



## 2019 BENEFITS SUMMARY FOR ISRAEL

*All employees are eligible for most benefits programs from the first day of employment.*

**Public holidays:** The public holidays are paid by ON Semiconductor. They are different each year but the average number is 13 days (include some holidays with half day off)

**Vacation:** 22 days minimum and one additional day per working year up to a maximum of 28 days. These days can be carried over for a period of max 1 year, otherwise they are forfeited.

**Holiday bonus:** twice a year each employee receives a holiday bonus of 500 NIS net for New Year and 750 NIS net for Passover. These bonuses are taxable through payroll.

**Annual salary:** The annual salary is paid in 12 equal monthly installments.

**Restricted Stock Units (RSU's):** A stock grant is a promise to award actual stock at some point in the future, subject to certain requirements (time restrictions). There is no purchase involved. Only exempt salaried employees are eligible (salary grade 12 and above).

### **Retirement Insurance (including disability insurance):**

The employee shall be entitled to contributions to a pension arrangement of the employee's choice  
ON Semiconductor shall contribute:

- (i) 8.33% of the Salary towards the severance pay component; and
- (ii) 6.5% of the Salary towards the pension component. In the case the Employee is insured in a managers insurance policy or a provident fund (which is not a pension fund), the said rate shall include the rate of contributions towards the disability insurance, as in effect from time to time, ensuring loss of earning payment of 75% of the Salary but no less than 5% towards the pension component, all subject to the terms of the Extension Order regarding the Increase of Pension Contributions - 2016 (the "**Pension Order 2016**"). In accordance with the terms of the Pension Order 2016, if the said rate shall not be sufficient to insure the Employee in disability insurance, the total rate of contributions shall increase up to 7.5% of the Salary.

The employee shall contribute 6% of the Salary towards the pension component. Employee contributions are deducted through payroll.

The balance of the saving deposits (incl. profits) will be available at retirement or earlier in case of termination of the contract (unless the termination has a criminal cause).

**Health Insurance:** the employee, spouse and children under the age of 18 are covered by a complementary private family health insurance covering special surgeries, treatments etc.

This is a taxable benefit in kind.

**Sick pay:** Additional to what the law provides ON Semiconductor will pay 100% of the salary during the first three days of sickness.

**Worldwide Accident Insurance (ACE):** applicable in case an accident occurs during a business trip

- Lump sum of 3x salary payable in the event of accidental death (limit 1.000.000\$)
- Lump sum between 25% & 100% of the lump sum paid out in case of accidental death, in the event of accidental permanent disability

This insurance is paid for 100% by ON Semiconductor.

**Advanced Study Fund:** ON Semiconductor will make payments to the Advanced Study Fund at the rate of **7.5%** of the salary (base + commission) up to the amount exempt from tax.

The employee contribution to the fund is at the rate of **2.5%** (deducted from the monthly salary).

The balance of saving deposits will become available, free of tax, after 6 years (on request). Withdrawals from the fund before completion of six years will be payable after deduction of income tax.

**Bonus:** Employees (non-sales) as of grade 11 are eligible to the corporate bonus program. The target payout is a % of the base salary and linked to the pay grade.

The corporate bonus is processed and taxed through payroll.

**Company car:** The employees with a salary grade 15 and above are eligible to a company car. Sales employees in the following positions are eligible as well: field application engineers, field sales engineers, field application system engineers, sales account managers, global account managers, sales directors and VP sales. The lease budget is available in the country specific annex of the EMEA car policy.

**Dalkan device (fuel):** Employees with a company car are entitled to a Dalkan device. The Dalkan device can only be used in Israel.

**Cafeteria:** The employee receives two meal cards. Contributions:

- Cost of the meal  $\leq$  65 NIS / working day:
  - Employer contribution 75% of the cost of the meal
  - Employee contribution 25% of the cost of the meal
- Cost of the meal  $>$  65NIS / working day
  - Employer contribution : 75% of 65 NIS
  - Employee contribution : 25% of 65 NIS + amount above 65 NIS

The 75% of the employer are benefit in kind for the employee. The employee contributions are processed through payroll.

**Recovery or convalescence pay:** all employees who are employed for more than one year are entitled to an annual payment for convalescence. The minimum period is between five and ten days per year. The rate per day is a by a law defined amount.