



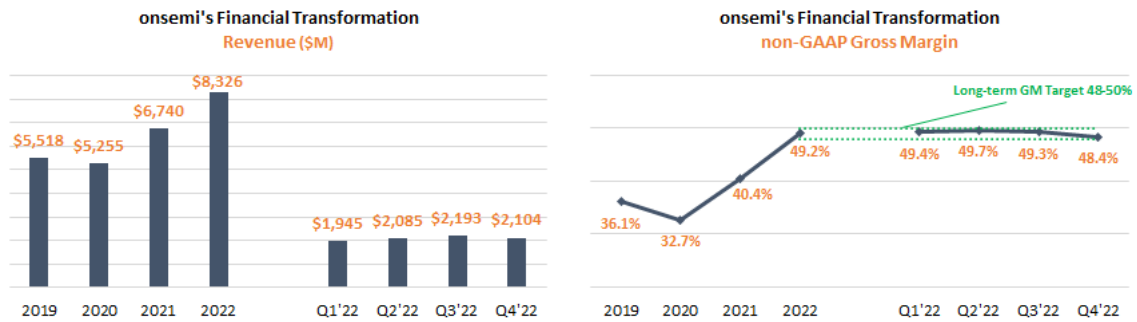
Dear Patrice,

Congratulations on your outstanding performance in what has been the most successful year in our company's history. Your hard work and dedication contributed to **onsemi's** highest-performing fiscal year to date with record revenue of \$8.3 billion, record non-GAAP gross margin of 49.2%, and record non-GAAP earnings per share (EPS) of \$5.33.

**Financial Highlights**

2022 was a year of many accomplishments across all areas of our business. We divested four sub-scale fabs and acquired one in East Fishkill. We delivered new products while we continued to rationalize our portfolio. We reduced price-to-value discrepancies while securing long-term supply agreements and new design wins with our customers. And despite the ongoing effects from the pandemic, supply chain issues, and macroeconomic uncertainty, everyone delivered on all fronts, earning **onsemi** a position in the prestigious S&P 500.

The graphs below highlight our revenue and non-GAAP gross margin, every year, since 2019 before the pandemic and the start of our transformation in 2021. Our annual performance has only been possible through consistent, quarterly execution and accountability against our plans. In 2022, our revenue increased 24% over 2021 and our non-GAAP gross margin achieved our long-term target of 48-50% for the full year. As a result, our operating income grew more than 3.5 times faster than revenue, generating more cash flow than ever before, allowing us to invest back into our business.



**Bonus Calculation and Eligibility**

As a result of the excellent company performance and your contributions, you are receiving this letter because you are eligible to receive a bonus payout for the 2022 performance period. We are excited to announce that the employee bonus corporate multiplier for 2022 is 200%.

The Bonus Calculation is as follows:

**Bonus Payment = Eligible Earnings \* Bonus Target % \* Individual Goal Score \* Corporate Multiplier**

The Corporate Multiplier is a bonus multiplier that is set at 100% at the start of every year, to align with the Annual Operating Plan (AOP), and scales with company performance on revenue and profitability, to a maximum of 200% and a minimum of 0%. Given that our Operating Income (Op Inc) was 34.5% vs 30.2% AOP and our revenue was \$8.3B vs \$7.7B AOP, the Corporate Multiplier reached 200%.

As we look ahead to 2023, continued operational excellence will be imperative to reach our targets, as we navigate through a more challenging year and market environment. Still, we can earn our bonus if we meet our Goals, thus our AOP. The Corporate Multiplier will be reset and will scale up or down, based on our performance against the AOP. With the right mindset in holding ourselves accountable to executing on our customer commitments and our 2023 Goals, we can have another stellar year, and one we will all be proud of.

Thank you for your exemplary performance. I am proud of what we have accomplished together, and I hope you will take the time to celebrate everything we have accomplished as a team at **onsemi** thus far. And I have no doubt, the best is yet to come!

Thad Trent  
Executive Vice President and Chief Financial Officer



## NOTICE OF INCENTIVE PLAN PAYOUT

**Date:** March 20, 2023  
**Employee Name:** Delpy, Patrice  
**Employee ID:** 19653253

Dear Patrice,

Thank you for your contributions to **onsemi**. Your commitment and dedication were vital to our continued growth and transformation in 2022. In recognition of your effort and impact as we continue to journey through the **onsemi** transformation, I am pleased to inform you that you have been awarded an incentive payout.

In accordance with the incentive plan, payout is based on corporate and individual performance which are designed to focus employee efforts on the areas that are of key strategic importance to the team, group and **onsemi**, and align employee pay with Company and individual performance. Your actual payout is tied directly to the attainment of our corporate and individual goals. Additional information regarding the Incentive Plans (e.g., Global CIP/MIP Guidelines, eligibility parameters) is available on the [Global Compensation](#) SharePoint site.

Your performance award is as follows:

Incentive Plan	Grade	Bonus Target	Individual Goal Score	Corporate Multiplier	Bonus Amount	Currency
CIP	11	5 %	85.75	200 %	4,435.33	EUR

The success we have had in our transformation would not have been possible without your contributions. I look forward to your continued active engagement in our future success as we deliver on our company strategy of Intelligent Power and Intelligent Sensing.

Congratulations on your well-deserved bonus!

Padma Thiruvengadam  
Chief Human Resources Officer  
**onsemi**