

# Global Tax Strategy

onsemi

\*This strategy applies for the year ended December 31, 2026

## SECTION 1: INTRODUCTION

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### 1.1. Ownership and approval

This document outlines the global tax strategy (“Tax Policy”) of ON Semiconductor Corporation (Nasdaq: ON) and its subsidiaries (collectively “**onsemi**”, “Company”, “we” or “our”).

The Tax Policy is reviewed and approved on a regular basis by the Company’s Audit Committee of the Board of Directors (“Audit Committee”). **onsemi**’s Chief Financial Officer (“CFO”) is responsible for the Tax Policy and delegates execution to the Vice President, Global Tax (“VP Tax”). Execution of the Tax Policy is supported by the Company’s global Tax and Finance teams.

### 1.2. Audience

The Tax Policy is relevant to the Audit Committee, the Chief Executive Officer (“CEO”), CFO, Executive Staff, members of the Company’s Tax department and supporting finance personnel at onsemi. It also applies to all Finance, Law, Human Resources and Operational personnel and any other functions with tax-related decisions. Guidance and training will be provided to those responsible for decisions impacting the Company’s strategic tax objectives.

Aligned with onsemi’s Code of Business Conduct, the Tax Policy is publicly available on the Company’s website for external stakeholders. It complies with the UK’s Schedule 19 Finance Act 2016.

### 1.3. Scope

The Tax Policy applies to the compliance, payment and reporting of all income, indirect and employment taxes owed and collected/paid by **onsemi** and its controlled subsidiaries worldwide.

## SECTION 2: TAX POLICY

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### 2.1 High level overview

**onsemi** is driving disruptive innovations to help build a better future. With a focus on automotive and industrial end-markets, the company is accelerating change in megatrends such as vehicle electrification and safety, sustainable energy grids, industrial automation, and 5G and cloud infrastructure. With a highly differentiated and innovative product portfolio, onsemi creates intelligent power and sensing technologies that solve the world’s most complex challenges and leads the way in creating a safer, cleaner, and smarter world. onsemi operates a responsive, reliable supply chain and quality programs, and robust ESG programs.

### 2.2 Business strategy statement

We believe in our people, culture, and ability as good corporate citizens to address climate issues, sustainability and positively impact the communities where we work and live.

### 2.3 Tax policy statement

**onsemi**’s Tax Policy is aligned with the overall business strategy and the Company’s approach to corporate governance wherever we operate.

**onsemi** adheres to all jurisdictional regulations, operating transparently, ethically, and responsibly with tax authorities and communities, while considering shareholder interests.

#### 1. *Our tax risks and our approach to tax risk management*

**onsemi**, a U.S.-based company, is taxed on its worldwide profits. Due to the scale of operations, diverse tax obligations, and complex tax laws, uncertainty in tax liabilities, known as tax risk, arises.

We operate through U.S. and foreign subsidiaries, ensuring compliance with tax laws and the Sarbanes-Oxley Act via standardized processes. Our Tax and Finance teams, along with Internal Audit and external auditors, regularly review our control framework to mitigate tax risk. A third-party provider ensures arm's-length pricing for internal transactions per OECD and local guidelines. Our Enterprise Risk Management Framework and Compliance & Ethics Programs identify and manage key risks, prevent violations, and support anonymous reporting.

## **2. Our attitude towards tax planning**

Our tax planning must support genuine commercial activity and be consistent with our business strategy. We aim to pay tax where our commercial activities take place and therefore, value is created and ensure that non-cooperative countries for tax purposes or so-called 'tax havens' are not used for the purpose of avoiding tax. Additionally, the Company does not engage in "prohibited tax shelter transactions" meaning listed transactions, transactions with contractual protection, or confidential transactions as defined by the Internal Revenue Service of the U.S. or similar provisions in other taxing jurisdictions.

We structure our activities to maximize shareholder value sustainably, considering tax laws in each country. We prefer the most tax-efficient, lawful approach to achieve commercial goals, ensuring we pay the right amount of tax at the right time.

We utilize legal tax incentives and exemptions, engaging in tax planning to comply with evolving laws. All tax planning undergoes thorough documentation, review, and approval by internal experts and external advisors, consistent with our Code of Business Conduct.

We take a proactive approach to tax issues and if necessary, engage with tax authorities to confirm the correct application of tax law. We ensure our tax returns and disclosures are as clear as possible, and we strive to raise important issues proactively so that tax authorities can focus their resources effectively.

## **3. Our approach to dealing with tax authorities**

We operate in a transparent, ethical, and socially responsible manner regarding working with tax authorities, including Her Majesty's Revenue and Customs. We strive to maintain a proactive professional and constructive relationship with tax authorities and help focus their resources on the most important issues by providing clear and concise documentation and support, disclosing all relevant facts, for the conclusions reached in our filings. To supply such documentation, we endeavour to comply with all local document retention requirements.

We acknowledge differing legal interpretations with tax authorities and engage in proactive discussions to resolve issues quickly. If necessary, we are prepared to litigate, considering the impact on our reputation and relationships with tax authorities.

The Company does not tolerate tax evasion or tax fraud, nor is the facilitation of tax evasion or tax fraud by any person(s) acting on the Company's behalf tolerated.

## **SECTION 3: GOVERNANCE, STRUCTURE AND ORGANIZATION**

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### **3.1 Governance, structure, and organization**

#### **Tax Governance Framework**

The CFO is responsible for tax governance, with oversight by the Audit Committee. The CFO delegates the execution of the Tax Policy and daily tax operations to the VP Tax. The Company's tax status is regularly reported to the Audit Committee, which monitors significant tax matters.

#### **Tax Department Personnel**

The VP Tax leads a Tax department, primarily based in the U.S., of experienced tax professionals with appropriate professional qualifications, including certain specialized tax expertise. We are committed to providing training to support their roles and personal development, ensuring the success of our Tax Policy.

## Finance and Other Personnel

A qualified team of in-house Finance and Accounting professionals supports the Tax department. Overseen by the VP Tax, these local Finance professionals manage daily tax operations, liaise with local tax authorities and external advisors, and ensure compliance with this document's principles and broader tax governance requirements.

We provide training to all Finance and key non-Finance personnel (Legal, HR, Procurement, Operations) to ensure they inform the Tax department of relevant developments and make tax-related decisions in line with the Tax Policy and onsemi's best interests.

## External advisors

**EXTERNAL TAX ADVICE MAY BE SOUGHT FOR MATERIAL TRANSACTIONS WITH UNCERTAINTIES OR TO SUPPLEMENT THE TAX AND FINANCE TEAM'S EXPERTISE. THE VP TAX APPOINTS EXTERNAL ADVISORS, SUBJECT TO ONSEMI'S APPROVAL OF AUDIT/NON-AUDIT SERVICES.**

## ADDITIONAL INFORMATION

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Please refer to the Company's website <http://www.onsemi.com> for the Company's policy on Corporate Governance.