

2019 Corporate Social Responsibility Report

Advancing Society, People and the Planet through Technical Innovation



A MESSAGE FROM OUR CEO



At Teradyne, we are committed to applying technology in ways that enhance people's lives - from life-saving healthcare and automotive safety to the consumer tech we rely on every day. Fundamental to that commitment is ethical and responsible business conduct, a tenet that we've formalized in our core value, "Honesty and integrity in all that we do." This core value extends to our corporate social responsibility efforts.

Teradyne supports numerous environmental, social and governance activities, including: generating solar power at our major facilities, reporting to the Carbon Disclosure Project, establishing college scholarships, aiding in disaster relief and aligning our corporate governance to industry best practices. While we have been engaged in these activities for many years, this is our first comprehensive report on the company's Corporate Social Responsibility (CSR) activities. CSR is an ongoing process and we'll continue to update this report to reflect the wide-ranging efforts of Teradyne and our employees across the globe.

Thank you for your support as we continue to combine growth, value creation and innovation with our commitment to promote a more sustainable future.

A handwritten signature in white ink that reads "Mark Jagiela". The signature is fluid and cursive, with the first letters of the first and last names being capitalized and prominent.

Mark Jagiela
Chief Executive Officer and President



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ABOUT TERADYNE

Value of Our Business

Teradyne helps companies bring high-quality innovations to market, fast. We automate two of manufacturing's most critical elements – electronic test and repetitive manual industrial tasks – with automated test equipment and industrial automation solutions. Our customers are companies of all sizes in diverse markets, and they depend on us to make certain their products perform as they were designed, every single time. Our enduring commitment to advanced test and automation solutions means that we're improving how the world lives, works and innovates.

State of Our Business

Our business performance is a reflection of the hard work and creative energy of over 5,000 Teradyne employees around the world. Their determination and enthusiasm to solve our customers' test and automation problems speak to both the challenges of working in a fast-paced, technology driven business, and the rewards of making the future a reality for consumers everywhere.

Our focus at Teradyne is on more than one year's performance. Teradyne's long-term growth plan is to maintain our leadership in test, while continuing to invest in emerging test and industrial automation technologies that are transforming the workplace. Our industrial automation investments are guided by the view that global industry is undergoing a fundamental structural change in production methods. This is driven by several factors including labor shortages, competitive cost pressures, increasing customization and higher product quality requirements. Teradyne's automation solutions address these trends by bringing the power of reliable, low-cost, easy to use, safe automation to companies of all sizes, in all parts of the world, enabling them to harness innovative technology and human talent to drive business success.

At-a-Glance



Founded:

1960



Headquarters:

North Reading,
Massachusetts,
United States



Employees:

5,300



Offices worldwide:

40+



Stock Ticker:

TER (NASDAQ)

CSR VISION

We integrate quality, safety and sustainability into every aspect of our business, with the goal of engineering a better future.

Our test and automation solutions are fundamental to the growth of many industries and have a profound effect on the world around us. We respect this global influence and realize that we have the opportunity, as well as responsibility, to apply technology in ways that advance society.

To achieve our vision, we deploy a framework of ethical, environmentally sustainable and socially responsible practices.



Our Focus Areas and Priorities

SOCIETY

- Human rights
- Responsible sourcing and manufacturing
- Volunteerism and philanthropy

PEOPLE

- Attracting, developing and retaining great talent
- Inclusion and collaboration
- Community engagement
- Workforce diversity

PLANET

- Energy and greenhouse gas emissions
- Waste reduction

CORE VALUES

A COMPANY WITHOUT DOORS

Innovation is driven by collaboration and we empower our employees to use their voice and share their ideas. We foster an open environment where candid discussions are not only encouraged, they're expected.

HONESTY AND INTEGRITY

We are transparent about our corporate strategy and how we conduct business. We take pride in our work and expect employees to act in an ethical and responsible manner.

CUSTOMERS COUNT ON US

We partner with our customers every step of the way – from idea to final product – maintaining the highest standards. We commit ourselves to doing what it takes to ensure customer success by exceeding expectations and delivering superior test and automation solutions.

Aligning Business with Society, People and the Planet



STAKEHOLDER ENGAGEMENT

Our CSR activities are directly linked to stakeholder expectations and corporate values, which ensures the program is aligned with the company's core DNA and supported across the organization.

Teradyne engages with stakeholders to inform them about sustainability efforts, and to understand their expectations and perceptions of the company.

Key Stakeholders

Customers — Our customers are at the center of everything we do. We strive to help our customers achieve their own CSR and business goals through sustainability leadership and delivering reliable, socially conscious solutions that meet their needs.

Employees — Teradyne attracts, develops and retains a high-performance workforce, comprised of people with shared values. We strive to foster a positive work environment that helps employees, and communities, thrive.

Shareholders — Our CSR initiatives promote value creation to attract and reward shareholders through operational efficiency, transparency and lower costs through sustainable business practices.



FOUNDATIONAL FRAMEWORK

Teradyne ensures business and sustainability success by measuring progress within our CSR framework. This framework is grounded in – environmental stewardship, innovative solutions, investment in our people and our communities and ethical governance. Our foundational pillars provide a structure to which all CSR efforts are aligned for company and global community benefit.

Environmental Stewardship –

Teradyne prioritizes natural resource conservation, emission reduction, waste minimization and energy efficiency. Our ISO 14001-certified Environmental Management System drives continuous reduction of any adverse environmental impacts from our operations.

Our Solutions – Teradyne's portfolio of advanced, reliable and flexible test and automation solutions are compliant with applicable regulations and maximize the value of limited environmental resources.

Our People and Our Communities –

Teradyne values a diverse, inclusive and respectful work environment where all employees enjoy challenging assignments, development opportunities and a safe, positive culture.

We are also compelled to invest in the communities where we operate. We participate in local and global volunteer efforts and support numerous charitable and educational organizations. We further strengthen communities through philanthropic giving, employee volunteerism, community sponsorships and grant programs.

Ethical Governance – Teradyne is committed to conducting business in a responsible manner, with strategic operational policies, procedures and values that support transparency, sustainability and legal compliance. We ensure ethical operations and business commitments through robust governance of the company's standards of business conduct and environmental, health and safety programs.



THE ENVIRONMENT

KEY FOCUS AREA	HIGHLIGHTS
Environmental Health & Safety Management	Teradyne is third-party ISO 14001 certified at our corporate headquarters in North Reading, Massachusetts as well as our facilities in Heredia, Costa Rica, Kumamoto, Japan and Cebu, Philippines. Our ISO 14001 certification serves as the framework for our sustainability initiatives throughout the company, allowing us to set targets and drive continuous improvement.
Conservation	<ul style="list-style-type: none">• Alternative Transportation & Work Arrangements – As part of our effort to combat climate change, we promote alternative means of transportation and flexible work arrangements. We have installed EV charging stations at several of facilities and also encourage employees to bike to work. Flexible work arrangements allow employees to travel on off-peak hours and to work from home, further supporting our efforts to mitigate activities that contribute to climate change.• Renewable Energy – We have installed solar arrays at several of our offices to incorporate clean energy. We continuously evaluate technologies that enable us to apply renewable energy into our operations.• Carbon Disclosure Project – We report to the Carbon Disclosure Project (CDP) annually and make this report publicly available. We aggregate the data from our global facilities to facilitate collection, monitoring and reporting of Scope 1, 2 and 3 greenhouse gases. As we acquire new companies and integrate them into our operations, our goal is to reduce, or at a minimum maintain flat, emissions.

THE ENVIRONMENT (continued)

KEY FOCUS AREA	HIGHLIGHTS
Manufacturer Accountability	<ul style="list-style-type: none"> Hazardous Substances Management – Teradyne actively manages the chemicals and materials we allow on site and in our products. There are certain chemicals and chemical materials that we prevent from entering our facilities such as polychlorinated biphenyls (PCBs), Asbestos Containing Materials, Chlorinated Solvents, Class I and II Ozone Depleting (ODC) substances and substances of very high concern (SVHC). Approval of any new chemical brought into our facilities is required. New chemical use and restricted substances regulations are monitored and communicated to ensure we comply with all applicable regulations. Waste Management – Teradyne manages end-of-life equipment in accordance with waste electronics and electrical equipment legislation. All Teradyne facilities are required to recycle electronics at end-of-life. The recyclers we use are audited to ensure they are complying with applicable regulations. A designated list of approved recycling facilities is generated and provided to our facilities for use globally. <p>Through product upgrades, refurbishment and recycling, we extend the useful life of our products. We work to reduce the environmental impact of the material that cannot be recycled by prioritizing waste disposal methodologies and employing audits of our waste disposal partners.</p>
Workplace Solutions	<ul style="list-style-type: none"> Employee Health & Safety – Teradyne complies with all applicable regulatory health and safety requirements wherever we operate. We conduct internal audits, regular reviews and monitoring of regulations to ensure compliance with laws and regulations at the local, State/Province and Country Levels. <p>We ensure workers are provided with the knowledge to perform their jobs safely by deploying mandatory EHS training. We also require contractors to complete safety training prior to doing work at any Teradyne site.</p> Injury & Illness Reporting – Teradyne monitors, tracks and reports common safety metrics such as accidents, near misses and illness. Our injury and illness rate is below the industry average. Ergonomics – We provide our employees with flexible, adjustable work space. This includes looking at ergonomics issues in the workplace, educating employees to self-identify risks and ensuring they have the work environment they need to do their jobs effectively.

2018 Sustainability Metrics



MWh Energy Consumed

71,141



MWh Renewable Energy Generated

1,039



Scope 1 & 2 Tonnes CO₂equivalent

30,312



Non Hazardous Waste Generated (metric tons)

654



Solid & Electronic Waste Recycled (metric tons)

272



Electronics Recycled (metric tons)

21



% Waste Recycled

42%



Water Consumed (m³)

98,718



THE ENVIRONMENT (continued)

Future Plans – Teradyne is committed to managing business activities that could potentially impact the environment in a responsible and effective manner. We will continually strive to improve our environmental performance consistent with other business objectives to regularly set documented objectives and targets for the company and our supply chain and to monitor progress in achieving them.

Energy

- Reduce energy consumption by 1.5% year over year
- Continue expanding deployment of renewable sources
- Invest in facility infrastructure to employ more efficient systems

Carbon

- Reduce carbon footprint by 1% year over year normalized over revenue and square footage

Water

- Investigate and deploy water reduction measures where feasible
- Implement best practices in water management, including mandating water audits from landlords in multi-tenant buildings

Waste

- Investigate end-to-end waste/recycling stream at our facilities
- Implement best practices in waste management at all of our treatment, storage, recycling and disposal facilities
- Require audits from providers of waste and recycling services to ensure they are in compliance with applicable laws



OUR SOLUTIONS

KEY FOCUS AREA	HIGHLIGHTS
Innovation, Quality and Safety	<ul style="list-style-type: none"> • Product Development – In designing our products, we continually seek ways to maximize resources and increase the energy efficiency of our test systems and the products that they test. Teradyne further complies with all applicable regulations in our manufacturing operations, allowing us to deliver high-quality, reliable products while reducing our environmental impact. • Industrial Automation – Our automation portfolio enables companies to improve quality, deliver fast ROI and free people from dirty, dull and dangerous tasks. Unlike traditional automation, our collaborative robots are affordable, easy-to-deploy and safe to work side-by-side with humans. Our robots enable manufacturers to reduce operational costs and support manufacturing worldwide.
Environmental Impact and Sustainability Compliance	<ul style="list-style-type: none"> • European Union REACH – Teradyne is committed to the safe use and identification of chemicals per the requirements of EU REACH (Registration, Evaluation, Authorization and Restriction of Chemicals). Our products are “articles” as defined in 3(3) of REACH, and do not release substances under normal use. We do not have substances present in our products in quantities totaling over 1 tonne per year. None of the currently identified SVHCs (substances of very high concern) on the European Chemical Agency’s (ECHA) Candidate List are contained in Teradyne products above the concentration specified. We are committed to providing our customers with information regarding substances of concern in our products and will continue to monitor our products under EU REACH. • European Union RoHS – Teradyne is in compliance with the EU Restriction of Hazardous Substances (RoHS) Directive. While our larger automated test equipment is currently out-of-scope of the Directive, we are working to remove restricted substances from all new designs. Our wireless test products, bench scale and automation equipment are in-scope and comply with product restrictions.
Product Lifecycle Management	<ul style="list-style-type: none"> • Teradyne’s support team provides repair and maintenance services to maximize the lifetime of our solutions. We also offer upgrades and migration programs to further prolong the useful life of our equipment.

Future Plans – Teradyne will continue to meet compliance standards by deploying extensive quality and safety policies. In developing new products, we will use innovation as an enabler to design for reliability, serviceability and long product lifecycles, reducing our overall impact on the environment.



OUR PEOPLE AND COMMUNITIES

KEY FOCUS AREA	HIGHLIGHTS
Training & Learning Development	<ul style="list-style-type: none">• Performance Reviews – To ensure we maintain a strong, competitive workforce, our employees undergo annual performance reviews. Employees and managers look back on the previous year, review career development plans and create goals for the next year.• Internship Program – We are committed to recruiting and developing talent at the collegiate level to build a dedicated workforce for future hiring needs. Our paid internships and entry-level positions offer real-world experience.• Co-Op Program – Our co-op program offers higher education students a unique learning opportunity. These students alternate one semester in a work assignment and one semester in the classroom. Work assignments progress in difficulty as the students advance academically.• Educational Assistance – Teradyne pays \$5,250 per year for educational courses related to an employee's work or as part of a degree program, including tuition, lab fees and books. We also offer a scholarship program for employees with college-age children and grandchildren.• Training and Development- In response to our 2018 employee survey, we are expanding our training and learning development program for employees globally.

Spotlight on Cebu

Teradyne Philippines has issued a Corporate Social Responsibility charter to undertake CSR activities that provide economic, social and environmental benefits to its immediate communities. The team leading the charter consists of 100+ volunteers. Examples of projects completed to date include:

- Donating furniture made from upcycled wooden crates to a local elementary school
- Shutting off non-essential lights in support of Earth Hour
- Hosting an eco-fair where employees recycled 140 cubic feet of electronic waste



Employee Well-Being

- **Benefits** – Teradyne offers benefits designed to meet the needs of employees and their families, including parental leave, health insurance coverage and flexible work arrangements. We also enable employees to share in the success of the company through various programs including: a stock purchase program, contributions to retirement savings, profit sharing and bonus plans.
- **Positive Work Environment** – It is a priority for us to ensure that our people feel inspired, supported, safe and able to achieve their personal best. We are committed to equality through nondiscrimination, sexual harassment prevention and pay equity policies.

OUR PEOPLE AND COMMUNITIES (continued)

KEY FOCUS AREA HIGHLIGHTS

Community Engagement

- **Philanthropy** – Teradyne matches donations employees receive for charitable fundraising and outreach activities.
- **Volunteerism** – Walking to combat hunger. Cycling to help cure cancer. Reforesting to reduce mudslides. Teradyne employees get involved in their communities. We recognize the importance of helping our neighbors and support employees in their volunteer efforts.
- **STEM Involvement** – Advancing education for future generations is a primary initiative for us. We actively support STEM programs at the middle, high school and collegiate level. We also donate test equipment to colleges and universities, allowing students to receive hands-on experience and directly apply what they're learning in the classroom.
- **Grant Program** – Teradyne's Grant Program is designed to foster new ideas and help them grow into reality. Researchers, students and those in academia are welcome to submit proposals.



Diversity

Teradyne recognizes the value of a diverse workforce. We prioritize diversity by monitoring diversity statistics, creating Affirmative Action plans for recruitment and hiring candidates from various backgrounds and experiences. We have implemented policies regarding gender pay equity and have conducted audits in the United States which have not identified any pay equity issues in the employee populations tested.

Future Plans – We will continue to implement programs in the area of human capital management. We will continue to conduct regular gender pay equity analyses globally, including a planned U.S.-wide audit in 2020. We're implementing a new Human Resources information system to allow more detailed analyses of our employee data, metrics and trends. Based on these analyses, we'll have more information regarding our global employee workforce, including hiring data, retention rates, pay ratios, wages and use of temporary workers and will expand disclosure as appropriate.

ETHICAL GOVERNANCE

KEY FOCUS AREA	HIGHLIGHTS
Operational Excellence and Corporate Governance	<ul style="list-style-type: none"> We have documented and published Teradyne's CSR management system to outline how CSR and Ethical Governance is a company-wide priority. Teradyne is committed to comply with all Responsible Business Alliance Code of Conduct requirements. Teradyne's Board of Directors is committed to promoting, creating, and maintaining a safe and healthy workplace, environment and society.
Ethical Governance Policies	<ul style="list-style-type: none"> We externally publish governance policies, including Teradyne's Anti-Corruption Policy and Labor Policy. We deploy Code of Conduct Training to all new employees as part of the onboarding process and administer annual Code of Conduct refresher training to all employees.
Compliance & Risk Management	<ul style="list-style-type: none"> Our financial performance and results have not been negatively impacted by any CSR related issues or regulatory fines or penalties. We require all suppliers to agree to our Supplier Code of Conduct and to conduct business in an ethical manner. We include our ESG program in our enterprise risk management annual review to senior management and the Board of Directors.
Human Rights	<ul style="list-style-type: none"> Our Human Rights Policy fully aligns with the Responsible Business Alliance standard. We protect employees' rights through labor policies that ensure living wages, limits on working hours and freedom of association.
Data Security and Privacy	<ul style="list-style-type: none"> We provide data protection training for employees. We have had no material leaks, thefts or losses of internal or customer data. We implemented a General Data Protection Regulation (GDPR) compliance plan in 2018 and continue to manage the plan.

Future Plans – We will continue to conduct annual Ethical Governance reviews to improve our management systems, implement and update our company policies and identify any risks. We will continue to include Code of Conduct Training as part of the onboarding process for all new employees and require annual Code of Conduct Training for all employees. We will also continue to maintain a confidential reporting hotline for any potential ethical violations.

GRI Standard	Disclosure	Report Page #	Additional Information	Resource Links
GRI 102: General Disclosures				
102-1	Name of the organization	1	Teradyne, Inc.	
102-2	Activities, brands, products, and services	4		About Teradyne
102-3	Location of headquarters	4	600 Riverpark Drive North Reading, MA 01864	
102-4	Location of operations		Teradyne operates in numerous countries across the globe and has significant operations centers in the United States, Japan, Denmark, the Philippines, China, Costa Rica, Taiwan, Korea, and Singapore	Teradyne's 10-K
102-5	Ownership and legal form		2019 proxy statement	2019 Proxy Statement
102-6	Markets served	4	Information available in Teradyne's annual 10-K	Teradyne's 10-K
102-7	Scale of the organization	4	Information available in Teradyne's annual 10-K	Teradyne's 10-K
102-8	Information on employees and other workers		Omitted: Teradyne does not disclose this information externally.	
102-9	Supply chain		Teradyne's supply chain organizations are designed to add value in a ways that are: - Legal, accountable, and auditable - Ethically, environmentally, and socially responsible - Economically effective	
102-10	Significant changes to the organization and its supply chain		-In April 2018 Teradyne aquired Mobile Industrial Robots A/S, a Denmark based supplier of collaborative autonomous mobile robots for industrial applications. -In March 2018 Teradyne aquired Energid, a Cambridge, MA based engineering firm and developer of robot control, simulation, and machine vision software. -In January 2019 Teradyne aquired Lemsys SA, a leading global provider of test equipment and associated services for power semiconductor discrete devices and modules.	
102-11	Precautionary Principle or approach		Teradyne applies the concepts of the precautionary approach by considering the long-term trajectory of climate change and its potential impacts on Teradyne. Elements of that ongoing evaluation are reflected in Teradyne's environmental web content.	
102-12	External initiatives		Sustainabiliity Roundtable, Carbon Disclosure Project (CDP), California Supply Chain Transparency Act of 2010, Customs-Trade Partnership Against Terrorism - USA, EU Waste Electrical and Electronic Equipment (WEEE) Directive 2005, Global Reporting Initiative—GRI 4.0 sustainability reporting guidelines, U.S. Foreign Corrupt Practices Act and similar anticorruption laws enacted under the OECD Convention on Combating Bribery of Foreign Public Officials in International Business Transactions., US Equal Opportunity laws and accompanying regulations	
102-13	Membership of associations		Semi.org Sustainability Roundtable Security Executive Committee	
102-14	Statement from senior decision-maker	2		

102-15	Key impacts, risks, and opportunities	5	Key impacts, risks, and opportunities outlined in our Focus Areas and Priorities. Additionally, Environmental Risks and Opportunities outlined in our CDP and ISO 14001	Teradyne's Code of Conduct
102-16	Values, principles, standards, and norms of behavior		Our Code of Conduct outlines our values, principles, standards and norms of behavior. This is reviewed annually and all employees must undergo training, provided in local languages, and acknowledge their acceptance of the Code. Additionally, Teradyne has the following Core Values: - A Company Without Doors; - Honesty and Integrity; and - Customers Count on Us.	Teradyne's Code of Conduct
102-17	Mechanisms for advice and concerns about ethics		Employees are trained to seek advice about ethical or unlawful behavior and to report concerns about unethical or unlawful behavior and organizational integrity by either contacting the legal department or using one of the following confidential methods: - Confidential Hotline: 1-866-388-1288 - http://www.openboard.info/TER	Teradyne's Code of Conduct
102-18	Governance structure		Proxy Statement Pg 9.	2019 Proxy Statement
102-19	Delegating authority	5	Included in Teradyne's Management Approach Document	CSR Management Approach
102-20	Executive-level responsibility for economic, environmental, and social topics	5	Included in Teradyne's Management Approach Document	CSR Management Approach
102-21	Consulting stakeholders on economic, environmental, and social topics	5	Included in Teradyne's Management Approach Document	CSR Management Approach
102-22	Composition of the highest governance body and its committees		Proxy Statement Pg 3.	2019 Proxy Statement
102-23	Chair of the highest governance body		Roy A. Vallee, Chairman of the Board. Mr. Vallee is not an executive officer in the organization.	Teradyne's Governance
102-24	Nominating and selecting the highest governance body		Proxy Statement Pg 3.	2019 Proxy Statement
102-25	Conflicts of interest		Proxy statement Pg 9 and 12.	2019 Proxy Statement
102-26	Role of highest governance body in setting purpose, values, and strategy	5	Included in Teradyne's Management Approach Document	CSR Management Approach
102-27	Collective knowledge of highest governance body	5	Included in Teradyne's Management Approach Document	CSR Management Approach
102-28	Evaluating the highest governance body's performance	5	Included in Teradyne's Management Approach Document	CSR Management Approach
102-29	Identifying and managing economic, environmental, and social impacts	5	Included in Teradyne's Management Approach Document	CSR Management Approach

102-30	Effectiveness of risk management processes	5	Included in Teradyne's Management Approach Document	CSR Management Approach
102-31	Review of economic, environmental, and social topics	5	Included in Teradyne's Management Approach Document	CSR Management Approach
102-32	Highest governance body's role in sustainability reporting	5	Included in Teradyne's Management Approach Document	CSR Management Approach
102-33	Communicating critical concerns		The process for reporting critical concerns is outlined in our Code of Conduct. We provide a confidential phone hotline and confidential web reporting.	Teradyne's Code of Conduct
102-34	Nature and total number of critical concerns			
102-35	Remuneration policies		Proxy Statement Pg 21.	2019 Proxy Statement
102-36	Process for determining remuneration		Proxy Statement Pg 21.	2019 Proxy Statement
102-37	Stakeholders' involvement in remuneration		Proxy Statement Pg 23-24.	2019 Proxy Statement
102-38	Annual total compensation ratio		Omitted: Teradyne does not disclose this information externally.	
102-39	Percentage increase in annual total compensation ratio		Omitted: Teradyne does not disclose this information externally.	
102-40	List of stakeholder groups	6	Employees, customers, suppliers, governments, non-government and non-profit organizations, communities, and investors.	
102-41	Collective bargaining agreements	12	Teradyne respects the rights of workers to associate freely and seek to communicate openly with each other and management without fear or reprisal, intimidation or harassment, as reflected in our Labor Policy.	Labor Policy
102-42	Identifying and selecting stakeholders	6	Teradyne identifies external stakeholders based on the relevance of their industry and perspectives to Teradyne's business, history of partnering and engagement with the company, and their expertise in relevant fields. Teradyne's key stakeholders include customers, employees and investors.	CSR Management Approach
102-43	Approach to stakeholder engagement	6		
102-44	Key topics and concerns raised			
102-45	Entities included in the consolidated financial statements		10-K Pg 3-7.	Teradyne's 10-K
102-46	Defining report content and topic Boundaries	5		
102-47	List of material topics	5 and 6		CSR Management Approach
102-48	Restatements of information		n/a as this is our first report.	
102-49	Changes in reporting		n/a as this is our first report.	
102-50	Reporting period		2018	

102-51	Date of most recent report		n/a as this is our first report.	
102-52	Reporting cycle		Annual	
102-53	Contact point for questions regarding the report		alex.glowatz@teradyne.com	
102-54	Claims of reporting in accordance with the GRI Standards		We self-declare that the report is prepared in accordance with GRI Standards: Comprehensive option.	
102-55	GRI content index	13	GRI content index included in our Annual Report.	
102-56	External assurance		While we have not sought external assurance for the content of this report/GRI index, certain data included is subject to external review and all information provided is reviewed internally.	
GRI 103: Management Approach				
103-1	Explanation of the material topic and its Boundary	5	Included in Teradyne's Management Approach Document. Teradyne's Management Approach Document outlines the management approach for all topics covered under the GRI.	CSR Management Approach
103-2	The management approach and its components	5	Included in Teradyne's Management Approach Document. Teradyne's Management Approach Document outlines the management approach for all topics covered under the GRI.	CSR Management Approach
103-3	Evaluation of the management approach	5	Included in Teradyne's Management Approach Document. Teradyne's Management Approach Document outlines the management approach for all topics covered under the GRI.	CSR Management Approach
GRI 201: Economic Performance				
201-1	Direct economic value generated and distributed		Revenues: \$2,100,802,000 Economic value distributed: \$1,649,023,000 Economic value retained: \$451,779,000 Teradyne annual reports and Form 10-Ks.	Annual Reports and Proxies
201-2	Financial implications and other risks and opportunities due to climate change		N/A. Teradyne does not believe climate change represents either a substantial opportunity or risk to our overall business.	
201-3	Defined benefit plan obligations and other retirement plans		Teradyne offers defined benefit and/or defined contribution plans which vary by country.	Teradyne's 10-K
201-4	Financial assistance received from government		n/a	
GRI 202: Market Presence				
202-1	Ratios of standard entry level wage by gender compared to local minimum wage		Omitted: Teradyne does not disclose this information externally.	
202-2	Proportion of senior management hired from the local community		Omitted: Teradyne does not disclose this information externally.	
GRI 203: Indirect Economic Impacts				
203-1	Infrastructure investments and services supported		n/a	
203-2	Significant indirect economic impacts		Teradyne does not measure indirect economic impacts as noted nor does Teradyne track indirect economic impacts in context of external benchmarks.	

GRI 204: Procurement Practices				
204-1	Proportion of spending on local suppliers		Omitted: Teradyne does not track this information.	
GRI 205: Anti-Corruption				
205-1	Operations assessed for risks related to corruption	12	All operations are assessed for risks related to corruption. Our North Reading, Cebu, and Costa Rica facilities are assessed formally through the RBA self-assessment questionnaire. No significant risks have been identified.	
205-2	Communication and training about anti-corruption policies and procedures	12	All Teradyne employees receive Code of Conduct training annually. Additionally Teradyne provides our anti-corruption policy on our CSR webpage.	Anti Corruption Policy
205-3	Confirmed incidents of corruption and actions taken		Teradyne has no confirmed incidents of corruption.	
GRI 206: Anti-Competitive Behavior				
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices		Teradyne has no legal actions for anti-competitive behavior, anti-trust, or monopoly practices.	
GRI 301: Materials				
301-1	Materials used by weight or volume		Omitted: Teradyne does not track this information.	
301-2	Recycled input materials used		Omitted: Teradyne does not track this information.	
GRI 302: Energy				
302-1	Energy consumption within the organization		71,141 mega watt hours Teradyne total	Teradyne's CDP Submittal
302-2	Energy consumption outside of the organization		Omitted: Teradyne does not track this information.	Teradyne's CDP Submittal
302-3	Energy intensity		0.014 metric tonnes CO ₂ equivalent per USD revenue	Teradyne's CDP Submittal
302-4	Reduction of energy consumption		In 2018 our energy consumption increased over 2017 going from 30062 to 30312 mega watt hours. Increase in consumption after normalization due to additional acquisitions and expansion of properties.	Teradyne's CDP Submittal
302-5	Reductions in energy requirements of products and services		Omitted: Teradyne does not track this information.	
GRI 303: Water and Effluents				
303-1	Interactions with water as a shared resource		Omitted: Teradyne does not track this information.	
303-2	Management of water discharge-related impacts		Omitted: Teradyne does not track this information.	
303-3	Water withdrawal		Omitted: Teradyne does not track this information.	
303-4	Water discharge		Omitted: Teradyne does not track this information.	

303-5	Water consumption		0.054 m ³ per square foot	
GRI 304: Biodiversity				
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas		None to our Knowledge.	
304-2	Significant impacts of activities, products, and services on biodiversity		Teradyne's locations are not in protected areas or areas of high biodiversity. Nevertheless, we operate in a manner that is committed to continuous improvement in environmental sustainability.	
304-3	Habitats protected or restored		None	
304-4	IUCN Red List species and national conservation list species with habitats in areas affected by operations		None to our Knowledge.	
GRI 305: Emissions				
305-1	Direct (Scope 1) GHG emissions	8	1,979 metric tonnes CO ₂ equivalent	Teradyne's CDP Submittal
305-2	Energy indirect (Scope 2) GHG emissions	8	28,333 metric tonnes CO ₂ equivalent	Teradyne's CDP Submittal
305-3	Other indirect (Scope 3) GHG emissions	8	7,665 metric tonnes CO ₂ equivalent	Teradyne's CDP Submittal
305-4	GHG emissions intensity	8	0.014 metric tonnes CO ₂ equivalent per USD revenue	Teradyne's CDP Submittal
305-5	Reduction of GHG emissions	8	Slight increase over 2017	Teradyne's CDP Submittal
305-6	Emissions of ozone-depleting substances (ODS)	8	0	Teradyne's CDP Submittal
305-7	Nitrogen oxides (NOX), sulfur oxides (SOX), and other significant air emissions	8	CO ₂ 1973, CH ₄ 4.8265, N ₂ O 1.167 metric tonnes CO ₂ equivalent	Teradyne's CDP Submittal
GRI 306: Effluents and Waste				
306-1	Water discharge by quality and destination		Omitted: Teradyne does not disclose this information externally.	
306-2	Waste by type and disposal method		Omitted: Teradyne does not disclose this information externally.	
306-3	Significant spills		None	
306-4	Transport of hazardous waste		Teradyne uses licensed transporters only.	
GRI 307: Environmental Compliance				

307-1	Non-compliance with environmental laws and regulations		Teradyne has received no fines or non-monetary sanctions for non-compliance with environmental laws and/or regulations.	
GRI 308: Supplier Environmental Assessment				
308-1	New suppliers that were screened using environmental criteria	12	Teradyne expects our suppliers to adhere to Supplier Code of Conduct which outlines environmental standards they must meet.	Supplier Code of Conduct
308-2	Negative environmental impacts in the supply chain and actions taken		Teradyne does not perform negative environmental impact assessments of its supply chain.	
GRI 401: Employment				
401-1	New employee hires and employee turnover		Omitted: Teradyne does not disclose this information externally.	
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	11	Omitted: Teradyne does not disclose this information externally.	
401-3	Parental leave	11	Omitted: Teradyne does not disclose this information externally.	
GRI 402: Labor/Management Relations				
402-1	Minimum notice periods regarding operational changes		We provide a minimum number of weeks' notice to employees prior to implementing significant operational changes that could substantially affect them in accordance with local operations. We also have quarterly business updates with all employees.	
GRI 403: Occupational Health and Safety				
403-1	Occupational health and safety management system	9	Teradyne has a documented health and safety management system that is integrated with our environmental management system.	Employee Health and Safety Policy
403-2	Hazard identification, risk assessment, and incident investigation	9	Teradyne conducts hazards assessments and risk assessments. Incidents, injuries and illness are reported, tracked and investigated.	Employee Health and Safety Policy
403-3	Occupational health services	9	Available at specific sites where applicable.	Employee Health and Safety Policy
403-4	Worker participation, consultation, and communication on occupational health and safety	9	Yes, safety meetings with worker participation, education and training performed regularly	Employee Health and Safety Policy
403-5	Worker training on occupational health and safety	9	Yes, annually	Employee Health and Safety Policy
403-6	Promotion of worker health		Yes, amenities available related to health	
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships		Omitted: Teradyne does not track this information.	
403-8	Workers covered by an occupational health and safety management system		Documented health and safety system	Employee Health and Safety Policy

403-9	Work-related injuries		Tracked and reported in accordance with local laws and regulations, below industry average	
403-10	Work-related ill health		Tracked with injury, illness	
GRI 404: Training and Education				
404-1	Average hours of training per year per employee		Omitted: Teradyne does not disclose this information externally.	
404-2	Programs for upgrading employee skills and transition assistance programs	11	See Teradyne's Corporate Social Responsibility webpage for additional information.	Teradyne's CSR Webpage
404-3	Percentage of employees receiving regular performance and career development reviews	11	100% (include in employees section of report).	
GRI 405: Diversity and Equal Opportunity				
405-1	Diversity of governance bodies and employees		Omitted: Teradyne does not disclose this information externally.	
405-2	Ratio of basic salary and remuneration of women to men		Omitted: Teradyne does not disclose this information externally.	
GRI 406: Non-Discrimination				
406-1	Incidents of discrimination and corrective actions taken		Omitted: Teradyne does not disclose this information externally.	
GRI 407: Freedom of Association and Collective Bargaining				
407-1	Operations and suppliers in which the right to freedom of association and collective bargaining may be at risk	12	We have not identified any Teradyne operations with significant risk to freedom of association and we require all suppliers to comply with our Supplier Code of Conduct, which addresses freedom of association. We also allow employees to have the freedom to associate.	Supplier Code of Conduct Teradyne CSR Webpage
GRI 408: Child Labor				
408-1	Operations and suppliers at significant risk for incidents of child labor	12	Our labor policy prohibits the use of child labor and prohibits workers under the age of 18 from performing hazardous work. There are no identified risks of child labor abuse at any of our operations. Teradyne's Supplier Code of Conduct, which all suppliers are required to adhere to, contains similar restrictions on child labor.	Labor Policy
GRI 409: Forced Labor				
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	12	Our labor policy prohibits the use of forced or compulsory labor or any kind. There are no identified risks of forced or compulsory labor at any of our operations. Teradyne's Supplier Code of Conduct, which all suppliers are required to adhere to, contains similar restrictions on forced or compulsory labor.	Labor Policy
GRI 410: Security Practices				
410-1	Security personnel trained in human rights policies or procedures		100% of security personnel have received formal training on the organization's human rights policies and procedures through our annual Employee Code of Conduct Training. This applies to third-party organizations providing security personnel.	Teradyne's Code of Conduct
GRI 411: Rights of Indigenous Peoples				

411-1	Incidents of violations involving rights of indigenous peoples		There have been no identified incidents of violations involving the rights of indigenous peoples during the reporting period.	
GRI 412: Human Rights Assessment				
412-1	Operations that have been subject to human rights reviews or impact assessments		Teradyne's Code of Conduct covers human rights and Teradyne has a Statement on Human Trafficking that applies to all operations. Additionally, our large operations in high risk areas are subject to the RBA self-assessment annually, which covers human rights.	Human Trafficking Policy
412-2	Employee training on human rights policies or procedures.		All Teradyne employees undergo Code of Conduct training annually. This training includes human rights.	Teradyne's Code of Conduct
412-3	Significant investment agreements and contracts that include human rights clauses or that underwent human rights screening		All contracts with suppliers require them to agree to our Supplier code of Conduct. Teradyne's Supplier Code of Conduct is modeled off the RBA Code of Conduct and covers human rights.	Supplier Code of Conduct
GRI 413: Local Communities				
413-1	Operations with local community engagement, impact assessments, and development programs	11	Omitted: Teradyne does not disclose this information externally.	
413-2	Operations with significant actual and potential negative impacts on local communities		Teradyne has not identified any operations with significant actual or potential negative impacts on local communities.	
GRI 414: Supplier Social Assessment				
414-1	New suppliers that were screened using social criteria	12	Teradyne expects our suppliers to adhere to Supplier Code of Conduct which outlines environmental standards they must meet.	Supplier Code of Conduct
414-2	Negative social impacts in the supply chain and actions taken		Teradyne does not perform negative social impact assessments of its supply chain.	
GRI 415: Political Contributions				
415-1	Political contributions		Teradyne had no political contributions for the reporting period.	
GRI 416: Customer Healthy and Safety				
416-1	Assessment of the health and safety impacts of product and service categories	10	Product safety group is responsible for ensuring the safety of our products. In addition third party certifiers are utilized to assess our products.	Teradyne's CSR Webpage
416-2	Incidents of non-compliance concerning the health and safety impacts of products and services		Teradyne is not aware of any non-compliance concerning the health and safety impacts of any of our products or services.	
GRI 417: Marketing and Labeling				
417-1	Requirements for product and service information and labeling		Covered by product safety and third party certification.	

417-2	Incidents of non-compliance concerning product and service information and labeling		Teradyne is not aware of any non-compliance concerning the product and service information and labeling of any of our products or services.	
417-3	Incidents of non-compliance concerning marketing communications		Teradyne is not aware of any non-compliance concerning the marketing communications of any of our products or services.	
GRI 418: Customer Privacy				
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data		Teradyne has not identified any substantial complaints received concerning breaches of customer privacy. Additionally, Teradyne has no identified leaks, thefts, or losses of customer data.	
GRI 419: Socioeconomic Compliance				
419-1	Non-compliance with laws and regulations in the social and economic area		Teradyne has received no fines or non-monetary sanctions for non-compliance with laws and/or regulations in the social and economic area.	

Advancing Society, People and the Planet through Technical Innovation

Contact Us

Please send any questions or comments about this report to:
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Learn More

For more information on Teradyne's CSR practices and programs,
visit teradyne.com/corporate-social-responsibility.

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