



Ways to make the most of your 401(k)

NXP 401(k) Retirement Plan



Breaking Down Your 401(k) Retirement Plan

Ways to Make the Most of Your 401(k)

Your NXP 401(k) Retirement Plan is designed to help you prepare for your financial future. Features of the plan include:

- The ability to contribute up to 75% of your eligible earnings in pre-tax, Roth and/or after-tax contributions. **After-tax contributions** allow you to save more than the annual IRS individual contribution limit for pre-tax/Roth contributions. **Tip:** Since after-tax contributions are not eligible for the company match, consider contributing enough pre-tax and Roth contributions to receive the full match before making after-tax contributions.
- **Convert your existing pre-tax balance and/or after-tax contributions to Roth** by calling 844-697-4015 to potentially build more tax-free retirement income.

When you mix and match your contributions among the options below and take advantage of the Roth in-plan conversion feature, you can manage your current and future tax liabilities while helping to potentially increase your retirement income. See ["What are the IRS or Plan contribution limits for pre-tax, Roth, and after-tax?"](#) to understand how the IRS lets you contribute.

You have *three* ways to save for retirement:



How NXP helps you save for retirement

When you contribute through pre-tax or Roth, NXP matches your contributions dollar-for-dollar up to 5%, helping you save more for retirement.

¹ Penalties may apply.

² A distribution from a Roth 401(k) is federally tax free and penalty free, provided the five-year aging requirement has been satisfied and one of the following conditions is met: age 59½, disability, or death.

Ways to Make the Most of Your 401(k)

Comparing Contributions

How much can you save in pre-tax and Roth?

One of the most important things to understand about your NXP 401(k) Retirement Plan is how much the IRS will let you contribute. There are three key limits to know about:

- 1** You can contribute up to the annual IRS contribution limit of \$24,500 in 2026 (\$32,500 if you're 50 or older by the end of the calendar year) in any combination of pre-tax and Roth contributions.
- 2** Employees who are between the ages of 60 and 63 will be eligible to make higher catch-up contributions. This may be a good opportunity to help boost your savings as you near retirement. You may take advantage of this increased catch-up limit beginning the year you turn 60 (even if it's the last day of the calendar year) for up to four full calendar years. Note that you are not eligible for the increased catch-up limit in the year you turn age 64.
- 3** An additional IRS limit which is called the "annual additions limit," lets you and NXP together contribute up to \$72,000 in 2026 (\$80,000 if age 50-59 or 64 and older; \$83,250 if age 60-63). This includes all of your pre-tax and Roth contributions, your matching contributions from NXP and any after-tax contributions you make.

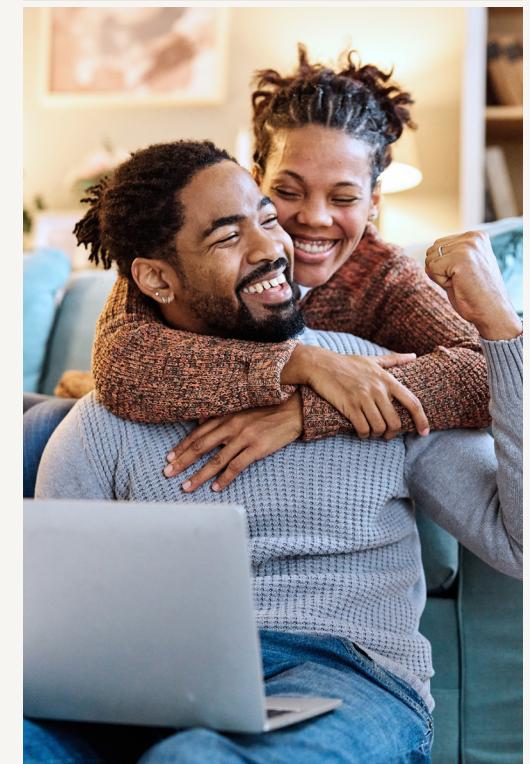
New Rule for 2026

Effective Jan 1, 2026, if you earned \$150,000+ in FICA wages (box 3 on your W-2) at NXP in 2025, the IRS requires that your 2026 catch-up contributions be made on a Roth basis. If this requirement applies to you, NXP will automatically convert pre-tax catch-up contributions to Roth.

The bottom line:

Make sure you're maximizing the benefits of the Plan. With the after-tax feature, you can continue contributing beyond the IRS limit for pre-tax and/or Roth. Plus, you can convert your after-tax contributions to Roth, through a Roth in-plan conversion and take advantage of extra tax benefits.

See [Roth In-Plan Conversions Explained](#).





Ways to Make the Most of Your 401(k)

Here is How Your Contribution Types Compare

You can contribute to your NXP 401(k) Retirement Plan in any combination of pre-tax contributions, Roth contributions and after-tax contributions. The amount you can contribute is limited by the Plan and the IRS. If you're age 50 or older, the IRS lets you contribute more in either pre-tax and/or Roth "catch-up" contributions. And if you are age 60-63 in the year 2026, you have an additional opportunity to save for retirement through the new higher catch up contribution limit.

Here's an overview

	PRE-TAX	ROTH	AFTER-TAX
Is it eligible for the match?	Yes	Yes	No
Do I pay taxes when I contribute?	No , so it costs you less to save	Yes , so your take-home pay will be lower than if you made an equivalent pre-tax contribution	Yes , so your take-home pay will be lower than if you made an equivalent pre-tax contribution
Do I pay taxes on contributions when I withdraw them?	Yes , you'll pay taxes on both contributions and any related earnings at withdrawal	No , you can withdraw both contributions and related earnings tax-free in retirement ¹	No , you can withdraw after-tax contributions tax-free in retirement, but you'll pay taxes on any earnings
Do I pay taxes on earnings when I withdraw them?	Yes	No , as long as it is considered a qualified withdrawal ¹	Yes
What are the Plan contribution limits?	1% to 75% of eligible pay, up to the IRS limits		
What are the IRS or Plan contribution limits for pre-tax, Roth, and after-tax?	\$24,500 in 2026 in any combination of pre-tax and Roth (if age 50-59 or 64 and older, you may contribute an additional \$8,000 in catch-up contributions; if age 60-63, you may contribute an additional \$11,250).		IRS annual additions limit applies, see below
What is the IRS annual additions limit for all my contributions?	\$72,000 in 2026 for NXP's matching contribution and your pre-tax, Roth and after-tax contributions (\$80,000 if age 50-59 or 64 and older; \$83,250 if between age 60-63)		

¹ A distribution from a Roth 401(k) is federally tax free and penalty free, provided the five-year aging requirement has been satisfied and one of the following conditions is met: age 59½, disability, or death.

Below are three examples of the IRS and Plan limits for different age groups. Assuming your total eligible pay is \$165,000, contributing a minimum of 5% in pre-tax and/or Roth will get you the full company match. If you were to contribute 15% and under age 50, you'd be able to reach the IRS limit of \$24,500. If you're over age 50, you could contribute more!

Ways to Make the Most of Your 401(k)

Age 49 or younger in 2026	Age 50–59 or 64+ in 2026	Age 60–63 in 2026
Pre-tax and/or Roth Contributions of 15%	Pre-tax and/or Roth + Catch-up Contributions of 20%	Pre-tax and/or Roth + Catch-up Contributions of 22%
\$24,500	\$32,500	\$35,750
+ Matching Contributions	+ Matching Contributions	+ Matching Contributions
\$8,250	\$8,250	\$8,250
+ After-tax Contributions (can also be converted to Roth)	+ After-tax Contributions (can also be converted to Roth)	+ After-tax Contributions (can also be converted to Roth)
\$16,500 (10% of annual pay)	\$16,500 (10% of annual pay)	\$16,500 (10% of annual pay)
= Total Contributions	= Total Contributions	= Total Contributions
\$49,250¹	\$57,250¹	\$60,500¹

¹Certain scenarios might result in contributions that are less than this amount or exceed the IRS limits of \$72,000, or \$80,000 if age 50–59 and 64+, or \$83,250 if age 60–63. If the amount exceeds the IRS limits, refunds may be required.

Ways to Make the Most of Your 401(k)

Roth Contributions in Your 401(k) Retirement Plan

Roth 401(k) dollars give you an opportunity for potentially tax-free income in retirement. Your Roth 401(k) dollars (including any related earnings) are federally tax-free for a qualified withdrawal.

When can I withdraw my Roth dollars tax-free?

In exchange for tax benefits, the IRS limits when you can withdraw Roth money federally tax-free by requiring a five-year holding period and other conditions.

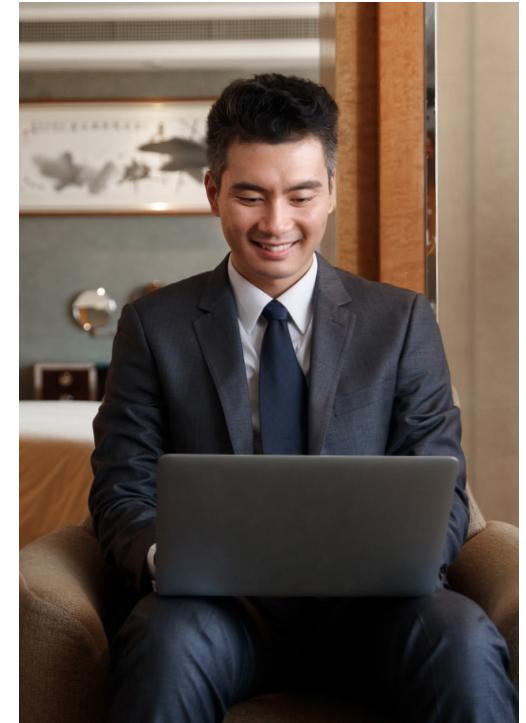
- **In general, Roth withdrawals are federally tax-free** if taken after age 59½, or due to disability or death, and after the five-year holding period is met.
- **The five-year “clock” generally starts** from the first day of the calendar year in which you make your first Roth contribution or from the first Roth in-plan conversion.
- **The sooner you make your first Roth contribution or Roth in-plan conversion,** the sooner your Roth five-year clock can start.

I have an Individual Retirement Account (IRA). Does that affect my 401(k) Retirement Plan?

No. Your IRA accounts (either traditional and/or Roth) do not affect the amount you can contribute to your 401(k) Retirement Plan account. [Learn more](#) about how much you can contribute to your 401(k) Retirement Plan.

How is the match on my Roth contributions handled?

While you are eligible to make Roth contributions, the company match is typically contributed in pre-tax dollars, meaning you'll pay taxes on those contributions when you withdraw them. The company match can be converted to Roth. See the [Roth In-Plan Conversions Explained](#) section for how taxes are handled.



Ways to Make the Most of Your 401(k)

What is the difference between Roth in my 401(k) Retirement Plan and a Roth IRA?

A Roth 401(k) is similar to a Roth IRA, but there are two key differences, due to IRS rules:

1 **A Roth 401(k) has no income limit.**

The amount you can contribute to a Roth IRA depends on your annual income. In 2026, the amount you can contribute starts to phase out once your income reaches \$153,000 for single filers (\$242,000 for married couples filing jointly). You are not eligible to contribute to a Roth IRA once your annual income reaches \$168,000 for single filers in 2026 (\$252,000 for married couples filing jointly).

A Roth 401(k) does not have an income limit. Even if you earn too much to contribute to a Roth IRA, you can still make Roth contributions in your NXP 401(k) Retirement Plan and make Roth in-plan conversions.

2 **You can contribute more to a Roth 401(k).**

Contributions to a Roth IRA are limited to \$7,500 (\$8,600 if you are age 50 or older) in 2026, depending on your income. However, you can contribute much more to a Roth 401(k). In 2026, you can contribute up to \$24,500 in pre-tax and Roth contributions combined (\$32,500 if age 50-59 or 64 and older; \$35,750 if age 60-63).



Ways to Make the Most of Your 401(k)

After-tax Contributions in Your 401(k)

As the name suggests, after-tax contributions come out of your pay after taxes, which means you pay taxes upfront, at your current tax rate. Because you've already paid taxes on your contributions, you will not have to pay taxes when you withdraw contributions later.

Note, you will owe taxes on the value of any related investment earnings at the rates in effect at the time of withdrawal. If you want to help limit your tax liability, you can use the Roth in-plan conversion feature to convert after-tax contributions to Roth. See how [Roth in-plan conversions](#) work.

Does NXP match my after-tax contributions?

No. After-tax contributions are not eligible for the NXP match.

Are there limits to how much I can contribute after-tax?

Yes. The IRS limits how much you can contribute to after-tax through the annual additions limit. And NXP limits all contributions, including after-tax contributions, up to 75% of eligible compensation. Find more information in the [Things to Consider](#) section.¹

Can I make after-tax contributions without converting them?

Yes. However, keep in mind that earnings on after-tax contributions will be taxable when withdrawn. If you later decide to convert after-tax contributions to Roth, you will owe taxes on any earnings at the time of conversion. You can withdraw your after-tax contributions at any time. Learn more in the [Roth In-Plan Conversions Explained](#) section.

Who might consider after-tax contributions?

Consider after-tax contributions if you plan to contribute up to the IRS pre-tax/Roth limit of \$24,500 (\$32,500 if age 50-59 or 64 and older; \$35,750 if age 60-63) and want to save more. This may also be an attractive option if you want to build potentially more tax-free retirement income by converting your after-tax dollars to Roth.

Roth In-Plan Conversions Explained

Ways to Make the Most of Your 401(k)

A Roth in-plan conversion allows you to convert pre-tax and/or after-tax contributions, including NXP's contributions, that are already in your 401(k) Retirement Plan to Roth, within the Plan. This gives you the chance to build tax-free retirement income, and it can help you to manage your taxes both now and in the future.

Once contributions are converted, you or your beneficiary generally can withdraw those converted dollars—including any related earnings—federally tax-free in retirement under the terms of the Plan. In general, that will be at least five tax years from your first Roth contribution or Roth in-plan conversion, and once you reach age 59½ or die or become disabled.

How are taxes handled for a Roth in-plan conversion?

You will owe taxes on any money that has not been taxed before, including rollover contributions. Income taxes are not withheld at the time of conversion, so you will be responsible for these taxes when you file your tax return. You will receive a 1099-R form from Fidelity to include on your tax return that details the conversion.

- **When you convert after-tax contributions**, you will owe taxes on any investment earnings that have accrued before your conversion date.
- **When you convert pre-tax contributions**, you will owe taxes on your contributions and matching contributions from NXP as well as any investment earnings that have accrued before your conversion date. Be sure to budget for the additional tax liability each year you convert pre-tax contributions to Roth.

How do I convert my 401(k) Retirement Plan money to Roth?

To convert your after-tax (or pre-tax) contributions to Roth, call 844-NXP-401K (844-697-4015) to reach the NXP Retirement Service Center. There are two ways to convert:

1. Automated daily conversions.

Automated daily conversions are designed to make converting after-tax contributions simpler. Call the NXP Retirement Service Center at **844-NXP-401K (844-697-4015)** to sign up. Automated daily conversions help reduce your tax liability by eliminating the time that after-tax contributions, deducted through payroll, will have to accrue taxable earnings.

2. One-time conversion.

Call the NXP Retirement Service Center at **844-NXP-401K (844-697-4015)**. Tell the representative you are considering converting some or all of your existing pre-tax and/or after-tax account balance to Roth. Note that any pre-tax contributions and previous earnings will be taxable in the year converted.

Ways to Make the Most of Your 401(k)

Who might benefit from Roth contributions or Roth in-plan conversions?

Roth 401(k) dollars are designed for anyone who likes the idea of potentially tax-free retirement income. These five scenarios detail when Roth 401(k) dollars might be beneficial for you.

For help evaluating your own situation, call the NXP Retirement Service Center at **844-NXP-401K (844-697-4015)**.

- 1 You are young.** In general, the younger you are when you start making Roth contributions, the more you might benefit. That is because you generally have more time to let your contributions grow.
- 2 You want tax flexibility in retirement.** Once you retire, your expenses may vary more year-to-year than they do today. Roth dollars can help you cover your expenses without increasing your taxable income for the year.
- 3 Your income tax rate will be higher in the future.** If you expect your pay to rise over time you will be subject to a higher tax rate in the future. Making Roth contributions or Roth in-plan conversions let you pay taxes upfront, at your current tax rate.
- 4 You are not eligible to contribute to a Roth IRA.** Unlike a Roth IRA, there are no income limits for making Roth contributions to your NXP 401(k) Retirement Plan. So, if you are not eligible to contribute to a Roth IRA, consider Roth contributions in your 401(k) Retirement Plan.
- 5 You would like to leave tax-free money to your heirs.** If you want to leave your retirement savings to your beneficiaries, Roth dollars are potentially free of federal income taxes. Consult an expert before attempting to use your 401(k) Retirement Plan as part of your estate plan.



Ways to Make the Most of Your 401(k)

Can a Roth in-plan conversion really make a difference?

While after-tax contributions come out of your account tax-free, the earnings on those contributions are taxable. Converting after-tax contributions to Roth as soon as possible gives them less time to generate earnings, which helps reduce taxes on the conversion. Without conversions, the potential taxes at withdrawal could be substantial.

Here is an example: Alex contributes \$10,000 in after-tax contributions every year from age 35 to 65 and earns a hypothetical annual return of 6% each year. Without Roth conversions, Alex's tax bill at retirement could be substantial.

Without Roth in-plan conversions

Account balance at age 65, including estimated earnings of \$490,000

\$790,000

- Estimated taxes at retirement

\$171,500

= After-tax account at age 65

\$618,500

With Roth in-plan conversions

Account balance at age 65, including estimated earnings of \$490,000

\$790,000

- Estimated taxes at retirement¹

\$0

= After-tax account at age 65

\$790,000

In this example, Alex saves **\$171,500** in taxes on earnings by making regular Roth in-plan conversions.

A distribution from a Roth 401(k) is federally tax-free and penalty-free, provided the five-year holding period has been satisfied and one of the following conditions is met: age 59½, disability or death.

¹Taxes on earnings are due in the year of conversion.

This hypothetical example is calculated assuming a 35% federal income tax bracket and annual contributions of \$10,000 made each year until age 65 with tax-deferred compounding at a hypothetical 6% annual rate of return. No loans or withdrawals are taken before age 65. Your own experience may differ. This example is for illustrative purposes only, is not intended to provide tax advice, and does not represent the performance of any security. Consider your anticipated investment horizon when making an investment decision, as the illustration may not reflect this. This example is not guaranteed. Investments that have the potential for a 6% rate of return also come with the risk of loss. Earnings on after-tax contributions are subject to taxes when withdrawn or converted and may be subject to a 10% penalty if taken before requirements for a qualified withdrawal have been met.

Ways to Make the Most of Your 401(k)

Things to Consider

Want to save more?

Make after-tax contributions after reaching the IRS limit for pre-tax and Roth contributions. With your pre-tax, Roth, after-tax contributions and company match, you and NXP together can contribute a combined total of \$72,000, or \$80,000 if age 50-59 or 64 and older, or \$83,250 if age 60-63 in 2026.

Are you age 50 or older?

If you are age 50-59 or 64 and older, you'll automatically contribute to catch-up contributions once you hit the \$24,500 IRS contribution limit for 2026. If you are age 60-63, you are eligible to contribute up to \$11,250 in catch-up contributions. This means that you can save up to \$32,500 (or \$35,750 if age 60-63), the catch-up limit in 2026. Make sure to consider the catch-up contribution when you're allocating contributions into your NXP 401(k) Retirement Plan.

Is it possible to exceed the total IRS contribution annual limit?

The 2026 IRS limit for all contributions to a retirement plan for an individual is \$72,000 (\$80,000 if age 50-59 or 64 and older; \$83,250 if age 60-63). To ensure you do not exceed the annual limit, NXP U.S. Payroll will monitor your contributions to your NXP 401(k) Retirement Plan; however, if you're eligible for a true-up contribution, posted in January of the following year, you may exceed the annual limit. If so, Fidelity will return any contributions that exceed the annual limit, less any losses. Any earnings on the excess contributions will be taxable in the year of distribution. But, NXP U.S. Payroll does not account for true-up when you stop contributions, so you are responsible to monitor limits yourself to ensure a true-up does not push you over the limit.

Want to do more?

To take advantage of extra tax benefits, consider converting your after-tax contributions to Roth with a Roth in-plan conversion. You can also convert pre-tax contributions.

Here are ways to make the most of your 401(k) Retirement Plan.

- Consider contributing up to the IRS limit of \$24,500 in pre-tax and/or Roth to your NXP 401(k) Retirement Plan in 2026, plus an additional \$8,000 if age 50-59 or 64 and older, or \$11,250 if age 60-63.
- Contribute at least 5% in pre-tax and/or Roth to get the full company match. NXP will match 100%, up to 5% of your eligible pay, when you contribute to your NXP 401(k) Retirement Plan.
- Save even more with after-tax contributions after reaching your pre-tax and Roth limits. Consider a Roth in-plan conversion to convert your after-tax contributions, which gives you an opportunity to build potentially more tax-free retirement income.

Examples of People Like You

Ways to Make the Most of Your 401(k)

Lee

Annual pay: \$120,000

I am so glad to see that we can use a Roth in-plan conversion to convert after-tax contributions to Roth within my 401(k) Retirement Plan.

I am early in my career and anticipate retiring in a higher tax bracket than I am right now. With the Roth in-plan conversion, I can convert my after-tax money to my Roth account, pay taxes on the earnings now at my current tax bracket, then withdrawal money in retirement potentially tax free! That means that any earnings in my Roth account aren't taxed when I make a qualified withdrawal in retirement. This can save me a lot by the time I'm ready to retire.



Carol

Annual pay: \$200,000

I wanted to make Roth contributions to my 401(k) Retirement Plan but didn't think I could since, according to the IRS, I make too much to contribute to a Roth IRA. I thought the same rules apply when making Roth contributions to a 401(k). Then I met with a Fidelity representative who explained that there is no income limit for my NXP 401(k) Retirement Plan. Anyone can make Roth 401(k) contributions. Plus, I learned that the IRS contribution limit is higher for my 401(k) than it is for a Roth IRA¹. So, I changed my 10% contribution from pre-tax to Roth.



¹In 2026, you can contribute up to \$24,500 in any combination of pre-tax and Roth contributions, or \$32,500 if you are age 50-59 or 64 and older, \$35,750 if age 60-63. Plus, you can save even more in after-tax contributions.

Examples are fictional employees for illustrative purposes only.



Want Help?

Ways to Make the Most of Your 401(k)

Get One-on-One Help to Understand Your Next Steps.

For help understanding the Roth and after-tax features, call the NXP Retirement Service Center at **844-NXP-401K (844-697-4015)**. We also encourage you to connect with your own financial advisor.

Compare Roth and Pre-tax Contributions.

Use the Roth 401(k) Modeler, then click on “Tools and Calculators” then “Roth Contribution Modeler” to compare Roth and pre-tax contributions.

Change Your Contribution Elections.

Update your contribution elections by calling **844-NXP-401K (844-697-4015)** or visiting NetBenefits. Log in to NetBenefits, select Contribution Amount, then enter a percentage for your preferred contribution types.

Request Roth In-Plan Conversions.

Request a conversion at **844-NXP-401K (844-697-4015)**.

Please remember that investing involves risk, including risk of loss.

Fidelity does not provide legal or tax advice. The information herein is general in nature and should not be considered legal or tax advice. Consult an attorney or tax professional regarding your specific situation.

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