



## 2017 BENEFITS SUMMARY - USA

We are excited to offer you the following benefits upon joining the ON Semiconductor team. You are eligible for our benefit programs if you work a minimum of 20 hours per week as a regular employee. Benefit programs are effective on your first day of employment, unless noted below.

### Our Time Off Programs

**Holidays:** For most employees, we have ten (10) paid holidays per year, eight are designated and two are floating holidays where you select the days. If you are hired after July 1<sup>st</sup> you will receive one floating holiday. Compressed work week employees receive 20 hours of flex holiday time at the beginning of each quarter instead of designated/floating holidays.

**Vacation:** New employees accrue 4.62 hours of vacation per pay period for the equivalent of three weeks of vacation on an annualized basis. After five years of service, vacation increases to 6.15 per pay period which is the equivalent of four weeks on an annualized basis.

**Leaves:** ON Semiconductor complies with the Family Medical Leave Act, as well as providing extended medical leaves for eligible employees. Paid leaves are provided for jury duty, bereavement and military service.

### Our Savings Programs

**Retirement:** ON Semiconductor offers you a 401(k) plan which allows both pre-tax and Roth contributions. We currently match the first 4% of your contribution at 100% and you are immediately vested in match money! Employees may enroll any time after their first payroll and are automatically enrolled at 4% after a 30 day waiting period, unless you make a different election prior to that time. Targeted Retirement Funds, Personal Online Advice and a Managed Account Program are available, along with a comprehensive investment fund choices.

**Health Savings Account (HSA):** Our Health Savings Account (HSA) is available if you enroll in our medical plan and meet IRS criteria. HSAs provide you the opportunity to pay for out-of-pocket medical, dental, pharmacy, vision, long term care premiums and COBRA premium expenses with pre-tax dollars. HSA balances rollover each calendar year and are portable. In other words – you keep what you do not spend! The IRS maximum contributions for 2017 are \$3,400 for employee only, \$6,750 for employees with dependents with an additional \$1,000 catch-up for employees age 55 and older. HSAs are also a great retirement account with very favorable tax advantages.

**Flexible Spending Accounts (FSA) –** Our Flexible Spending Accounts for Healthcare and Dependent Care provide you the opportunity to pay for out-of-pocket medical, dental and vision expenses and/or dependent care expenses with pre-tax dollars. You may set aside a minimum of \$10 per pay period up to \$2,550 annually of your salary for the Healthcare FSA and \$5,000 annually for the Dependent Care FSA. Federal regulations require you to forfeit any unused money in your account at the end of the calendar year.

**Employee Stock Purchase Plan (ESPP):** We have an Employee Stock Purchase Plan where you can set aside 1% to 10% of your payroll to purchase ON Semiconductor stock on a quarterly basis at a 15% discount. Stock is purchased at 15% less the fair market value the lower of the first day or the last day of the offering period. You are eligible to participate at the start of the first calendar quarter after 90 days of employment.

### Our Healthcare Programs

**Who is eligible?** You, of course...and your spouse or domestic partner and your children (biological, adopted, domestic partner's, legal guardianship). Children are eligible on the benefit plan until they turn age 26. Disabled children may remain on the plan if they were disabled while covered under the standard age limits.

**Medical:** Our medical coverage is provided to you and your eligible dependents free of charge. ON Semiconductor offers a qualified medical plan which allows us to offer you the Health Savings Account described above. You have access to the Blue Cross Blue Shield network of providers. In-network preventative care is covered at 100% before meeting the annual deductible on the medical plan. In-network annual deductibles are \$2,100 for employee only coverage and \$4,200 if you enroll with any dependent. After the deductible, services are covered at 80% with the exception of pharmaceuticals which have copayments. If you compare our annual deductible to the annual premiums you may currently be paying on your medical plan, you will probably see the immediate cost saving that our plan provides, even before you add in the benefits that the Health Savings Account gives to you.

**Dental:** Our dental program is offered through Delta Dental, though you may choose any dentist. Annual deductibles are \$100 per person/\$200 per family. Basic services are covered at 80%, major services at 50%, with a \$2,000 annual maximum per person benefit. Preventative care is covered at 100% and does not count against your maximum benefit. Orthodontic coverage is provided for children under age 19, with a lifetime maximum of \$2,000.

**Vision:** Our vision plan is offered through Vision Service Plan (VSP). The plan covers an annual examination for a \$10 copay. The copay for lenses, frames or contact lenses is \$20. Frames are covered up to \$150 every 24 months, lenses are covered after a copayment annually and contact lenses are covered up to \$130 annually in lieu of the frame/lens benefit.

**Employee Assistance Program -** A comprehensive EAP is provided for free. The EAP program includes six confidential sessions for each case and a variety of general advice services including financial, legal, child/elder care and much more. Everyone who lives in your household is covered under our EAP program – regardless of relationship or age.

## Our Income Protection Programs

**Short Term Disability:** ON Semiconductor pays for your Short Term Disability coverage. Short Term Disability provides you with income protection equal to 66 2/3% of your base salary (maximum of \$3,500 weekly benefit) up to a maximum of 26 weeks if you are off work with a qualifying medical condition. You are eligible for Short Term Disability coverage the first of the month following 90 days of employment.

**Long Term Disability:** ON Semiconductor also pays for your Long Term Disability coverage. If your medical condition requires you to be off work longer than 26 weeks, Long Term Disability provides you with income protection equal to 60% of your base salary (maximum of \$25,000 per month). Long Term Disability can potentially pay through age 65, integrated with Social Security. You have a choice of pre-tax or post-tax Long Term Disability enrollment. Post-tax disability enrollment allows you to receive Long Term Disability payments tax free. You are eligible for Long Term Disability coverage the first of the month following 90 days of employment.

**Basic Life Insurance:** ON Semiconductor purchases term life insurance for you in the amount of 2X your annual base salary, up to a maximum of \$500,000.

**Basic Accidental Death & Dismemberment Insurance (AD&D):** ON Semiconductor purchases AD&D insurance for you in the amount of 2X your annual base salary, up to a maximum of \$500,000.

**Supplemental Life Insurance** - You may purchase additional supplemental life insurance from 1X to 5X your annual base salary, up to a maximum of \$500,000. The cost of the insurance is age and salary based.

**Dependent Life Insurance** – If you choose to purchase supplemental life insurance for yourself, you then have the option to purchase dependent life insurance for your spouse in the amounts ranging from \$2,500 up to \$100,000 and/or your children in the amounts ranging from \$1,250 up to \$10,000.

**Supplemental Accidental Death & Dismemberment Insurance (AD&D)** - You may purchase additional supplemental AD&D insurance from 1X to 5X your annual base salary, up to a maximum of \$500,000. You may choose employee only coverage or family coverage.

### But Wait! There Is More!

We offer you the option to purchase a variety of voluntary benefits through convenient payroll deductions:

#### MetLife Benefits:

- Group Auto Insurance
- Group Home/Renters Insurance
- MetLaw (Hyatt Legal) Plan
- Veterinary Pet Insurance (because pets are family too!)

#### Colonial Benefits:

- Accident Insurance
- Critical Illness Insurance
- Cancer Insurance
- Hospital Confinement Insurance
- Term Life Insurance
- Universal Life Insurance
- Whole Life Insurance

### But most of all, we offer you the benefit of working with a great team of co-workers!

If you have any questions regarding our benefit plans, please feel free to call our U.S. Benefits Team at 602-244-5711 or email us at [Benefits.US@onsemi.com](mailto:Benefits.US@onsemi.com). We are very excited about our benefits and are happy to help you.

#### And now for the legal disclaimers...you knew it was coming.

A summary plan description (SPD) for each plan is available if you need additional detail. If there is any conflict between a plans' SPD and this document, the SPD's provisions take precedence.

Employee handbooks and state supplements provide detail regarding our time off programs. If there is a conflict between the handbooks and this document, the handbook and all state supplements take precedence.

If you would like a copy of a plans' SPD, handbook or a state supplement, please contact us at the number listed above.