

## **SUMMARY OF MATERIAL MODIFICATION**

### **For Transform Health and Welfare Plan**

#### **Notice of Changes to the Transform Health and Welfare Plan**

This Notice of Changes to the Transform Health and Welfare Plan (which includes the Medical Plan, Dental Plan, Vision Plan, Short Term Disability Plan, Long Term Disability Plan, Company Paid Life Insurance Plan and Optional Life Insurance Plan, among other benefit programs) (the “Health & Welfare Plan”) is intended to constitute a *Summary of Material Modifications* with respect to the Transform Health and Welfare Plan, in accordance with applicable regulations under the Employee Retirement Income Security Act (“ERISA”), as amended, with respect to those benefit programs which are subject to ERISA.

#### **Notice of Changes to the Medical Plan Design**

The Transform Midco Medical Plan (the “Medical Plan”) is a participating program under the Welfare Benefit Plan. The Medical Plan is made up of different coverage options, including a PPO and a High Deductible Health Plan. Blue Cross Blue Shield of Illinois (“BCBS”) and, if available in your area, Kaiser Permanente (“Kaiser”) are the two carrier options in 2024. This notice summarizes the 2024 medical plan design changes for the BCBCIL Plans.

The following changes become effective January 1, 2024:

- Basic Plan deductibles: decreasing individual from \$4,500 to \$2,500 and family from \$9,000 to \$5,000 and out-of-pocket maximum reduced to \$9,450
- Enhanced Plan co-insurance: after the annual deductible is met you pay 20% and the plan pays 80%, previously, you had to pay 30% and the plan paid 70%
- Blue Distinction Centers (BDC) – Specialty Care services include Bariatric, Knee and Hip replacement, Transplant surgeries, support services and more
- Dependent Tier Subsidy for medical plan elections (Non-technician roles)
- Express Scripts RX Programs – Member Choice Network (Walgreens or CVS), Exclusive Smart 90, Out-of-Pocket Protection

#### **Notice of Addition of Life Insurance Plan**

**Whole Life Insurance with Long-Term Care:** Effective January 1, 2024, associates can elect to enroll in a Group Whole Life Insurance Plan with Long-Term Care Riders with Allstate Benefits and underwritten by American Heritage Life Insurance Company.

#### **Notice of Changes to the HSA and FSA**

This notice summarizes the 2024 plan changes and annual contribution limits specified by the U.S. Internal Revenue Service under the Health Savings Account and Healthcare Flexible Spending Account.

**Health Savings Account “HSA” Contribution Limit Change:** For 2024, you can save up to \$4,150 if you cover just yourself or \$8,300 if you cover yourself and your family. If you’re age 55 or older (or will turn age 55 during the 2024 plan year), you can also make additional “catch-up” contributions to your HSA up to \$1,000.

- Health Savings Account (HSA) Employer Matching Contributions - Individual \$500 and Family \$1,000 (matching contribution will require associate participation of the minimum dollar amount (Individual \$500 and Family \$1,000) with matching contributions deposited to active associate’s account on a quarterly basis).

**Healthcare Flexible Spending Account “FSA” Contribution Limit Change:** For 2024, the maximum contribution increases to \$3,200. If you are carrying over any unused FSA amounts from 2023 (up to a maximum of \$640), the carryover amount will not affect this maximum contribution limit.

#### **Notice of Changes to the Commuter Benefit Program**

This notice summarizes the 2024 annual contribution limits specified by the U.S. Internal Revenue Service under the Commuter Benefit Program.

Effective January 1, 2024, the limit for transit and/or vanpooling expenses is \$315 per month and the limit for qualified parking expenses is \$315 per month.

## SUMMARY OF MATERIAL MODIFICATION

The Commuter Benefit Program is not a welfare benefit plan for purposes of ERISA. It is a tax-advantaged benefit that Transformco can offer to associates under a specific section of the Internal Revenue Code.

### **Notice of Changes to Disability Plans**

The following changes become effective January 1, 2024;

- Long Term Disability Evidence of Insurability (EOI) will not be required during a life status change.
- New York Life Insurance Company (NYL) will assume responsibility for administering and managing various leave programs, including the Family Medical Leave Act (FMLA), and Americans with Disabilities Act (ADA), as well as state and company-specific plans.

### **Notice of Changes to the Savings Plan**

#### **Contribution Limit Changes:**

- The 2024 annual pre-tax contributions limit for the Transform 401(k) Savings Plan set by the U.S. Internal Revenue Service will increase to \$23,000.
- The 2024 limit on catch-up contributions for the Transform 401(k) Savings Plan, applicable to participants 50 and older any time in 2023, will stay at \$7,500.
- At the time this document was created the 2024 limits for pre-tax contributions and catch-up contributions under the Transform Puerto Rico Savings Plan had not yet been announced by the Puerto Rico Treasury Department.
- Effective January 1, 2024 the Transform 401(k) Savings Plan will offer associates the option to making Roth contributions. Associates can now make any combination of before-tax, after-tax and Roth contributions to the Transform 401(k) Savings Plan.
  - Note that Roth contributions are not offered under the Transform Puerto Rico Savings Plan

#### **Required Minimum Distributions:**

- Beginning in 2023, the SECURE 2.0 Act raised the age that you must begin taking RMDs to age 73. If you reach age 72 in 2023, the required beginning date for your first RMD is April 1, 2025, for 2024.

This Notice of Changes to the Savings Plan is intended to constitute a summary of material modifications with respect to the Savings Plan, in accordance with applicable regulations under ERISA.

Note: Puerto Rico associates are offered, if eligible, participation in the Puerto Rico Savings Plan sponsored and maintained for Puerto Rico associates.

Si tiene dificultad en comprender el inglés, la Compañía proveerá ayuda para explicarle esta información.

Si desea ayuda, consulte a su gerente de unidad o su representante de Recursos Humanos.

If you have difficulty in understanding the English language, assistance to aid your understanding of these reports will be provided by the Company. Please ask your unit manager or Human Resources representative if you desire such assistance.