



ON Semiconductor®

July 15, 2008

ON Semiconductor: Corporate Social Responsibility Statement of Commitment

As a global supplier to customers worldwide, ON Semiconductor operates across a diverse range of cultures and international markets. We are committed to providing our customers with inventive, high quality products that are environmentally sound, conducting our operations in an environmentally, socially and ethically responsible manner and complying with all applicable laws and regulations of those countries worldwide where we do business. This commitment is deeply ingrained in our Core Values, certain policies and our Code of Business Conduct ("Code").

As further evidence of our commitment to corporate social responsibility, we have embraced specific standards that are modeled after the Electronic Industry Code of Conduct ("EICC). Many if not all of these standards are reflected already in one way or another in our Code and other policies which, like the EICC standards, address, among other things, conduct across several areas of social responsibility including labor practices, health and safety, environmental, ethics and which promote management systems designed to ensure conformance with these standards.

ON Semiconductor is committed to incorporating these standards into our facilities' auditing program and to work toward continuous improvement in these areas.

Labor, Environmental, Health & Safety and Ethics Standards

I. LABOR STANDARDS¹

A) Freely Chosen Employment. Forced, bonded or indentured labor or involuntary prison labor is not to be used. All work is voluntary, and our employees are free to leave upon reasonable notice. Employees shall not be required to hand over government-issued identification, passports or work permits as a condition of employment.

B) Child Labor Avoidance. Child labor is not to be used in any stage of manufacturing. The term "child" refers to any person employed under the minimum age for employment in the country.

C) Working Hours. Workweeks are not to exceed the maximum set by local law. As a general policy and practice, workweeks should not exceed 60 hours per week and employees shall be allowed at least one day off per seven day week. In extreme or unusual situations, an employee(s) may voluntarily work more than 60 hours per week or work more than seven days straight. In such cases, all overtime is compensated in accordance with local law.



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D) Wages and Benefits. Compensation paid to employees shall comply with all applicable wage laws, including those relating to minimum wages, overtime hours and legally mandated benefits. In compliance with local laws, employees shall be compensated for overtime at pay rates greater than regular hourly rates. Deductions from wages as a disciplinary measure are not permitted.

E) Humane Treatment. Harsh and inhumane treatment, including any sexual harassment, sexual abuse, corporal punishment, mental or physical coercion or verbal abuse of employees is not permitted.

F) Non-Discrimination. ON Semiconductor is committed to a workforce free of harassment and unlawful discrimination, and does not engage in discrimination based on race, color, age, gender, sexual orientation, ethnicity, disability, pregnancy, religion, political affiliation, union membership or marital status, or in hiring and employment practices such as promotions, rewards, and access to training.

G) Freedom of Association. The rights of employees to associate freely, join or not join labor unions, seek representation, join workers' councils in accordance with local laws are to be respected. Employees shall be able to communicate openly with management regarding working conditions without fear of reprisal, intimidation or harassment.

¹*These standards are not intended to create new and additional third party rights, including for employees.*

II. HEALTH and SAFETY STANDARDS²

A) Occupational Safety. Employee exposure to potential safety hazards (e.g., electrical and other energy sources, fire, vehicle, and fall hazards) are to be controlled through design, engineering and administrative controls, preventative maintenance and safe work procedures (including lockout/tagout). Where hazards cannot be adequately controlled by these means, employees are to be provided with appropriate personal protective equipment. Employees shall not be disciplined for raising safety concerns.

B) Emergency Preparedness. Emergency situations and events are to be identified and assessed, and their impact minimized by implementing emergency plans and response procedures, including: emergency reporting, employee notification and evacuation procedures, employee training and drills, appropriate fire detection and suppression equipment, adequate exit facilities and recovery plans.

C) Occupational Injury and Illness. Procedures and systems are to be in place to manage, track and report occupational injury and illness and should include the following components: i) encourage employee reporting; ii) classify and record injury and illness cases; iii) provide necessary medical treatment; iv) investigate cases and implement corrective actions to eliminate their causes; and v) facilitate return of employees to work.



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D) Industrial Hygiene. Employee exposure to chemical, biological and physical agents is to be identified, evaluated, and controlled. When hazards cannot be adequately controlled by engineering and administrative means, employees are to be provided with appropriate personal protective equipment.

E) Physically Demanding Work. Employee's exposure to physically demanding tasks, including manual material handling and heavy lifting, prolonged standing and highly repetitive or forceful assembly tasks is to be identified, evaluated and controlled.

F) Machine Safeguarding. Physical guards, interlocks and barriers are to be provided and properly maintained for machinery used by employees.

G) Dormitory and Canteen. Employees are to be provided with clean toilet facilities, access to potable water and sanitary food preparation and storage facilities. If applicable, any employee dormitories provided by ON Semiconductor are to be clean, safe, and provide emergency egress, adequate heat and ventilation and reasonable personal space.

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III. ENVIRONMENTAL STANDARDS

A) Environmental Permits and Reporting. All required environmental permits (e.g. discharge monitoring) and registrations are to be obtained, maintained and kept current and their operational and reporting requirements are to be followed.

B) Pollution Prevention and Resource Reduction. Waste of all types, including water and energy, are to be reduced or eliminated at the source or by practices such as modifying production, maintenance and facility processes, materials substitution, conservation, recycling and re-using materials.

C) Hazardous Substances. Chemical and other materials posing a hazard if released to the environment are to be identified and managed to ensure their safe handling, movement, storage, recycling or reuse and disposal.

D) Wastewater and Solid Waste. Wastewater and solid waste generated from operations, industrial processes and sanitation facilities are to be monitored, controlled and treated as required prior to discharge or disposal.

E) Air Emissions. Air emissions of volatile organic chemicals, aerosols, corrosives, particulates, ozone depleting chemicals and combustion by-products, as applicable, generated from operations are to be characterized, monitored, controlled and treated as required prior to discharge.



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F) Product Content Restrictions. ON Semiconductor adheres to all applicable laws and regulations regarding prohibition or restriction of specific substances including labeling laws and regulations for recycling and disposal. ON Semiconductor adheres to processes to comply with any agreed-upon, customer-specific restricted and hazardous materials list requirements.

IV. ETHICS STANDARDS³

A) Business Integrity. The highest standards of integrity are to be expected in all business interactions. Any and all forms of corruption, extortion and embezzlement are strictly prohibited.

B) No Improper Advantage. Bribes or other means of obtaining undue or improper advantage are not to be offered or accepted.

C) Disclosure of Information. Information regarding business activities, structure, financial situation and performance is to be disclosed in accordance with ON Semiconductor policies, the ON Semiconductor Code of Business Conduct, applicable laws and regulations and prevailing industry practices.

D) Intellectual Property. Intellectual property rights of all parties are to be respected, and the transfer of technology or know-how is to be done in a manner that protects intellectual property rights.

E) Fair Business, Advertising and Competition. Standards of fair business, advertising and competition are to be upheld. Means to safeguard customer information should be available.

F) Protection of Identity. Programs that ensure the protection of supplier and employee whistleblower confidentiality are to be maintained.

G) Community Engagement. Community engagement is encouraged to help foster social and economic development.

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V. Management Systems

ON Semiconductor shall adopt or establish a management system whose scope is related to the preceding standards and the system shall be designed to ensure (a) compliance with applicable laws, regulations and customer requirements related to ON Semiconductor's operations and products; (b) conformance with these standards; and (c) identification and mitigation of



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operational risks related to these standards as well as facilitating continual improvement. Examples of elements such management system(s) could contain are:

- A) Company Commitment:** Corporate social and environmental responsibility statement affirming ON Semiconductor's commitment to compliance and continual improvement.
- B) Management Accountability and Responsibility:** Clearly identified company representative[s] responsible for ensuring implementation and periodic review of the status of the management systems.
- C) Legal and Customer Requirements:** Identification, monitoring and understanding of applicable laws, regulations and customer requirements.
- D) Risk Assessment and Risk Management:** Process to identify the environmental, health and safety and labor practice risks associated with ON Semiconductor's global operations and implementation of appropriate procedural and physical controls to ensure regulatory compliance to control the identified risks.
- E) Performance Objectives with Implementation Plan and Measures:** Written standards, performance objectives, targets and implementation plans including a periodic assessment of performance against those objectives.
- F) Training.** Programs for training managers and employees to implement company policies, procedures and improvement objectives.
- G) Communication.** Process for communicating clear and accurate information about the company's performance, practices and expectations to employees, suppliers and customers.
- H) Employee Feedback and Participation.** Ongoing processes to assess employees' understanding of and obtain feedback on practices and conditions covered by these standards and to foster continuous improvement.
- I) Audits and Assessments.** Periodic self-evaluations to ensure conformity to legal and regulatory requirements, these standards and customer contractual requirements related to social and environmental responsibility.
- J) Corrective Action Process.** Process for timely correction of deficiencies identified by internal or external assessments, inspections, investigations and reviews.
- K) Documentation and Records.** Creation of documents and records to ensure regulatory compliance and conformity to company requirements along with appropriate confidentiality to protect privacy.