

2023

# Sweden Total Rewards Overview

## Compensation

### Classification

Keysight uses a classification model based on the complexity of different positions. Jobs are grouped into Individual Contributor 'A' (ICA), Individual Contributor 'B' (ICB) and People Managers (PM), each with a Generic Factor chart outlining a level definition and the skills and knowledge required. Jobs that involve work of a similar nature have been grouped in broad Functions and Job Families. The Job Families themselves have been written in a Job Family Matrix. Each Job Family Matrix has one generic primary function and then outlines a general descriptor plus typical education and experience required to operate at each level. Promotion is based upon organisational need and possession of required skills, knowledge and experience etc.



### Salary Review

Base pay increases are determined once per year for all employees, during the Annual Reward Planning cycle in November. If increases are awarded, this normally takes effect 1 December.

### Keysight Results Bonus (KRB)

This variable pay program is calculated every six months based on Keysight's Revenue Growth and Operating Margin. Managers participating in the Pay-for-Results Program and sales employees on the incentive compensation program are not eligible for this bonus.

### Performance Evaluation

Performance evaluation is done on an annual basis during the annual planning cycle, which takes place worldwide in November and effective 1 December. There is a formal link to pay.

### Objective Setting

Objectives are set by each employee on an annual basis and reviewed and discussed with direct manager on quarterly basis.

## Equity

### Employee Stock Purchase Plan (ESPP)

The ESPP is a voluntary employee stock purchase plan and entitles each regular employee to buy Keysight shares with a 15% discount. Employees can contribute up to, but not exceeding, 10% of base earnings, exclusive of all bonuses, pay for overtime work, and other extra compensation, max \$25k a year. Purchases are made every 6 months.

### Restricted Stock Units (RSU's)

Restricted stock units are awarded to key individual contributors and managers for reward and retention. RSUs are a taxable benefit. The annual RSU program operates in December.

## Benefits

### Pension Arrangement (Keysight Technologies Pension Plan)

All permanent employees are eligible to join a defined contribution plan with SPP. More detailed information about the pension plan is available in the SPP Pensionspolicy –summary in HR Connect/ SuccessFactors.

### Life Assurance

Permanent employees are covered for life assurance as the Company provides coverage in case of death and disability.

### Keysight Medical Plan

Keysight offers all employees preventive healthcare and voluntary health check-ups are conducted by Previa every second year. Additionally employees are eligible to contract a private health insurance from SPP (SPP Vårdförsäkring) against payroll deductions. DKV Hälsa (agreement number 82963) can also be signed for.

### Business Travel Insurance

This global program covers employees for urgent medical care, disability and life assurance whilst travelling on company business.

### Paid Sickness Absence

Sickness absence is paid by the Company and Försäkringsgirot. For longer sick leaves than 7 days, doctors' certificate is needed for getting paid. From day 15 Försäkringskassan will pay compensation to the employee and the amount to be paid depends on the length of the sick leave as follows;

- Day 1 – no compensation
- Days 2 to 14 – Company pays 90% of salary
- Days 15 to 90 – Försäkringskassan pays 80% and Company 10% of the salary up to 7,5 IBB and 90% of the salary over 7,5 PBB will be paid by the company

### Holiday entitlement

All full time permanent employees are eligible to 25 days' vacation each year plus additionally 1 to 5 days in recognition of long service depending on number of service years (to a maximum of 30 days with annual vacation in total). This includes the maximum 5 Company fixed days for Christmas Shut Down. Additionally employees not entitled to overtime compensation receive 5 extra vacation days. On an annual basis employees can save max 5 vacation days of the days exceeding 20 vacation days. These days can be saved for an unlimited time but in total the max number of 40 days can be saved.

### Company car/ Cash Allowance

Employees who are 'Business Need' drivers (are in customer facing sales or support roles/ or regularly transport heavy or bulky equipment as part of their daily role) may take this benefit in form of either a company car or a cash allowance. The price level of the car is up to 7,5 PBB or 8,5 PBB depending on the role and level of the employee. Cash allowance is an alternative and if chosen a fixed taxable amount of SEK 3.200,- is paid monthly to the employee.

### Business Mileage Reimbursement

If an employee doesn't have a company car and uses his/ her own car for company business, he/ she will receive the appropriate reimbursement rate in place at that time. This reimbursement can be claimed through the travel expense reporting system Concur.



## Other Benefits

### Reimbursement for Sports and Glasses

Employees can claim back sports club membership fees up to a maximum of SEK 3.000,-/ year against receipts and SEK 2.000,-/ year for terminal glasses or glasses needed when working. These claims will need to be approved by Country HR and will be paid back through payroll.

### Mobile Phones

A mobile phone is a benefit for employees who have a business need and their managers' approval for it. Mobiles are ordered through Points.

### Hardware

Managers will determine in which jobs/ roles a laptop is needed. Laptops need to be ordered through Points.

### Company Credit Cards

Employees with regular business expenses are entitled to receive a company credit card after they have completed the travel policy related company training. Employees are required to adhere to Company policies and their organizations' budget/ spending plans. All business expenses must be submitted through Concur in a timely manner (within max 30 days) with receipts.

### Further Education Assistance

An employee may request leave or financial assistance to pursue educational studies. The relevance of the subject, length of studies, the business need and the amount of personal commitment by the employee will be taken into account when the managers are considering such requests.

### Membership in Professional Associations

The Company will support membership of one relevant professional body per employee.

## Work Environment

### Cafeteria and Lunch Allowance

Free coffee and beverages are available in our offices.

All permanent employees are entitled to a monthly lunch allowance of SEK 560,-/ month.

### Flexible working hours

Employees may have the possibility to work flexible working hours in support of work/life balance. Normal working hours are 37,5 hours/ week.



## Variable Work Patterns

Keysight Technologies offers variable working patterns e.g. part time or variety of full time patterns.

## Home Office Allowance

Regular employees conducting Company business from home full time are entitled to a monthly home office allowance of SEK 2.000,-

## Maternity, Paternity and Parental Leaves

Leave of absence is available to employees in respect of maternity, paternity and adoption. During these leaves the Company compensates for the loss between the monthly salary (target pay or part time pay) and what is paid by Försäkringskassan (social security) for one month for employees who have been hired for a year and for two months for employees hired two years or more.

## Paid Special Family Events

In connection with special family events, employees are entitled to paid days off as follows;

- 1 paid day for employee wedding
- 1 paid days for funeral in closest family
- 1 paid day for move and
- 1 paid day for taking an exam according to the company education program.

## Notification Times

For the employee the notification time is always 3 months.

For the employer it is 3 months when the employee has up to max 6 service years and thereafter it is as follows;

- if an employee has 6 years to 7 years and 11 months of service, it is 4 months
- if an employee has 8 years to 9 years 11 months of service, it is 5 months
- with employees who have 10 or more service years, the notification time from the employer's side is 6 months.