

BIG ON COMMUNITY EASY ON ENVIRONMENT



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LETTER FROM THE PRESIDENT

This is our fifth year as a member of the United Nations Global Compact (UNGC), and we are excited to report on the progress we have made over the recent years to become a more sustainable global company. We look forward to where the future will take us.

As a global company, Samtec has the privilege of working with many different people and cultures which gives us unique insights. The GRI Global Reporting Initiative has done an excellent job of capturing the need of the global community in maintaining a sustainable company. For that reason, we have chosen this platform to build and evolve our sustainability footprint.

This year, we are pleased to report on 25 Specific Standard Disclosures and 17 General Disclosures that encompass the UNGC ten principles. At its core, Samtec is a company that values service. We feel to become a more sustainable company, we must continue to make service to our employees, our environment and our neighbors a priority.

We are fortunate to have employees who share our values and our commitment to be successful in both business and in the community. We are proud that the remodel of our headquarters in New Albany, Indiana, along with new facilities and modernization to manufacturing sites in Malaysia, Taiwan and Vietnam, have created state-of-the-art facilities for our employees. We will continue to invest in our employees through our training, continuing education and other personal development programs.

The building remodels also provided us new opportunities to protect our environment. We have lowered our carbon footprint significantly by lowering power consumption, while expanding the size of our facility. Water is an essential element of life, and Samtec recognizes the importance it serves in our daily lives. We are committed to conserving and protecting this valuable resource by decreasing water waste and by returning it to the community cleaner than it was received.

Community outreach is important to us and our employees. We are committed to our involvement within our communities, and enjoy being a part of them. In all of our locations around the world, we encourage our employees to be engaged in local activities. We want to continue to be good neighbors.

Samtec is committed to conducting business across the globe and respecting local

customs and practices while requiring our employees and our agents, service providers and suppliers to also abide by applicable laws and socially and environmentally conscious practices. These standards have been committed to by Samtec and supported by our employees around the globe.

The 2016 report will be a transition year for Samtec as we more closely align our report with the GRI G4 process. Internal stakeholders are identified by the major departments influencing the data gathering and results. A survey was sent out internally to determine Materiality Aspects and priorities. Samtec will also informally reference EICC standards so that the questions are more closely aligned and address EICC concerns.

The plan is to engage both internal and external stakeholders in the coming years to broaden and expand the scope of the GRI G4 questions answered, as well as improving the depth of those answers. The data presented in this report has been generated by our internal management systems and has not been assured by an external agency.

Even as our business and the climate of the electronics industry changes, we will stay committed to our UNGC efforts. We plan to annually update our sustainability procedures and methods to redefine our mission to do more for the greater good of our employees, our environment, our neighbors and our world.

Thank you for your continued interest in our company and our efforts to make our business socially and environmentally sustainable for years to come. Please direct any comments or questions about this report to social.responsibility@samtec.com.



John Shine, President

COMPANY PROFILE

Samtec, Inc. is a privately held, debt-free global manufacturer of a broad line of electronic interconnect solutions, including IC-to-Board and IC Packaging, High-Speed Board-to-Board, High-Speed Cables, Mid-Board and Panel Optics, Flexible Stacking and Micro / Rugged components and cables.

Samtec Technology Centers, which develop and advance technologies and products that provide both performance and cost benefits, ensure complete system optimization from the bare die to an interface 100 meters away, and all interconnect points in between.

In 2015, Samtec experienced a tech surge and expanded our Technology Centers by increasing capabilities, resources and partners around the world. We focused on our Advanced Interconnect Design, High Speed Cable Plant, Microelectronics / IC Packaging, Optical Group, Signal Integrity Group and Teraspeed® Consulting Technology Centers.

In 2016, we added three additional centers: Delaware Design Center dedicated to Active Systems, South Carolina Design Center focusing on Layout Services, and nMode® / Triton featuring Glass Core Technology (GCT).

Individually, our Technology Centers enable great capabilities, but collectively and collaboratively, they create synergy. Integration leads to innovation, and this meshing of capabilities creates the power of "one Samtec."

Samtec is "Sudden Service®" providing an unparalleled customer service experience. We recently received the highest overall rating in the Bishop + Associates U.S. Customer Survey of the Electronic Connector Industry. This was the 16th time Samtec has been rated as the #1 Connector Company in North America. Samtec is ranked #1 in Europe and Asia reports as well.

Much more than just another connector company, Samtec puts people first with a commitment to exceptional service, quality products and convenient design tools. Our underlying philosophies that we call DNA are Speed, Innovation, Flexibility and Win / Win. We believe that people matter, and taking care of our customers and our employees is paramount in how we approach our business. This belief is deeply ingrained throughout the organization and means that you can expect exceptional service coupled with technologies that take the industry further faster.



Founded
in 1976



Headquartered in
New Albany, IN



4,200
Associates



2016 Revenue
\$662 Million



D&B Rating
5-A1



ISO-9001
Certified



TS 16949
Certified



ISO
14001



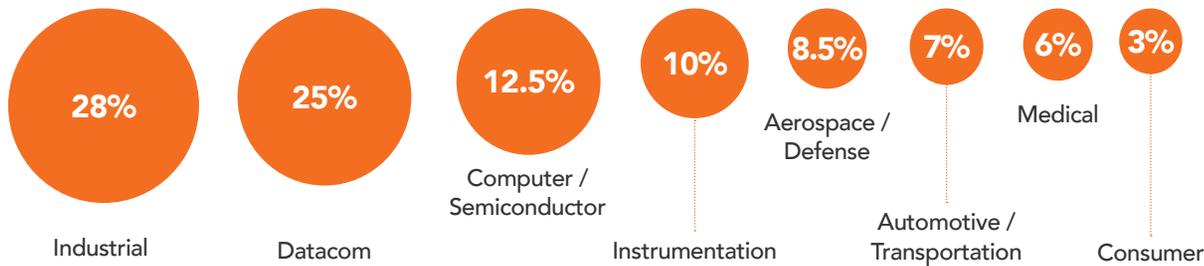
ITAR
Registered

COMPANY PROFILE

33 LOCATIONS IN MORE THAN **18** COUNTRIES



CUSTOMER SEGMENTS



With more than 23,000 customers in more than 125 countries and spanning all industries, Samtec serves the well-known global tech giants, small start-ups, and everyone in between.

ABOUT THIS REPORT



This, our fifth annual Social Responsibility Report, covers activities that have occurred since our last UNGC submission in 2016.

Our reports are published on an annual basis and are prepared in accordance with the Global Reporting Initiative (GRI) G4 guidelines. The guidelines define specific reporting topics and a process for determining the significant economic, environmental and social metrics on which an organization should report.

The GRI G4 aspects relevant to Samtec were prioritized by information gleaned from various observations and research throughout the year. The final selections of material aspects for this report were validated by a cross-functional team including representatives from Marketing, Human Resources, Quality, Environmental Services, Health and Safety as well as the Learning and Development Departments.

The boundary of the material aspects identified through the materiality assessment process is limited to within the organization, with the exception of supply chain impacts, which apply outside of Samtec.

ENVIRONMENTAL

Samtec continually strives to reduce our environmental impact by integrating environmentally-conscious practices into our product design and manufacturing processes as well as actions of our employees.

60% of our Manufacturing is done in Asia, while 23% is done in Central America and 17% in North America. Over 80% of our products are manufactured in low cost regions.

We are proud to report that we have had zero significant environmental breaches nor have we received any fines and/or non-monetary sanctions for noncompliance with environmental laws and regulations.



SOCIAL

We care about making our communities better places to live, work, play and go to school by finding ways to lend a hand – both in time and money. Our efforts span philanthropic activities with charities around the world, environmental initiatives, health and safety projects and stringent ethics and social responsibility policies.

We Hire Locally When We Can

- Within 50 mile radius of a specific location

Over 80% of Senior Management Positions are Local to the Specific Facility

- Senior management is primarily defined by level of responsibility, and not necessarily by tenure
- Senior managers have global responsibility in terms of establishing direction or priority within their area of expertise
- Senior managers cross-functionally with other areas of the company to establish strategic direction related to the core elements of the business

Employee Retention Rate for 2016: 96%

FORTUNE'S 15 BEST WORKPLACES IN MANUFACTURING & PRODUCTION

Samtec was ranked #13 in Fortune's 2016 survey.

"A company that treats the associates with respect, trust, and understanding to the point of feeling like an owner in the company, as well as providing excellent pay, benefits, and a family environment is ingenious in my opinion.

The result is a happy and harmonious working environment where the associates actually WANT to come to work, and actually WANT to do a good job.

If other companies had this same type of mindset and provided the same things... the result could be a better world and less unemployment.

Samtec sticks to their guns on issues of morality and common core values... and only hires people who fit into that window. If you employ honest people who want to work and make an honest living, then the problems that most employers face daily become almost a non-issue."

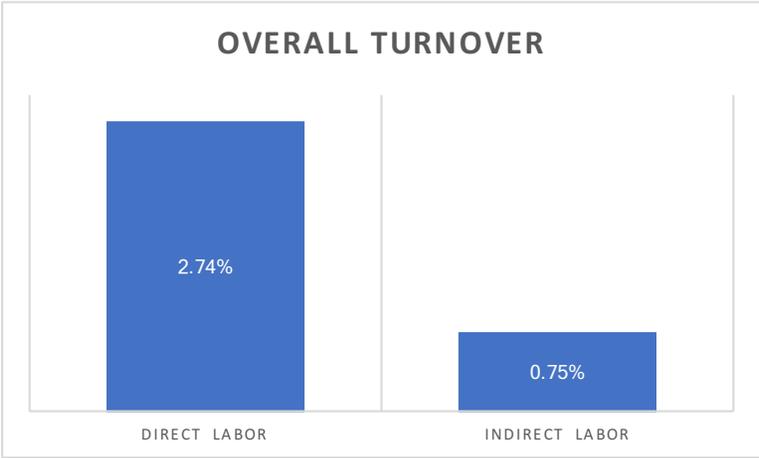
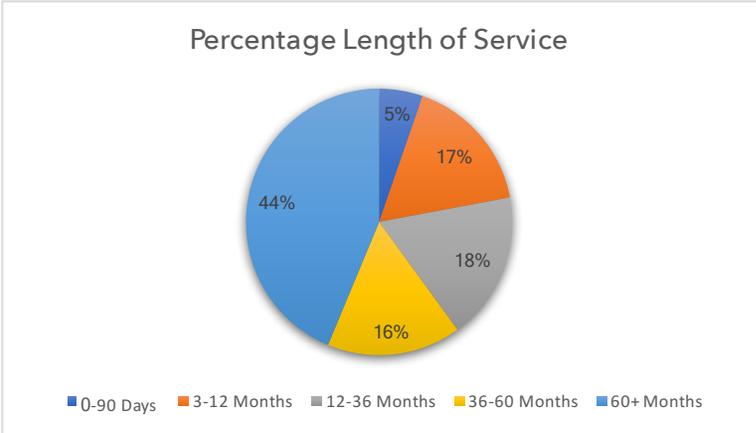
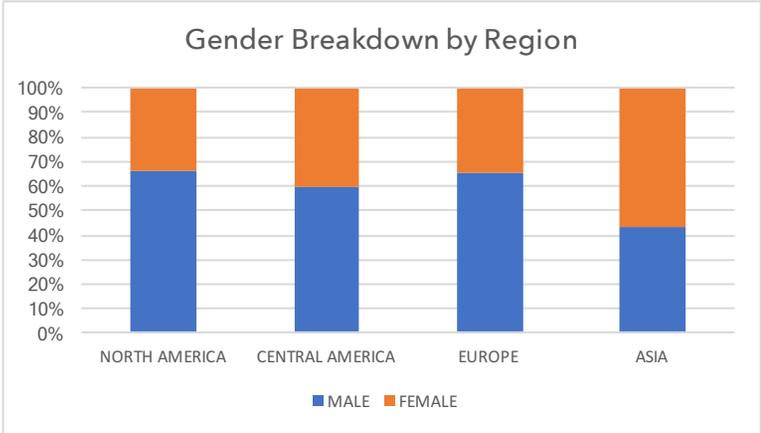
GLOBAL WORKFORCE DEMOGRAPHICS

4,200 TOTAL WORKFORCE



DIRECT LABOR
52.2%

INDIRECT LABOR
47.8%



PEOPLE MATTER



At Samtec, Service isn't just for our customers. As we seek to service our employees around the globe in every capacity that we can including career growth opportunities, on-the-job training, education expenses and countless opportunities to improve their physical and financial well-being.

Continuing education is important to employees as well as management at Samtec. Tuition reimbursement grew over 300% in 2016 as Samtec gave over \$1M to employees around the world for educational purposes. Samtec Huizhou recently updated their Education Aid Program, and employees in our Samtec Cost Rica facility can take advantage of our All Aboard internal education program to complete their studies as well.

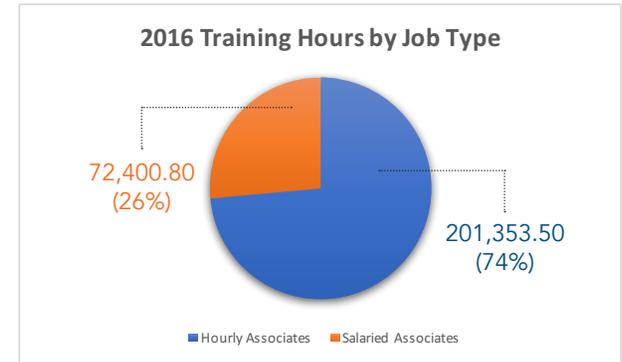
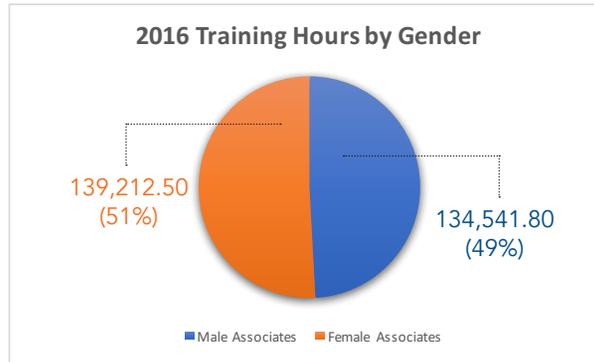
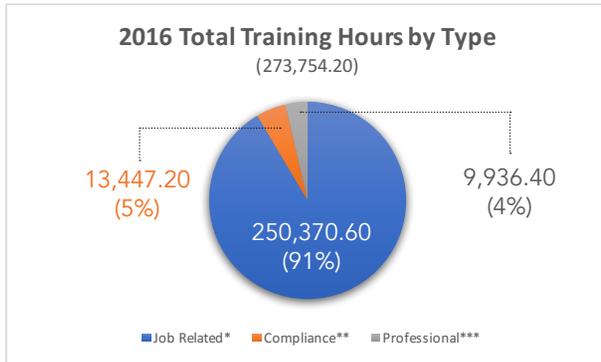
Samtec also offers grants to employees to assist them in purchasing a new home computer. In 2016, over \$175K was distributed in computer grants.

The Parental Leave Policy in North America was updated in 2016 to include Paternity Leave. Providing this type of support helps us achieve a very high return to work rate after parental leave with an 100% retention rate in North America and 95% worldwide.

Samtec features a relatively flat organization structure which makes global sharing of ideas related to operational processes, work environmental improvements, associate recognition methods and global communication tools easy. We treat each other like family. By helping one another, we also help our company, our customers and the communities in which we live, play and operate.



TRAINING & HIRING

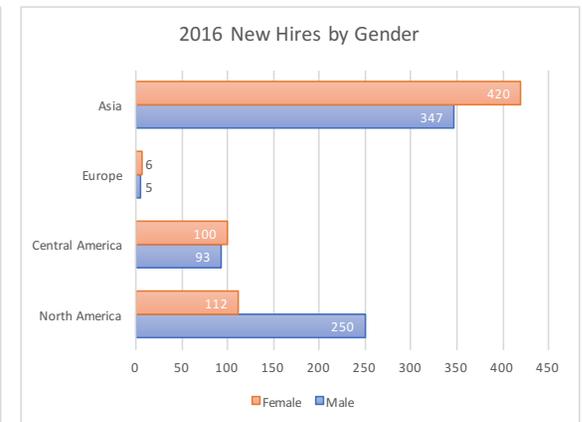


***JOB** = training required to perform the functions of the job.

****COMPLIANCE** = compliance or mandatory training dictated by Samtec policy, industry regulations, customer requirements, or the laws of the countries in which Samtec operates and include our anti-corruption policies and procedures.

*****PROFESSIONAL** = training provided for individual and professional growth.

AVERAGE TRAINING HOURS PER ASSOCIATE: 54.3



*Excluding current employees. **New and current jobs / positions.

COMMUNITY INVOLVEMENT



Samtec supports global projects and initiatives that enable economic development and stimulate economic growth around the world like water purification systems in third world countries, alternative energy solutions, advanced agricultural technology, low cost housing refurbishment, life skills development training, support of entrepreneurial start-ups and so much more.

SAMTEC NEW ALBANY

Samtec supports the local Big Brothers Big Sisters School to Work Program. Employee volunteers were matched with scholars from a local high school and met once a month at Samtec to give students exposure to workplace skills and career opportunities.

Samtec New Albany also donated \$75K to sponsor local schools, teams, programs and charities and supported the following organizations:

- **One Southern Indiana** – Lead Economic Development Organization and Chamber of Commerce for Floyd County which provides connections, resources and services that help businesses innovate and thrive in Southern Indiana.
- **JB Speed School of Engineering** – the engineering school at the University of Louisville
- **Physio Foundation** - a non-profit organization designed to engage and mobilize communities
- **The Optical Society** – the leading professional association in optics and photonics that powers achievements in the science of light and supports the next generation of researchers and engineers.

SAMTEC COSTA RICA

In 2016, Samtec Costa Rica supported the Maurilio Soto School in Alajuela with books as well as with updated school bathrooms and orchestra equipment. Our employees also volunteered in beach cleaning projects to protect turtle nests and manage sustainable egg-harvesting to ensure Costa Rica's turtle population does not become endangered.

SAMTEC MALAYSIA

Samtec Malaysia supported Pertubuhan Kebajikan Shan De Johor Bahru, a non-profit orphanage providing not only food and shelter, but education to the less fortunate children in Johor, Malaysia. They also sponsored a golf tournament supporting their local Sports and Culture Club.

SAMTEC HUIZHOU

Associates of our Samtec Huizhou facility visited the elderly in local nursing homes during the Mid-Autumn Festival and also donated to the Public Security Bureau in Shiwan Tiechang for the advancement of local security needs.

Samtec encourages community involvement at all global locations. Being a good corporate citizen of a community carries with it responsibility. Since the majority of Samtec employees are local, Samtec makes a big impact. Throughout the year, Samtec strives to make our communities better places to live, work, play and go to school by finding ways to lend a hand - in both time and money.

ETHICS & SUPPLY CHAIN

Samtec is constantly evaluating factors such as location of operation, types of products and services provided, child labor avoidance practices, working hour management, pay and compensation practices, as well as ethics management policies and engagement. We continue to expand awareness and understanding across all our global facilities as well as our supply chain.

Since Samtec's culture reflects, for the most part, a "learning organization," we have tried to remove many of the barriers of organizational learning. Samtec employees are asked every year to review our Sexual Harassment, Workplace Violence, C-TPAT, Diversity and Company Policy e-learning modules for yearly compliance. Employees are also given the opportunity to choose their own training courses for the upcoming year.

Our high standards extend beyond Samtec to include the suppliers we depend on and engage with every day. We rely on a global supply chain to support the manufacturing of our products in each of our locations. We survey all our vendors yearly in regards to quality, environmental consciousness and social responsibility. Over 95% of our vendors are in compliance of Samtec's standards, and 100% of new suppliers are screened using human rights criteria.

Samtec employees comply with the limitations of the Foreign Corrupt Practices Act (FCPA) and similar laws of the countries where we operate. We require Suppliers to provide information regarding their own suppliers and subcontractors to verify that the extended supply chain related to Samtec products operates in a manner consistent with Samtec's expected code of conduct and commitment to its environmental and social principles.

Samtec will not tolerate Human Trafficking and/or Slavery crimes within Samtec or the suppliers with which we do business. We comply with the California Transparency in Supply Chains Act and the UK Modern Slavery Act of 2015.

Samtec has a regular audit schedule of its Supplier base, which must allow Samtec and its agents (including third parties) to engage in assessment activities to confirm compliance with these standards. We reserve the right, when the standards are not met and/or corrected in a timely fashion, to cancel outstanding orders, suspend future orders or terminate our relationship with the supplier, as circumstances demand. We currently have zero suppliers who have undergone human rights screening, are a significant risk for incidents of child labor or are involved in human trafficking.

Our Purchase Orders, Component Prints, Supplier Quality Assurance Manual and the Terms and Conditions found on our Legal/Compliance area of our website summarize our policies for transparency with our customers and suppliers.

Samtec has never been subjected to legal action and/or fined for grievances related to noncompliance with laws and regulations, discrimination, human rights, environmental regulations, child labor, anticompetitive behavior, anti-trust or monopolistic practices.

In order to keep up with the demands of our new technologies and design centers, we have recently added a full time senior attorney and full time corporate law paralegal.



HEALTH & SAFETY

The safety of our employees is a primary goal, and this is accomplished by providing a safe and secure working environment. Workplace safety rules created in accordance with applicable law are communicated to employees to ensure their well-being. Samtec Associates are expected to perform their duties in a safe manner at all times and to advise a manager of an unsafe situation in the workplace.

While there is no formal program in place at Samtec New Albany in regards to serious diseases, we do have a Travel Guide on our intranet where we post awareness to travelers of any particular areas / regions of concern (i.e. Zika Virus) Samtec New Albany has a blood drive once every quarter and hosts a free wellness screening including free flu shots every year.

Samtec Huizhou currently has in place a H7N9 Contingency plan for the prevention of viral transmission of bird flu and also purchased Business Insurance (including accident and serious disease) for all their employees. Samtec Malaysia issues health advisories on an as needed basis when there is a high mosquito breakout that can lead to dengue fever and has continued their bi-annual blood drive in 2016.

Site	Recordable Injuries	Injury Rate	Injury Rate for Industry	DART (Days Away / Restricted)	DART Rate	First Aids	ER Visits
New Albany	10	1	2.2	5	0.5	15	0
Scottsburg	6	1.84	2.2	5	1.54	19	0
Samtec Tool	1	4.8	4.2	0	0	0	0
Samtec Cable	1	3.84	1.1	0	0	0	0
SME	2	1.71	2.2	2	1.71	0	0
Costa Rica	13	1.36	2.2	13	1.36	16	0
Huizhou	2	0.48	2.2	0	0	0	1
Singapore	0	0	2.2	0	0	0	0
Johor	1	0.12	2.2	0	0	1	1
Penang	0	0	2.2	0	0	0	0
Samtec Optical	0	0	2.2	0	0	0	0
Samtec Signal	0	0	2.2	0	0	0	0

The injury rates for the industry are the average rate for connector manufacturers according to the Bureau of Labor Statistics. This is a rate that OSHA would compare us to.



ENVIRONMENT

Samtec continually strives to reduce our environmental impact by integrating environmentally-conscious practices into our product design and manufacturing processes as well as the actions of our employees. We are proud to report that we have had zero significant environmental breaches nor have we received any fines and/or non-monetary sanctions for noncompliance with environmental laws and regulations.

Our Environmental Management System (EMS) is an important aspect of manufacturing at Samtec — from the selection of the materials in our products, to the efficient use of natural resources and the careful control of facility wastes.

Samtec recognizes the situation that is occurring in various places globally, including the Democratic Republic of Congo, and does not allow the sourcing of any of the following materials that contain 3TG minerals (Tantalum (derived from Columbite-Tantalite), Tungsten (derived from Wolframite), Tin (derived from Cassiterite), and Gold) and/or finished materials originating, sourced, and/or smelted from the Democratic Republic of Congo or adjoining countries. Conflict Resources shall not be used within our products or supply chain.

WATER USAGE

Water at Samtec New Albany is recycled at 131,803 gallons per month, and we discharge approximately 1,318,026 gallons per month at our New Albany Waste Water Treatment facility.

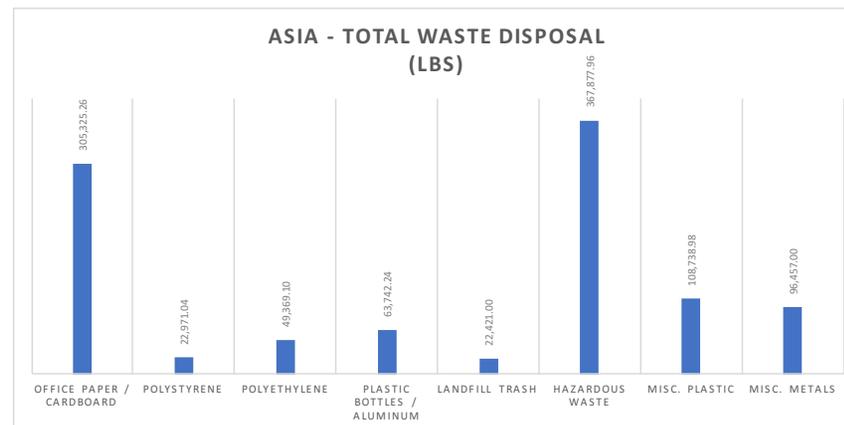
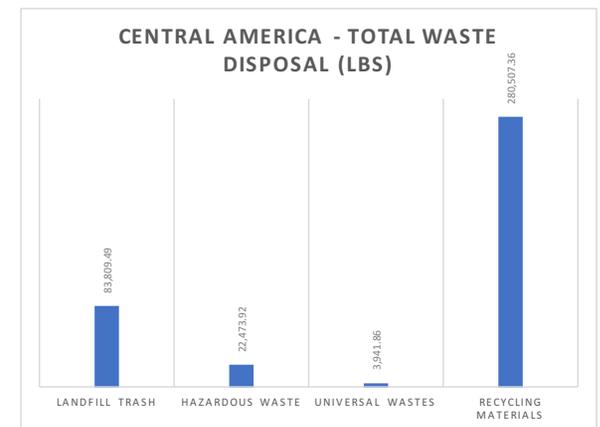
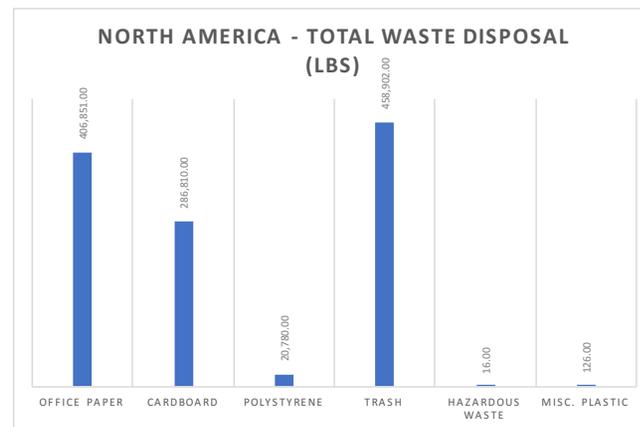
Water at our Huizhou facility is recycled at 282,090 gallons per month, and we discharge approximately 252,196 gallons per month.

Samtec Huizhou has set a target of reused water usage to a minimum 40% every year. In 2016, we met our goal with a 51.6% reuse water rate.

Water at Samtec Costa Rica is recycled at 242,480 gallons per month, and we discharge approximately 346,400 gallons per month at our Costa Rica Waste Water Treatment Facility. In 2016, Samtec Costa Rica reduced water consumption by 50%.

We are proud to report that we have had zero significant volume spills at each of our facilities.

WASTE DISPOSAL



ENVIRONMENT

Samtec corporate headquarters in New Albany, Indiana has recently completed a significant remodel of our office space. To help with energy conservation, nearly every light fixture in the total 328,000 square feet space was replaced with low-energy, ultra-bright LED lighting that use only 50 KW per hour. Prior to the new LED lighting installation, we utilized Florescent Fixtures that consumed 150 KW per hour.

Given that we operate two shifts per day, both in operations and the office, we estimate that the new LED lights will give us a 66% reduction in consumption per year which equates to an annual savings of approximately \$32,000. The LED lights throughout the office area are also on timers allowing us to save electricity by lighting only the areas in use.

Also as a part of the HQ remodel, we installed a new HVAC system. The second floor of our office area was originally 152 tons of cooling, and this has been decreased to 150 tons. Our new Lennox rooftops are much more energy efficient than our previous models with VFD drives. The new units have an EER rating of 11.6 versus 9 for the previous ones, and an IEER rating of 14.3 compared to 9.5 before.

Other savings with the newly installed HVAC system come from the outside air being brought in through an energy recovery ventilator that is 72% or better efficient than before. Our heating efficiency has also improved. It is now rated at 962% compared to 78%.

Samtec's Carbon Footprint (CF), the total greenhouse gas (GHG) emissions caused directly and indirectly by our manufacturing, decreased 15% in 2016. 80-90% of our carbon footprint is built around the gas and electricity used at our manufacturing locations. The updates and improvements to our infrastructure during our remodel like the LED lighting and new HVAC system contributed to this decrease.

Samtec PRISM system enables a revolutionary level of real-time business intelligence. The scope of PRISM was to globally integrate multiple sources of process data in order to increase efficiencies, reduce waste and improve overall quality:

- Provides real-time process values and alerts from multiple sources, enabling operators the flexibility to quickly address and resolve issues as they arise
- Capable of automatically configuring machines and/or processes to address process variations and faults
- Provides additional data, previously unavailable, to drive continuous process improvement

- **ACTIONABLE DATA** – increased 250%

- **OEE** – increased 10%

- **SET-UP WASTE** – decreased 50%

- **OPPORTUNITY FOR ESCAPES** – decreased 30%

- **SCRAP RATE** – decreased 2%

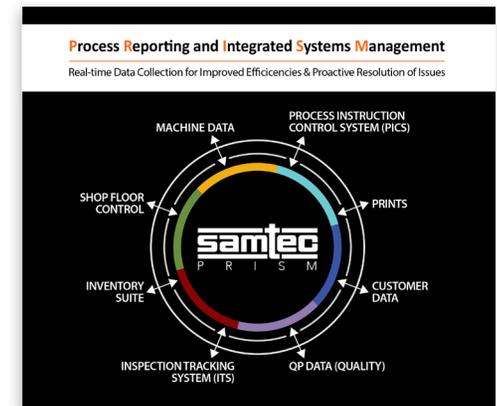
- Integrated at all Global Plating locations

- All stamping presses fully integrated

- All vertical molding presses fully integrated

- More than 20 automated assembly machines integrated in 3 locations

- 20 additional automated assembly machines in queue



GENERAL STANDARD DISCLOSURES

G4.1 Indicator	Description	Location
Strategy and Analysis		
1.1	Statement	3
Organizational Profile		
2.1	Name of the organization	4
2.2	Primary brands, products and/or services	4
2.4	Location of organization's headquarters	4
2.5	Number of countries where the organization operates	5
2.6	Nature of ownership and legal form	4
2.7	Markets served by the organization	5
2.8	Scale of the reporting organization	5
2.9	Significant changes during the reporting period	*
Report Parameters		
3.1	Reporting Period	6
3.2	Date of most recent previous report	6
3.3	Reporting cycle	6
3.4	Contact point for questions	6
3.5	Process for defining report content	6
3.6	Boundary of the report	none
3.7	Any specific limitations on the scope or boundary of the report	none
3.8	Basis for reporting on joint ventures, subsidiaries, leased facilities, outsourced operations and other entities	none
3.10	Explanation of the effect of any re-statements of information provided in earlier reports, and the reason for such re-statement	none
3.11	Significant changes from previous reporting periods	none

SPECIFIC STANDARD DISCLOSURES

G4.1 Indicator Description

- EC6** - Policy, practices and proportion of spending on locally-based suppliers at significant locations of operation
- EC7** - Procedures for local hiring and proportion of senior management hired from local community at locations of significant operations
- EN10** - Percentage and total volume of water recycled and reused
- EN21** - Total water discharge by quantity and
- EN22** - Total weight of waste by type and disposal method
- EN23** - Total number and volume of significant spills
- EN26** - Initiative to mitigate environment impacts of products and services and extent of impact mitigation
- EN28** - Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with environmental laws and regulations
- HR2** - Percentage of significant suppliers, contractors and other business partners that have undergone human rights screening and actions taken
- HR3** - Total hours of employee training on policies and procedures concerning aspects of human rights that are relevant to operations including the percentage of employees trained
- HR4** - Total number of incidents of discrimination and corrective actions taken
- HR6** - Operations and significant suppliers identified as having significant risk for incidents of child labor and measures taken to contribute to the effective abolition of child labor
- HR11** - Number of grievances related to human rights filed, addressed and resolved through formal grievance mechanisms
- LA1** - Total workforce by employment type, employment contract, and region, broken down by gender
- LA2** - Total number and rate of new employee hires and employee turnover by age group, gender and
- LA7** - Rates of injury, occupation diseases, lost days and absenteeism and number of work related fatalities by region and by gender
- LA8** - Education, training, counseling, prevention and risk-control programs in place to assist workforce member, their families or community members regarding serious diseases
- LA10** - Average hours of training per year per employee by gender and employee category
- LA13** - Composition of governance bodies and breakdown of employees per employee category according to gender, age, minority group and other indicators of diversity
- LA15** - Return to work and retention rates after parental leave, by gender
- PR3** - Type of product and service information required by procedures and percentage of significant products and services subject to such information requirements
- SO1** - Percentage of operations with implemented local community engagement, impact assessments and development programs
- SO3** - Percentage of employees trained in organization's anti-corruption policies and procedures –
- SO7** - Total number of legal actions for anticompetitive behavior, anti-trust and monopoly practices and their outcomes
- SO8** - Monetary value of significant fines and total number of non-monetary sanctions for noncompliance with laws and regulations



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