle gewählt ist, wobei Stimmen gegen einen Kandidaten (inkl. in Form sog. <i>Withhold-Votes</i>), Enthaltungen, sog. <i>Broker Nonvotes</i>, ungültige oder leere Stimmen keine Wirkungen entfalten.</u></p>	<p><u><sup>1</sup>[...] At any election for members of the Board of Directors, the Chairperson of the Board of Directors and members of the Compensation Committee in which the number of the candidates exceeds the number of the respective positions that are on the agenda of the invitation to the General Meeting of Shareholders, the candidates shall be elected by a plurality of the votes cast at the General Meeting of Shareholders, such that, if one position is available, the candidate who receives the greatest number of votes for that position is elected, or, if several positions are available, the candidates who receive the greatest number of votes are elected up to the maximum number of positions to be filled at the election. A plurality means that the individual who receives the greatest number of votes for a position is elected to that position, disregarding votes against any candidate (including in the form of withhold votes), abstentions, broker non-votes, blank or invalid ballots, which will have no effect.</u></p>
<p>[paragraphs 2, 3, 4 and 5 remain unchanged]</p>	<p>[paragraphs 2, 3, 4 and 5 remain unchanged]</p>



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