

2017 Benefits Profile

For Prospective U.S. Employees

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Varian recognizes that employees have different needs and offers a flexible benefit program which allows employees to tailor the coverages that best meet their needs. A core level of benefits is provided, with the option for employees to choose from an array of additional benefits.

- Medical
- Dental
- Vision
- Living Healthy Wellness Program
- Health Care Spending Account (HCSA)
- Dependent Care Assistance Plan (DCAP)
- Time off benefits
- 401(k) Retirement Plan
- Employee Incentive Plan (EIP)
- Employee Stock Purchase Plan
- Varian Disability Plan
- Employee basic life insurance
- Employee basic accidental death & dismemberment (AD&D) insurance
- Supplemental and dependent life insurance
- Voluntary and dependent AD&D insurance
- Business Travel Accident insurance
- Employee Assistance Plan (EAP)
- Voluntary Benefits

Medical Plans

Varian sponsored medical plans provide hospital, surgical, and medical care for you and your dependents. They differ in the cost to participate, the portion of expenses you have to pay, and the doctors and hospitals available under each plan.

Managed Care Plans

Health Maintenance Organizations (HMOs) are available at several Varian locations. Whenever you need care, you must use HMO doctors and hospitals (except in emergencies). You have no claim forms to fill out. Most medical services are paid in full after a copayment.

Traditional Medical Plan

The Anthem PPO Plan is available at all locations. There is no deductible and no copayment for preventative services when you visit network providers. For other services, you have a deductible to meet each calendar year. After you meet your deductible, the plan pays a percentage (e.g., 90%) of covered medical expenses. If you use out-of-network providers, you will have higher deductibles and out-of-pocket costs.

HSA Eligible Medical Plan

The Anthem HSA (health savings account) Plan is available at all locations. Nationally recommended preventative services are covered in full (no deductible). For all other services, you

will have a deductible to meet for that calendar year. After you meet your deductible, the plan pays a percentage (e.g., 90%) of covered medical expenses if you use network providers.

In addition, Varian will contribute \$500 to your HSA annually (\$1,000 if you have more than individual coverage) which you can use to pay for expenses such as deductibles, coinsurance, copayments, etc. You can also make before-tax payroll contributions to your HSA. Any unused HSA contributions carryover from year to year and are yours to keep even if you leave the company.

Vision Plan

Varian offers two vision coverage options through Vision Service Plan (VSP). You may elect to enroll in either VSP option for yourself and some or all of your eligible dependents.

Dental Plans

Two dental care plans are available for you and your dependents at a nominal cost.

Dental Maintenance Organization (DMO) Plan. With the DMO Plan, you have no deductible to meet and no benefit maximum. You pay a nominal copayment for most services. Orthodontia is limited to one treatment course per person. You must choose a DMO dentist for your care.

Preferred Provider Organization (PPO) Plan. With the PPO Plan, you have a calendar-year deductible (which is waived for preventative dental services, like checkups and cleanings). After you meet the deductible, the PPO pays a percentage of the cost of basic, major, and orthodontic treatment. The PPO pays up to a specified dollar limit per year for covered expenses. Orthodontia has a lifetime limit for each covered person. You may choose any dentist, but you reduce your cost for dental care when you use a dentist from the network of preferred dental providers.

Health Care Spending Account

Varian provides a Health Care Spending Account that enables you to set aside before-tax monies to pay for eligible medical, vision, and dental expenses. You can rollover up to \$500 of unused funds the next calendar year.

Living Healthy Wellness Program

The program offers a comprehensive menu of wellness programs and services including

- Health screening events
- Weight Watchers Program
- Tobacco cessation program
- On-site fitness center (certain locations)
- Healthy diet menu selection in cafeteria (certain locations)

Personal Assistance Benefits

The following benefits and policies reflect our concern for your well-being.

Paid Bonding Benefit: Varian provides employees with up to six weeks of paid time off to bond with a new child.

Health Advocate Benefit. Varian provides a health advocate service to help answer your questions and find the right resources for obtaining the care you and your family needs, in resolving claim issues, and helping in a number of other ways.

Employee Assistance Program. An Employee Assistance Program is available to help employees and their dependents cope with personal difficulties. These problems might result from physical, mental, or emotional illness; financial, marital or family distress; substance abuse; or other concerns.

Dependent Care Assistance. The Varian Dependent Care Assistance Plan (DCAP) provides you with tax savings by enabling you to pay on a before-tax basis for dependent care while you work.

Educational Reimbursement. Varian reimburses 100% of the cost of tuition, books, and certain fees for approved work-related courses within prescribed limits up to \$7,500 per calendar year. The cost of certain courses may be reimbursed at a lower rate.

"Partners in Giving". Varian will match your gift to eligible charities and educational institutions up to \$10,000 per employee per calendar year.

Paid-Time Off Benefits

Holidays. 10 paid holidays are observed each calendar year.

Personal Paid Leave (PPL). If you are a full-time or a part-time employee below the level of Director, you accrue PPL days each pay period.* PPL days are yours to use for vacation and sick leave, as well as for personal reasons. Your accruals translate to the following days per year, and increases with your years of service with Varian:

Beginning with:	PPL Earned Annually
1st year	18
4th year	19
7th year	20
10th year	21

After your tenth year, for every additional two years of service you complete, your PPL accrual rate will increase by one day, up to a maximum of 30 days per calendar year. You may save unused PPL days up to 400 hours.

*Employees at the level of Director or above do not accrue PPL hours but instead may take time off as needed.

Asset Accumulation Benefits

Employee Incentive Program. The Employee Incentive Program pays you part of the company profits if certain company performance measures are met.

Employee Stock Purchase Plan. The Employee Stock Purchase Plan allows you to build ownership in the company through the purchase of its shares at a discounted price. You may elect payroll deduction of 1% to 10% of your base pay to make semi-annual purchases of Varian stock.

Retirement Benefits

The Varian Retirement Plan allows you to put money aside for your future with the option of deferring income taxes at the same time. Unlike some retirement plans, your Varian retirement account is available to you even if you leave the company before retirement age.

Your Varian Retirement Account may build up rapidly through your deposits, company contributions, and investment earnings. You are eligible on your date of hire. You can contribute 1% to 25% of your base pay (up to the legal limit), on a pre-tax or Roth basis.* You may be able to roll over funds from a previous employer's plan.

After you complete one year of service, Varian begins making contributions to your account (dollar for dollar, up to 6% of your eligible pay).

All the money in your account is invested at your direction; taxes are deferred on investment gains (tax free if you contributed on a Roth basis). Your account balance is always fully vested. There is no waiting (or 'vesting') period before it belongs to you.

*If you take no action, you will be automatically enrolled in the Plan at 6% of your base pay.

Disability Income Benefits

The Varian Disability Plan helps continue your income if you are ill or injured and unable to work. The plan has the following coverage options — 60%, and 66 2/3% of your salary, beginning after one week of disability (a 40% option is available in all states except for California, Hawaii, New Jersey, New York and Rhode Island). PPL days can supplement the disability benefits to provide your full salary. Benefits are paid as long as you are disabled — up to age 65 or your normal Social Security retirement age, whichever is later. Your cost of coverage is modest.

Survivor Benefits

A core level of company-paid life and AD&D insurance of one times your annual base salary is provided. You have the option to purchase additional life and AD&D insurance for yourself and your family members at a nominal cost. A number of other benefits are also available in the event of death.

Company-Paid Life/AD&D Insurance

- One times (1x) your base salary (a \$50,000 option also available for life).
- Three times (3x) your base salary in business travel accident insurance.
- A special death benefit of two weeks' pay, plus an additional day's pay for each full year of service.

Additional Life/AD&D Insurance

- Supplemental Life/AD&D Insurance — one to eight times your annual base salary.
- Dependent Life/AD&D Insurance — five levels of coverage for your spouse/domestic partner and child(ren).
- Your cost of coverage is modest.

Additional Benefits

- Bravo! Recognition Program
- SafetyNets Plus Voluntary Plans (ID theft, legal assistance and financial counseling)
- Group Auto/Home Insurance Program
- Critical Illness Plan
- Accident Insurance Plan (2 options)
- Pet Discount Plan
- Employee Referral Program
- Service Awards





Varian Medical Systems, Inc. (the "Company") is firmly committed to a policy of equal employment opportunity and will administer its Human Resources policies and conduct its employment practices in a manner that treats each employee and applicant for employment on the basis of merit, experience, and other work related criteria without regard to race, color, religion, sex, national origin, ancestry, sexual orientation, age, marital status, disability (mental or physical), veteran status or any other protected class under relevant state and federal laws. This information summarizes and highlights the major features of many of the Company's U.S. benefits and policies for employees. The specific rights and benefits of employees will be as described in the official text of each plan and policy. We are pleased to provide you with more specific information about any of our benefits and policies. The Company has the discretionary authority to control and manage the operation and administration of the benefit plans and policies. The Company may make whatever rules, interpretations, and computations — and take any other actions to administer the benefit plans and policies— that the Company considers appropriate. These rules, interpretations, computations, and actions of the Company will be binding and conclusive on all persons. The Company reserves the right to change, amend, suspend, withdraw, or terminate any or all of the Company's benefit plans and policies, in whole or in part, at any time at its sole discretion. The Company does not sponsor or maintain the SafetyNet Plus Voluntary Plans, or group auto/home insurance. These benefits are not subject to ERISA.

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