

2019

NI Global Reporting Initiative (GRI) Index

General Disclosures

DISCLOSURE NUMBER	FY19	RESPONSE
102-1	Name of the organization	NI
102-2	Activities, brands, products, and services	Annual Report
102-3	Location of headquarters	11500 North Mopac Expwy, Austin, TX 78759
102-4	Location of operations	Annual Report
102-5	Ownership and legal form	Annual Report
102-6	Markets served	Annual Report
102-7	Scale of the organization	Annual Report
102-8	Information on employees and other workers	8,152 global employees Full-time Co-op <ul style="list-style-type: none">Male: 4Female: 1 Full-time Intern <ul style="list-style-type: none">Male: 32Female: 24 Full-time Regular <ul style="list-style-type: none">Male: 4,979Female: 2,284Non: 1 Full-time Temporary <ul style="list-style-type: none">Male: 333Female: 255Non: 3 Part-time Intern <ul style="list-style-type: none">Male: 41Female: 18 Part-time Regular <ul style="list-style-type: none">Male: 35Female: 73 Part-time Temporary <ul style="list-style-type: none">Male: 29Female: 40

DISCLOSURE NUMBER	FY19	RESPONSE
102-9	Supply chain	Our global procurement mission is to provide a dynamic, strategically accessible, world-class supply base, creating a sustainable competitive advantage in every aspect of our global business through continuous improvement. We engage with ~1,500 third-party suppliers to supply NI with materials, services, software, and finished goods. The total number of suppliers throughout the supply chain for all of NI is approximately 5,000. Our total annual spend is roughly \$550M USD across approximately 38 countries with 90% coming from the United States, Malaysia, Germany, Hungary, Singapore, Ireland, and China.
102-10	Significant changes to the organization and its supply chain	Annual Report
102-11	Precautionary Principle or approach	Environmental Compliance Plan
102-12	External initiatives	2030 Corporate Impact Strategy
102-14	Statement from senior decision-maker	2030 Corporate Impact Strategy
102-15	Key impacts, risks, and opportunities	2030 Corporate Impact Strategy
102-16	Values, principles, standards, and norms of behavior	2030 Corporate Impact Strategy
102-17	Mechanisms for advice and concerns about ethics	<p>NI has a Code of Ethics that gives direction on standards of business conduct and ethical behavior. NI also has an ethics hotline where employees can make anonymous reports.</p> <p>NI has a dedicated Senior Ethics & Compliance Counsel who manages and replies to questions/comments/concerns related to ethics and also manages an Ethics & Compliance intranet page for employees.</p> <p>Employees may, and employees with supervisory authority must, report suspected misconduct (including violations of ethics, law, or policies) to their supervisors, Human Resources, Legal, and/or the ethics hotline.</p> <p>Reports of misconduct are reviewed and investigated, as necessary, by a cross-functional team, including members of Legal, HR, and Internal Audit. The Senior Ethics and Compliance Counsel serves as a Center of Excellence for the investigation process. NI also has a documented Internal Investigation process.</p> <p>All reports, questions, and concerns are treated as confidentially as permitted by applicable law.</p>
102-18	Governance structure	Annual Report
102-20	Executive-level responsibility for economic, environmental, and social topics	NI has a full-time Global Corporate Impact Director, which is accountable to Impact Council (CFO, CMO, General Counsel, and VP of HR)
102-21	Consulting stakeholders on economic, environmental, and social topics	Page 14: Environmental Compliance Plan
102-22	Composition of the highest governance body and its committees	Annual Report
102-23	Chair of the highest governance body	Annual Report
102-24	Nominating and selecting the highest governance body	Annual Report
102-25	Conflicts of interest	NI has two policies in place for conflict of interest: one for board members (non-employee) and one for employees to avoid conflict of interest at work. Policies include rules and an underlying protocol. See NI Code of Ethics .

DISCLOSURE NUMBER	FY19	RESPONSE
102-26	Role of highest governance body in setting purpose, values, and strategy	Board reviews Impact metrics and progress annually.
102-29	Identifying and managing economic, environmental, and social impacts	2030 Corporate Impact Strategy
102-38	Annual total compensation ratio	Annual Report
102-39	Percentage increase in annual total compensation ratio	Annual Report
102-40	List of stakeholder groups	2030 Corporate Impact Strategy
102-42	Identifying and selecting stakeholders	2030 Corporate Impact Strategy
102-43	Approach to stakeholder engagement	2030 Corporate Impact Strategy
102-44	Key topics and concerns raised	2030 Corporate Impact Strategy
102-45	Entities included in the consolidated financial statements	Annual Report
102-46	Defining report content and topic boundaries	This GRI Report was developed using the results of NI's recent materiality assessment, past reporting efforts, and GRI and SASB frameworks to determine the content to be reported on. The majority of the information in the report reflects the company's global footprint and workforce, while the environmental metrics are gathered from NI's top 10 sites where available (representing approximately 75% of total workforce).
102-47	List of material topics	2030 Corporate Impact Strategy
102-49	Changes in reporting	NI's last GRI report was published in 2015 and the most recent environmental data was published in 2017. Since then, NI has expanded the scope of reporting to include more GRI disclosures, include SASB disclosures, conducted a formal materiality assessment, and has conducted a more detailed environmental footprint to report more granular GHG emissions, energy, water, and waste information.
102-50	Reporting period	January 1–December 31, 2019
102-51	Date of most recent report	2015
102-52	Reporting cycle	Annual
102-53	Contact point for questions regarding the report	Tabitha Upshaw: tabitha.upshaw@ni.com
102-54	Claims of reporting in accordance with the GRI Standards	This report uses selected standards, or parts of their content, to report specific information.
102-55	GRI content index	Yes

Economic Performance

DISCLOSURE NUMBER	FY19	RESPONSE
201-1	Direct economic value generated and distributed	Annual Report
201-3	Defined benefit plan obligations and other retirement plans	Page F-40: 2019 Form 10-K
201-4	Financial assistance received from government	Page F-34: 2019 Form 10-K

Market Presence

DISCLOSURE NUMBER	FY19	RESPONSE
202-1	Ratios of standard entry-level wage by gender compared to local minimum wage	<p>NI pays wages and salaries that are determined by local relevant competitive market data rather than by legally defined minimum wages (however, minimum wage standards are always adhered to).</p> <p>At NI, we refresh our salary ranges ever year by incorporating the latest minimum wages requirements of the country, and as our hiring offer/salary review is based upon the salary ranges established for the country, we can be sure of the contingent and temporary workers are paid above the mandated minimum wages.</p>
202-2	Proportion of senior management hired from the local community	<p>80% of senior management were hired from the local community.</p> <p>Senior management positions are defined as Vice President level and above.</p> <p>Local is defined as the location where the position is based. 80% were hired in the location of the position.</p> <p>The locations of significance would consist of the NI Hub locations of NIC (Headquarters–Austin, Texas), NIH (Debrecen, Hungary), NI Penang (Penang, Malaysia) and NICR (Costa Rica).</p>

Indirect Economic Impacts

DISCLOSURE NUMBER	FY19	RESPONSE
203-1	Infrastructure investments and services supported	<p>Dollars Donated: \$8,335,022</p> <p>Products Donated (retail value): \$1,155,429</p> <p>Employee Volunteer Hours:</p> <ul style="list-style-type: none"> ■ U.S.: 6,029 ■ Costa Rica: 1,240

Procurement Practices

DISCLOSURE NUMBER	FY19	RESPONSE
204-1	Proportion of spending on local suppliers	<p>~30% of NI's Procurement annual budget was spent within locality of operation (direct & indirect). NI definitions of "local" include:</p> <ul style="list-style-type: none"> ■ For Production purchases—Malaysia and Hungary ■ For Non-Production purchases—United States, Malaysia, and Hungary

Anti-corruption

DISCLOSURE NUMBER	FY19	RESPONSE
205-2	Communication and training about anti-corruption policies and procedures	<p>For the past few years, NI's annual Code of Ethics training has included a module on anti-corruption and has required participants to review NI's anti-corruption policy as well as procedures related to business gifts, travel, and entertainment. That training is mandatory for all employees across the enterprise and for the board of directors. The Code of Ethics training is formally mandatory for all employees and NI achieved 100% completion of the October 2019 training.</p> <p>Many of NI's contracts with third parties include specific provisions related to anti-corruption compliance and/or require third parties to follow the code of conduct promulgated by the Responsible Business Alliance (RBA), which also prohibits bribery and corruption. For both Indirect Channel and Delivery Partners, NI has a due diligence process to review partners compliance in this area.</p>
205-3	Confirmed incidents of corruption and actions taken	<p>No confirmed incidents of corruption. Any hotline leads are investigated by NI's Senior Counsel. Reports of suspected bribery or corruption are investigated by the cross-functional internal investigation team, which includes members of Legal, HR, and Internal Audit. NI's Senior Ethics and Compliance Counsel serves as a Center of Excellence for the investigation process.</p>

Anti-corruption Behavior

DISCLOSURE NUMBER	FY19	RESPONSE
206-1	Legal actions for anti-competitive behavior, anti-trust, and monopoly practices	<p>No legal actions pending or completed during the reporting period regarding anti-competitive behavior and violations of anti-trust and monopoly legislation.</p>

Energy

DISCLOSURE NUMBER	FY19	RESPONSE
302-1	Energy consumption within the organization	47,788,548 kWh
302-3	Energy intensity	35,399 kWh/\$1 million revenue
302-4	Reduction of energy consumption	2019 is our baseline (first year collecting data across 10 largest locations)

Water and Effluents

DISCLOSURE NUMBER	FY19	RESPONSE
303-1	Interactions with water as a shared resource	<p>NI Hungary:</p> <ul style="list-style-type: none"> The Facility has no direct wastewater discharge to the environment. NIH has an indirect wastewater discharge through the municipal sewer system and the City of Debrecen WWTP treats NI's wastewater together with other wastewater from the city and other nearby villages and towns. NIH has its own limits and a voluntary monitoring test each year to verify and confirm regulatory compliance. Storm water is collected from roofs, roads, and parking areas. All water from the roads and parking lot is sedimented and treated with oil trap before discharging to the municipal storm water system. <p>NI Penang:</p> <ul style="list-style-type: none"> The Facility has an industrial effluent treatment plant and a sewage treatment plant. The final discharge is tested on weekly basis by a third party accredited lab and reported monthly to local authority.
303-2	Management of water discharge-related impacts	The discharged parameters for NI's Penang and Hungary manufacturing facilities are determined by regulations or permits and there is no special minimum standard for those locations where there are no regulatory limits. The local discharge permit is based on the regulation and on the receiving waterbody.
303-3	Water withdrawal	152,959 m ³ (25 m ³ /employee)
303-4	Water discharge	<p>NI Austin: Municipal Discharge: 37,720 m³ Irrigation Discharge: 6,789 m³</p> <p>NI Hungary: Municipal Discharge: 14,995 m³ Irrigation Discharge: 3,083 m³</p> <p>NI Penang: Municipal Discharge: 90 m³</p>

Biodiversity

DISCLOSURE NUMBER	FY19	RESPONSE
304-1	Operational sites owned, leased, managed in, or adjacent to, protected areas and areas of high biodiversity value outside protected areas	<p>Most of the NI headquarters campus in Austin is still in its natural, unirrigated state except for building footprints, walkways, drives, and parking areas. Multilevel garages provide most parking at NI, which minimizes the amount of ground covered by impervious materials like asphalt and cement. Developed landscape areas feature native plant materials requiring minimal water to thrive, and our campus incorporates critical environmental features including limestone sinkholes. Additionally, NI's Austin campus is a certified National Wildlife Federation wildlife habitat and is home to several native wildlife species, including deer, birds, and foxes.</p>
304-2	Significant impacts of activities, products, and services on biodiversity	<p>NI Austin (headquarters):</p> <ul style="list-style-type: none"> ■ Most of the NI headquarters campus in Austin is still in its natural, unirrigated state except for building footprints, walkways, drives, and parking areas. Multilevel garages provide most parking at NI, which minimizes the amount of ground covered by impervious materials like asphalt and cement. Developed landscape areas feature native plant materials requiring minimal water to thrive, and our campus incorporates critical environmental features including limestone sinkholes. Additionally, NI's Austin campus is a certified National Wildlife Federation wildlife habitat and is home to several native wildlife species, including deer, birds, and foxes. ■ To protect our beautiful grounds, we regularly monitor our campus to ensure storm water runoff from roads and parking lots does not enter sinkholes or threaten habitats. Additionally, parts of the Austin campus are recognized as a Texas Historical Commission Recorded Site for evidence of flint knapping activity, or tool-making activity, by Native Americans. <p>NI Hungary:</p> <ul style="list-style-type: none"> ■ The Facility has no direct wastewater discharge to the environment. NIH has an indirect wastewater discharge through the municipal sewer system and the City of Debrecen WWTP treats NI's wastewater together with other wastewater from the city and other nearby villages and towns. NIH has its own limits and a voluntary monitoring test each year to verify and confirm regulatory compliance. ■ Storm water is collected from the roofs, roads, and parking areas. All water from the roads and parking lot is sedimented and treated with oil trap before discharging to the municipal storm water system. ■ Before each construction a permit request was submitted to the authorities. The permits had environmental sections which have been followed. ■ All air emission points are tested every 5 years and the emissions are below the permitted regulatory limits. ■ Large glass surfaces can cause bird collisions when the glass reflects the sky. Falcon and hawk shape silhouette stickers installed on windows can help reduce bird deaths.

DISCLOSURE NUMBER	FY19	RESPONSE
		<p>NI Penang:</p> <ul style="list-style-type: none"> ▪ The Facility has an industrial effluent treatment plant and a sewage treatment plant. The final discharge is tested on a weekly basis by a third-party accredited lab and reported monthly to the local authority. ▪ Before each construction a permit request was submitted to the authorities. The permits had environmental sections which have been followed. ▪ All air emission points are tested annually and the emissions are below the regulatory limits.

Emissions

DISCLOSURE NUMBER	FY19	RESPONSE
305-1	Direct (Scope 1) GHG emissions	1,226 tCO2e
305-2	Energy indirect (Scope 2) GHG emissions	16,034 tCO2e
305-3	Other indirect (Scope 3) GHG emissions	Business travel: 21,438 tCO2e Employee commuting: 12,750 tCO2e Downstream distribution: 6,598 tCO2e Waste generation: 1,491 tCO2e Packaging: 356 tCO2e
305-4	GHG emissions intensity	Scope 1: 0.91 tCO2e/\$1 million revenue Scope 2: 11.88 tCO2e/\$1 million revenue
305-5	Reduction of GHG emissions	2019 is our baseline (first year collecting data across 10 largest locations)

Effluents and Waste

DISCLOSURE NUMBER	FY19	RESPONSE
306-2	Waste by type and disposal method	Overall diversion rate is 44% <ul style="list-style-type: none"> ▪ 53% of waste (by weight) is landfilled ▪ 40% recycling ▪ 4% compost ▪ 1% incineration ▪ 1.6% hazardous waste treatment ▪ <1% reuse and pyrolysis Most common recycled materials <ul style="list-style-type: none"> ▪ Mixed/single stream (61% of total recycling) ▪ Cardboard (18%) ▪ Metal (5%) ▪ Electronic waste (4%)

Employment

DISCLOSURE NUMBER	FY19	RESPONSE
401-1	New employee hires and employee turnover	<p>New Hires (1,839 total)</p> <p>Male</p> <ul style="list-style-type: none"> ■ Americas: 135 ■ APAC: 129 ■ EMEA: 179 ■ NI Corporate: 290 ■ Hungary: 239 ■ Penang: 178 <p>Female</p> <ul style="list-style-type: none"> ■ Americas: 69 ■ APAC: 106 ■ EMEA: 74 ■ NI Corporate: 176 ■ Hungary: 136 ■ Penang: 127 <p>Non</p> <ul style="list-style-type: none"> ■ Penang: 1 <p>Terminations (1,794 total)</p> <p>Male</p> <ul style="list-style-type: none"> ■ Americas: 100 ■ APAC: 158 ■ EMEA: 270 ■ NI Corporate: 286 ■ Hungary: 230 ■ Penang: 100 <p>Female</p> <ul style="list-style-type: none"> ■ Americas: 68 ■ APAC: 135 ■ EMEA: 122 ■ NI Corporate: 131 ■ Hungary: 123 ■ Penang: 71
401-2	Benefits provided to full-time employees that are not provided to temporary or part-time employees	Employee Benefits
401-3	Parental leave	<p>The Paid Family Leave benefit provides six weeks of paid time off for the addition of a new child (birth, adoption, or foster) or to help care for an immediate family member (spouse, child, or parent) who has a serious medical condition as defined by the Family Medical Leave Act. The Paid Family Leave benefit will be 100% salary continuation of eligible earnings up to six weeks after the five-day waiting period has been met.</p> <p>100% of full-time employees working at least 30 hours per week are eligible upon hire (no waiting period). We also adhere to all local laws regulating parental leave.</p>

Occupational Health and Safety

DISCLOSURE NUMBER	FY19	RESPONSE
403-1	Occupational health and safety management system	NI's two main manufacturing sites (NIH & NIP) have occupational health and safety management systems implemented because of legal requirements, although not third-party certified. Most branches have a system in place to follow the occupational health and safety regulatory requirements.
403-10	Work-related ill health	NI had 0 fatalities and 5 work-related illnesses in 2019.
403-2	Hazard identification, risk assessment, and incident investigation	Risk Assessments are carried out by internal or external Environment, Health, and Safety (EHS) experts. Risk Assessments are reviewed and corrective actions are defined to fix issues. Employees report hazards to direct managers or the EHS Team locally. The company culture and the law ensures that the employees are protected against reprisals. At some sites, an EHS software is available for incident reporting and investigation.
403-3	Occupational health services	NI's two main manufacturing sites (NIH & NIP) have occupational health services provided for employees. This entails a job aptitude test and annual examination. Furthermore, an examination is performed whenever it is deemed necessary. The EHS Teams have reoccurring meetings with the service provider to ensure quality. Employees have access to the services online and through in-person appointment booking.
403-4	Worker participation, consultation, and communication on occupational health and safety	NI Penang has an EHS Committee with representatives from employers and employees; it meets every quarter. NIH has a process to establish an EHS Committee, by employees voting for members. However, the Committee hasn't been established yet. Other branches' status regarding EHS Committees is unknown.
403-5	Worker training on occupational health and safety	Annual EHS training is provided for all employees at the main manufacturing sites, which includes important information regarding workplace health and safety. Additionally, health and safety documents are readily available for employees for review, and are also directly shared with those who are affected by the program/policy. As to specific training, the company follows regulatory requirements and based on that information, develops job-specific trainings like Respirator Training, Electrical Safety, etc.
403-6	Promotion of worker health	NI has an on-site medical clinic in Austin that is not an occupational health clinic. All NI employees have access to this clinic. Non-employees do not have access with the exception of a "first aid" situation until they can be referred to other health providers. On-site health clinic provides primary care services, first aid, illness assessment and referral to specialists. These services are communicated to employees through SharePoint, presentations, etc.

DISCLOSURE NUMBER	FY19	RESPONSE
403-7	Prevention and mitigation of occupational health and safety impacts directly linked by business relationships	Contracted partners are informed about internal safety requirements at most sites. Penang: In-house service providers are subjected to similar training requirements as employees. Ad-hoc contractors (renovation, construction, servicing) are required to go through contractor orientation before they are allowed to work onsite.
403-8	Workers covered by an occupational health and safety management system	Hungary: 100% of employees are covered by NI's occupational health and safety management system, which is audited on a yearly basis. Penang: 100% of employees are covered by NI's occupational health and safety management system, which has not yet been audited.
403-9	Work-related injuries	There were 7 total work-related injuries across NI Austin, Penang, and Hungary described as surface damages (bruising, cutting, abrasion). Actions were taken on the basis of risk assessments, as a result of accident investigations, and as a result of employee reports.

Training and Education

DISCLOSURE NUMBER	FY19	RESPONSE
404-1	Average hours of training per year per employee	Female Employees: 11.63 hours Contingent: 4.15 hours Male Employees: 15.55 hours Contingent: 4.83 hours
404-2	Programs for upgrading employee skills and transition assistance programs	Vendor solutions (LinkedIn Learning, Plurasight, DDI leadership, JBK, etc.) curriculums, stand-alone learning objects, learning paths <ul style="list-style-type: none"> ■ Certifications (hard skills, technical, etc.) ■ Audits ■ Compulsory (e.g., government, national policies, etc.) ■ General Safety and Emergency Procedures ■ Culture Values and Branding ■ Leadership ■ Talent Management ■ Career Development
404-3	Percentage of employees receiving regular performance and career development reviews	Female: 90.7% Male: 96.7% Full and part-time regular employees: 90.1% Full and part-time temporary employees: 92.0% Contingent workers: Not eligible

Diversity and Equal Opportunity

DISCLOSURE NUMBER		FY19	RESPONSE			
405-2	Ratio of basic salary and remuneration of women to men		LEGAL EMPLOYER COUNTRY	FLSA STATUS	FEMALE	MALE
			Hungary	Exempt	96%	100%
				Nonexempt	99%	100%
			Hungary Total		97%	100%
			Malaysia	Exempt	96%	100%
				Nonexempt	99%	100%
			Malaysia Total		97%	100%
			United States	Exempt	100%	100%
				Nonexempt	105%	100%
			United States Total		101%	100%

Nondiscrimination

DISCLOSURE NUMBER		FY19	RESPONSE
406-1	Incidents of discrimination and corrective actions taken		No confirmed cases of discrimination in 2019.

Child Labor

DISCLOSURE NUMBER		FY19	RESPONSE
408-1	Operations and suppliers at significant risk for incidents of child labor		A finished good from a high-risk region where the value-add portion of the costs is the significant portion of the overall cost would be considered a high-risk supplier. Any finished good supplier located in higher risk regions of the world such as Africa, Asia, and South America should warrant further review. NI communicates with our suppliers about our expectations in several ways—through the NI Supplier Handbook, the NI Procurement Terms and Conditions, and the NI Supplier Code of Conduct. NI expects our suppliers to comply with the standards of conduct regarding the fair treatment of workers and the prevention of child, forced labor, slavery, and human trafficking in the Responsible Business Alliance (RBA) Code of Conduct.

Forced or Compulsory Labor

DISCLOSURE NUMBER	FY19	RESPONSE
409-1	Operations and suppliers at significant risk for incidents of forced or compulsory labor	A finished good from a high-risk region where the value-add portion of the costs is the significant portion of the overall cost would be considered a high-risk supplier. Any finished good supplier located in higher risk regions of the world such as Africa, Asia, and South America should warrant further review. NI communicates with our suppliers about our expectations in several ways—through the NI Supplier Handbook, the NI Procurement Terms and Conditions, and the NI Supplier Code of Conduct. NI expects our suppliers to comply with the standards of conduct regarding the fair treatment of workers and the prevention of child, forced labor, slavery, and human trafficking in the Responsible Business Alliance (RBA) Code of Conduct.

Security Practices

DISCLOSURE NUMBER	FY19	RESPONSE
410-1	Security personnel trained in human rights policies or procedures	The security staff completes training through their employer, Allied Universal, as required by the company and the State of Texas through the Private Security Bureau of the Texas Department of Public Safety. The two most recent training requirements are Introduction to Human Trafficking and Human Trafficking—DHS Blue Campaign Series.

Local Communities

DISCLOSURE NUMBER	FY19	RESPONSE
413-1	Operations with local community engagement, impact assessments, and development programs	NI STEM education initiatives
413-2	Operations with significant actual and potential negative impacts on local communities	No significant negative impacts on communities

Public Policy

DISCLOSURE NUMBER	FY19	RESPONSE
415-1	Political contributions	Pursuant to NI's Anti-Bribery and Anti-Corruption Policy , political contributions made on behalf of the Company and in connection with any business or business-related interest of the Company require prior approval from the CEO and General Counsel.

Marketing and Labeling

DISCLOSURE NUMBER	FY19	RESPONSE
417-1	Requirements for product and service information and labeling	NI follows any required safety labels for all regions including WEEE labeling. NI provides the following information for products: <ul style="list-style-type: none"> ▪ The sourcing of components of the product or service ▪ Content, particularly with regard to substances that might produce an environmental or social impact ▪ Safe use of the product or service ▪ Product takeback information
417-2	Incidents of noncompliance concerning product and service information and labeling	NI had 0 incidents of noncompliance.
417-3	Incidents of noncompliance concerning marketing communications	NI had 0 incidents of noncompliance.

Customer Privacy

DISCLOSURE NUMBER	FY19	RESPONSE
418-1	Substantiated complaints concerning breaches of customer privacy and losses of customer data	NI had 0 incidents of customer privacy breach. NI did not receive any FISA 702 requests in 2019.

Socioeconomic Compliance

DISCLOSURE NUMBER	FY19	RESPONSE
419-1	Noncompliance with laws and regulations in the social and economic area	NI had 0 incidents of noncompliance with laws and regulations.