



CHANNEL ANNOUNCEMENT // FORCE MAJEURE NOTIFICATION

Dear Channel Partner,

TE Connectivity and its affiliates (collectively, "TE") reports to you in furtherance to our previous Force Majeure declaration and its subsequent updates.

We regret to inform you that TE continues to experience significant negative impacts on our Operations and Supply Chain due to the global raw materials shortage.

Several months ago, we declared Force Majeure in furtherance to multiple Force Majeure declarations made by our resin and chemical suppliers affected by a deep freeze along the Gulf Coast of the U.S.

Over the past few months, our suppliers have been experiencing additional disruptions in regions where TE has its operations, including but not limited to the following:

1. Hurricane Ida hit the Gulf Coast of the U.S. and disrupted a number of the large chemical suppliers, affecting many of TE's resin suppliers.
2. Severe flooding in Germany affected several major metal strip suppliers.
3. U.S. metal strip suppliers continue to have staffing issues on top of demand continuing to outpace their machines' capacity.
4. The record high coal prices in China have made many power plants unprofitable to operate. In addition, in order to avoid missing emission and energy intensity reduction target, from mid-September, many local governments have mandated power outages and many energy-intensive companies in these provinces have been ordered to halt production. A number of TE's major suppliers are on this list and have been subject to the power limitation for different periods. In some cases, suppliers may only be able to manufacture 3-4 days per week.
5. Logistics has been impacted both by the availability of containers and space to move cargo and the ability of ports to receive cargo, including inland transportation issues in the U.S. due to the lack of truck drivers.

As a result of this situation that is beyond our reasonable control a negative impact on our ability to supply is inevitable and consequently your company will be experiencing increases in quoted lead times, longer shipment times and/or rescheduled orders for TE affected products. TE must respectfully advise that these circumstances render TE's performance practically and/or commercially impossible. As such, TE will not accept responsibility (including the responsibility for financial costs) for any resulting line-down or other supply chain related charges.

The initial TE Connectivity and its affiliates Force Majeure declaration from March 1st, 2021 and its subsequent updates continue to remain in full force and effect

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The supply chain disruptions have affected manufacturing of all TE products to different degrees. Please be assured that TE is exploring options to minimize the impact to your supply chain. Specifically, TE has taken the following actions to reduce the disruption:

1. Daily/weekly calls with key suppliers on TE demand requirements, up to the Chief Procurement Officer of TE where warranted.
2. Product Engineering identifying and qualifying alternate sources to increase supply flexibility.
3. Sourcing materials from other regions not affected by Force Majeure events.
4. Building raw material buffer stock, when possible, to avoid future delays.
5. AIR shipments of raw materials.
6. Assisting suppliers with their raw material shortages, when TE may leverage its business relationship with sub-suppliers.
7. Weekly monitoring of suppliers affected by the China Government power restrictions.

In addition, TE continues to expand our plants' capacity with an objective to accelerate manufacturing of TE products, when the situation with the raw materials supply shortage is improved.

At TE, we believe that "EVERY CONNECTION COUNTS" and appreciate your continued partnership. We understand that fluctuations in your supply can create challenges for your operations. As such, we remain committed to delivering the highest quality customer service experience possible. TE will continue to carefully monitor the supply chain situation and provide updates as the situation evolves.

If you have any questions regarding your specific order, please contact your regionally assigned TE sales representative or Solution Center Team.

Yours sincerely,

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