TI Benefits Make the Difference

Texas Instruments provides a comprehensive, flexible package of health and insurance, and compensation and financial benefits for TI employees. Each employee can select the benefits that best suit his or her personal and family needs.

This overview describes the health, financial, paid time-off and work-life benefit options for employees of Texas Instruments. Health and financial benefits are available for employees and their eligible dependents. This overview does not provide a complete listing and description of all benefits provided at TI. Benefit packages may vary by location.

2013 Health Benefits

Medical coverage offered to new employees is provided by the nationwide Blue Cross Blue Shield (BCBS) High-Deductible Health Plan (HDHP) with a Fidelity Health Savings Account (HSA). Other health benefit programs include coverage for dental and vision care, an Employee Assistance Program (EAP), and flexible spending accounts for dental/vision (if medical coverage is elected), health care (if medical coverage is not elected) and dependent daycare.

Blue Cross Blue Shield (BCBS) High-Deductible Health Plan (HDHP) and Fidelity Health Savings Account (HSA)**

The BCBS HDHP and Fidelity HSA will let you save money tax-free while providing medical coverage that uses the BCBS PPO network. Network providers offer care at negotiated rates and the level of benefit is determined by the participant’s use of network or non-network providers. The HDHP has low premiums and TI contributes annually to your HSA. The plan gives you more control over how you pay for medical expenses, as well as a long-term savings opportunity.

Dental**
TI offers two levels of dental coverage through MetLife – Dental Basic and Dental Plus. The major coverage difference between these options is the coinsurance amounts paid for services. Employees can choose any dentist to obtain dental services. However, dentists in the MetLife network must negotiate their rates, resulting in lower fees charged at the time of service. TI also offers the Aetna Dental HMO in some locations, which provides comprehensive, pre-paid dental care to members through participating facilities and/or dentists. Employees must use member providers to receive any benefits.

Vision Plan**
TI offers vision insurance administered by VSP, a company specializing in vision coverage that features a nationwide network with thousands of providers located in metropolitan and rural areas. VSP providers have agreed to provide services at negotiated rates to participants. Employees receive the highest level of benefits when using a VSP provider. However, employees will still receive benefits if a non-VSP provider is used.

Employee Assistance Program (EAP)
The EAP provides short-term, confidential counseling on a variety of personal issues. TI pays the entire cost for the employee and all eligible dependents. However, if the covered individual is referred for treatment outside of the EAP, the employee is responsible to pay for any treatment not covered by their medical benefit plan. Participation is voluntary.

Flexible Spending Accounts**
Employees have the opportunity to reduce their taxable income by participating in TI’s flexible spending accounts. Pretax contributions are made through payroll deductions over the course of the plan year and are subject to Internal Revenue Service rules. Flexible spending accounts offered apply to dependent daycare, dental/vision care or health care, based on medical coverage selected.
Income Protection Benefits

Time-Off Benefits
TI uses a time bank system that provides a set number of hours each year for leisure, vacation, personal time, short-term non-occupational illness or injury and funeral or bereavement time off. Employees accrue time off based on their length of service. Also provided are nine paid holidays and time off for jury duty or military leave.

Maternity, Paternity and Adoption Paid Time Off
Maternity leave for the birth of a child is eight weeks including the date of delivery. TI provides up to two weeks of paid time off for U.S. Tiers in active work status (full time or part time) who adopt a child, who have a child through a surrogate, or who are fathers of newborns. Additionally, for adoptions, TI will reimburse up to $4,000 of expenses.

Disability Pay Continuance (DPC)**
The DPC program provides replacement of base pay for an extended absence from work due to certified illness or injury for up to 13 weeks. There are two levels of coverage – TI pays the full cost for DPC Basic coverage, and TI employees share the cost for DPC Plus coverage. Benefits are 100 percent of base rate of pay for the first 13 weeks. For weeks 14 through 26, DPC Basic provides 75 percent of base rate of pay and DPC Plus provides 100 percent of base rate of pay. You must meet all conditions of eligibility to receive benefits.

Long-Term Disability (LTD)**
TI employees can purchase additional income protection coverage for long-term injury or illness. LTD coverage replaces a percentage of base rate of pay after DPC coverage ends.

Life Insurance**
Beginning on an employee’s first day at TI, he/she automatically has TI-paid life insurance equal to one-times his/her annual base salary, with a minimum coverage level of $50,000. The employee has the option to purchase additional coverage up to eight times his/her salary. The maximum coverage allowed within the plan is $2.5 million.

Accidental Death & Dismemberment (AD&D)**
AD&D coverage provides protection if dismemberment or death is caused by a covered accident. Coverage is also available for the employee’s spouse or same-gender domestic partner and dependent children.

Business Travel Accident Insurance
The TI Business Travel Accident Insurance Plan provides insurance coverage for accidental death or dismemberment while traveling on authorized TI business. The maximum benefit payable is five times the TI employee’s base salary up to a maximum of $500,000 and is paid in addition to any life insurance and AD&D benefits.

**TI co-op students and interns are not eligible for these benefits. Employees are eligible to participate if they are a full-time TI employee or a part-time TI employee on an alternative work schedule (minimum 20 hours a week schedule).
Total Compensation and Financial Benefits

At Texas Instruments, the objective of Total Compensation is best pay for best performance. Pay is the sum of all forms of compensation and benefits. Performance is evaluated and measured at every level—TI, organization and individual. The components of Total Compensation are: salary, benefits, bonuses, profit sharing, stock programs and recognition.

Here is a brief description of these elements:

Base Pay or Salary
Three items are considered when determining base pay for individuals:
1. Market value for that position/level of responsibility
2. Absolute performance of the individual in that role
3. Relative performance of the individual compared to peers in the same role

Bonus Programs
The TI Bonus Program includes three types of bonus plans:
1. Compensation Review Bonus: used during the annual compensation review cycle to reward performance for the entire year. Based on company, business unit and individual performance.
2. Merit Bonus: used to financially recognize special or unique contributions by a team or individual.
3. Sales Incentive Bonus: used within the Sales and Marketing organization to reward accomplishments versus objectives.

Profit Sharing
The TI Profit Sharing Program rewards all TI employees for contributing to TI’s financial success. The formula used to calculate the payout to employees is determined by TI’s profit from operations (PFO). The intent of the plan is to encourage employees to continuously find ways to help increase TI’s profitability. The profit sharing payout is 100 percent cash. Profit sharing is paid during the first quarter of the calendar year and is calculated using the employee’s base pay earnings from the previous year.

Employees Stock Purchase Plan (ESPP)
TI’s ESPP is a voluntary benefit plan that enables TI employees to become stockholders of the company and share in the company’s potential future growth and profitability. Employees can purchase TI stock at a 15 percent discount from fair market value on the date of purchase four times a year through payroll deductions. ESPP enrollment occurs in March, June, September and December.

401(k) Savings Plan
Employees can elect to defer a portion of their eligible earnings (up to the IRS limits) on a pre-tax and/or post-tax (Roth) basis into the TI Contribution and 401(k) Savings Plan. TI will match the amount deferred, dollar for dollar, up to four percent of the employee’s annual eligible earnings. Employees are immediately eligible for, and 100 percent vested in, company matching contributions. Employees make their own investment elections among 13 fund options offered by the plan. A self-directed brokerage account is also offered as an investment option.
Other TI Benefits

Corporate Concierge Service
MyConcierge Service is a free concierge benefit for TI employees that provides assistance with personal needs. The concierges’ time and expertise is free of charge. Employees pay for the cost of the items or services requested, plus any service charges or delivery fees.

Educational Assistance
TI provides in-house education and training programs and outside educational assistance. Reimbursement is provided for continued education through courses approved by managers/supervisors and taken at an approved school.

Financial Planning Services
TI employees are eligible to receive financial planning from UBS Financial Service Inc. that includes stock option analysis, retirement planning, educational funding, estate planning and portfolio analysis. Fidelity and MetLife also offer similar financial planning services to TI employees.

Live Healthy Wellness Benefits
TI is committed to enhancing the health and productivity of the TI workforce by supporting and empowering employees to make healthy lifestyle choices. There are many wellness resources and programs including activity centers, smoking cessation, medical nutrition therapy for BCBS members, preventive health screenings, on-site weight management and walking programs and an employee assistance program.

Work-Life Benefits
Work-Life programs include adoption assistance, flexible work options, free College Coach seminars, parent network and free educational workshops, elder and child care resources, work-life discussion groups, and mothers’ rooms. Another major resource is LifeWorks, which provides assistance with issues such as adoption, childcare and eldercare, parenting, educational resources, legal advice and personal balance.

Preventive Health Care
The BCBS HDHP covers targeted preventive health care services, such as screening tests and immunizations at 100 percent with no copay or deductible.

Texans Credit Union (available at some locations)
This is a full-service financial institution with locations at many TI sites. All TI employees and their immediate family members are eligible to join the credit union. Membership is voluntary.

Texins Activity Centers (available at some locations)
Texins Activity Centers are available at some TI sites. These centers offer state-of-the-art fitness facilities and sponsor many activities such as sports leagues and fitness classes. Membership is available to TI employees and their families. Membership dues are paid through monthly payroll deductions.

TravelWell
TravelWell is a free service that assists TI employees with health issues in preparation for, during and after taking international business trips or before relocating on an expatriate assignment.