

Annual Enrollment 2023

Inc. HQ & COE / ESS / ES / P&S Employees



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- Thank you for taking some time today to learn about this year's Annual Enrollment process for your 2023 benefits.
- In particular, we'll cover a few key considerations that we encourage you to keep in mind this year as you review, compare, and enroll in your benefits.

Briefing objectives

Briefing objectives

- Go over things to consider for 2023
- Highlight medical plan options & features
- Outline tools & resources
- Review actions & key dates

This briefing generally applies to employees who are eligible to participate in Cigna National Plans working for:

- Inc. HQ, COE and Enterprise Shared Services
- Electronic Systems
- Platforms & Services

The material does **NOT** apply to employees located in Hawaii, those who participate in a Cigna Global Plan, or employees whose CBA provides non-standard medical benefits

Important note: This material provides general information about BAE Systems benefits. Efforts have been made to ensure the accuracy of this information; however, if there is any inconsistency between this material and any benefit plan documents, the plan documents will govern. If information in this material is inconsistent with applicable laws, those laws shall govern. BAE Systems, Inc., reserves the right to amend, modify, or terminate any plan, in whole or in part, at any time at its sole discretion. Benefit provisions vary across BAE Systems; thus, transfers within the company may result in changes in benefits.

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- Our top priority for this presentation is to provide an overview of the Annual Enrollment process, and highlight some things to consider regarding 2023 benefits, your plan options, and their key features.
- We'll also review the Medical Plan Evaluator, an interactive tool that was introduced last year, as well as other resources that can help you assess your options and make an informed choice about your benefits for next year.
- We will focus most of this briefing on key benefits, but keep in mind that Annual Enrollment is your once-a-year opportunity to elect a range of benefits for you and your family.
- One additional note referenced here on the right of this slide ... our benefits do vary among our sectors, business areas, and employee groups. The material included in this presentation has been designed specifically for employees at Inc. Headquarters, the COEs, Enterprise Shared Services, as well as employees in the Electronic Systems and Platforms & Services sectors.
- This includes employees represented by Collective Bargaining Agreements that provide our standard Cigna medical benefits.
- The exception across these groups is our employees who live and work in Hawaii, those who participate in a Cigna Global Plan, or those whose CBA provides non-standard benefits.
- With these important notes covered, let's turn to some unique aspects of Annual Enrollment this year.

Life changes, and your benefits can change with you

- **2023 Medical, dental, and vision plans aren't changing**, but it's smart to take a fresh look at benefit options every year
- **FSA contribution limits are increasing.** FSA contributions don't carry over given IRS rules to use or lose funds
- **2023 Health Savings Account (HSA) contribution limits are increasing** for participants in HSA plans. Like 401(k) Savings Plans, HSA contributions carry over year to year and can be changed at any time
- **Children up to age 26 will be eligible for child life insurance in 2023.** This new age limit is consistent with age limits for children under our medical, dental, and vision plans, and employees may want to add dependents who were dropped from the plan when they turned 18



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- Last year we introduced major changes to our medical plans. For 2023, our medical, dental and vision plans aren't changing. However, it's important to take a fresh look at your benefit options every year, as your needs may change, and your benefits can change with you.
- A few other benefit provisions are changing this year: you will see that Health Care FSA contribution limits are increasing. Remember these FSA elections (both health and dependent care) don't carry over from one year to the next, so those who want to take advantage of these spending accounts must submit contribution elections each year.
- For those who elect coverage under one of our HSA plans, 2023 HSA limits have also been increased by the IRS. If you are eligible, be sure to consider making the most of this pre-tax savings for health care expenses.
- And one other change for those who cover dependent children – beginning next year, children will be eligible up to age 26 for child life insurance.
- Most importantly, take a fresh look at all of your options to ensure you are enrolled in benefits that best fit you and your family's needs.

Take care of your loved ones with the right amount of life insurance

- **How much is enough life insurance?**
 - Life insurance needs can change over time as employee's lives and family situations change
 - The Hartford microsite at thehartford.com/learn/BAESystems offers an insurance needs calculator and other life insurance resources
- **Take a fresh look at your life insurance elections**
 - Consider this year's special one-time offer to elect up to two times (2x) pay in Supplemental Employee Life Insurance without providing Evidence of Insurability (EOI)
- **Employees can apply to purchase more coverage** over the 2x pay level, subject to completing EOI requirements and receiving approval before the higher coverage amount becomes effective



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- Speaking of insurance, the amount of life insurance you need can change over time based on your unique situation.
- To help you assess the right amount of life insurance, take advantage of the needs calculator available on The Hartford microsite at the URL shown.
- BAE Systems provides basic life insurance to all employees, but you can also obtain more.
- During Annual Enrollment, we are featuring a one-time offer for you to obtain supplemental employee life insurance up to an amount equal to twice your annual salary without having to answer health questions or complete a qualifying physical, which the insurance industry terms “evidence of insurability – or EOI.”
- Be sure to consider this special one-time offer, and keep in mind you can also apply for more coverage at higher salary multiples, but the additional amounts are subject to EOI requirements and receiving approval before becoming effective.

Taking care of loved ones – beneficiary updates

- Annual Enrollment is a great time to review and update beneficiaries in case the unthinkable happens
- Many of our benefit plans offer a payout to loved ones in the event of your death
- Beneficiary details must be on file for benefits to be distributed according to employee's wishes
- Review and update beneficiary details for all benefits
 - Life and other insurance benefits
 - 401(k) Savings Plan accounts
 - Any Health Savings Account balances
- **Looking ahead:** Changes can be made at any time – be sure to update when a life change occurs, such as a divorce or death of a loved one



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- Not only is Annual Enrollment an opportunity to review all of your benefit options, it's also a great time to review and update your beneficiaries.
- This is another point of emphasis this year, in case the unthinkable happens.
- In the event of your death many of our plans offer a payout, but you must have your beneficiary information on file in order to have these benefits paid according to your wishes.
- Be sure to review and update your beneficiaries across all of your benefit plans and accounts – several of which are listed here. This includes an HSA if you're enrolled in an HSA medical plan and you have accumulated an account balance.
- Now that we've talked about some key considerations for 2023, let's take a step back and review a brief overview of the medical plan options and Medical Plan Evaluator, which are all back for a second year.

All new medical plans for 2022 – Offering same options for 2023

- Provide **meaningful choice** for employees
- Better **meet diverse needs** of employees and families
- Address coverage **needs for different life stages** for individual employees and types of families
- Offer **flexibility in how employees pay** for coverage and care (e.g., higher paycheck contributions in exchange for more predictable costs when care is needed)
- All plans use the **Cigna network** of facilities & providers
- All plans offer **comprehensive coverage** with **preventive care covered at 100%** to help you get and stay healthy
- All plans will continue to offer prescription coverage from **CVS Caremark**



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- During Annual Enrollment last year, we rolled out all new medical plans, which were designed to provide meaningful choices and flexibility that can help you and your family address your diverse and evolving needs.
- The medical plans allow you to choose the option that best fits your needs based on how you use your health care and how you prefer to pay for coverage and care.
- The different plan cost structures are an important facet to consider, since the plans offer flexibility to choose how you pay your share of the cost for coverage through lower or higher per paycheck premiums in exchange for paying more or less out of pocket when care is needed.
- The plans maintain features that have been in place for many years:
 - They all use the Cigna network of providers and facilities – though keep in mind doctors and hospitals can change their network affiliations from time to time.
 - In addition, all of the BAE Systems medical plans offer comprehensive coverage and cover the same procedures.
 - And all of the plans continue to cover all preventive care services obtained in-network at 100%.
 - And for prescriptions, CVS Caremark continues to be the pharmacy provider for all of the plans.

Overview of Inc. HQ/ESS/COE / ES and P&S plans

Medical Plans for 2023				
Plan feature	HSA Standard	HSA Select	Network Choice	Copay
HSA company contributions	Yes		No	
Provider network flexibility	In-network and out-of-network coverage			In-network coverage only
Premium cost per paycheck	\$	\$	\$	\$
Deductible and Out-of-pocket maximums	\$	\$	\$	\$
Prescription drugs	After meeting plan's deductible, coinsurance cost is paid up to a maximum per prescription		No plan deductible applies, a copay is paid per prescription	

More than half of our employees use their medical coverage primarily for preventive care, so we offer a second HSA plan option with even lower paycheck costs.

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- This overview chart offers a quick comparison of the plan differences and flexibility by showing their range of cost structures and provider networks.
- Shown in the left two columns are the high-deductible plans, which are paired with HSA savings accounts – the HSA Standard and HSA Select plans. You will also see here that the HSA plans continue to include company contributions to your HSA. In the next column to the right, we have the Network Choice option, and in the last column the Copay plan.
- Please notice that the Copay plan has some limitations for in-network coverage **only**, compared to both in and out-of-network coverage for the other three plans.
- The two rows of dollar signs represent the relationship between per paycheck premiums and the deductible and out-of-pocket maximum amounts you pay when you need care. What you'll see here is that the HSA Standard, which has the highest deductible, is shown with four dollar signs in the deductible row, and it has the lowest per paycheck premiums as indicated by one dollar sign in the row above.
- As you move to the right in the chart, you'll see that as your deductible and out-of-pocket costs go down, you will need to pay more from each of your paychecks in premiums. These are important considerations to keep in mind as you think about which plan is the best fit for you and your family based on how you use your healthcare coverage.
- On the last row, we've highlighted the prescription drug coverage in the plans. The plans all have some form of prescription cost limits, but note that in the left two columns, these limits only become effective **after** you meet an HSA plan deductible.
- Now that we've taken a high level view of how the plans compare, let's take a closer look at some plan details.

Plan choices for Inc. HQ/ESS/COE, ES and P&S employees

Plan feature	HSA Standard	HSA Select	Network Choice	Copay
Deductible (ind/fam)	\$3,000 / \$6,000	\$2,000 / \$4,000	\$1,000 / \$2,000	\$500 / \$1,000
Annual HSA company contribution	\$750 / \$1,500	\$750 / \$1,500	None	None
Preventive Care Services	Covered 100%	Covered 100%	Covered 100%	Covered 100%
Coinsurance	20%	20%	20%	N/A
Out-of-Pocket Limit (ind/fam)	\$6,000 / \$12,000	\$4,000 / \$8,000	\$3,000 / \$6,000	\$2,500 / \$5,000
Office Visits	20%	20%	10% / 20% depending on provider	\$25 / \$50
PCP/Specialist	20%	20%	20%	\$50 copay after deductible
Urgent Care	20%	20%	20%	\$250 copay after deductible
Emergency Room	20%	20%	20%	\$300 copay per admission after deductible
Inpatient Care	20%	20%	20%	\$150 copay per procedure after deductible
Outpatient Care	20%	20%	20%	
Prescription coverage				
Retail (up to 30-day supply)	After meeting deductible, 20% coinsurance, with a max of:	After meeting deductible, 20% coinsurance, with a max of:	Deductible does NOT apply, you pay a copay of:	Deductible does NOT apply, you pay a copay of:
Generic	\$15	\$15	Up to \$15	Up to \$15
Formulary Brand	\$50	\$50	\$50	\$50
Non-Formulary Brand	\$100	\$100	\$100	\$100
Specialty	\$75	\$75	30% / Net \$0 (Prudent Rx)	30% / Net \$0 (Prudent Rx)
Mail Order (up to 90-day supply)	2.5x retail	2.5x retail	2.5x retail	2.5x retail

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- This chart is a summary view of the current medical plan options. As we mentioned earlier, for 2023 there are no material changes in coverage provisions.
- A similar comparison chart plus other information is also available online at **benefits.baesystems.com**.
- As we discussed on the previous slide, you can see how the deductibles and out-of-pocket maximums decrease as you move left to right. Remember, this is in exchange for the premiums you pay out of each paycheck moving in the opposite direction.
- Among the four plan options, there are distinct differences in how you pay your share of your medical costs and how predictable those costs will be, which means you have options to find the best fit for your unique needs.
- It may not be clear which plan fits you best from just looking at this chart, so we also offer tools and resources to help you compare your options.

Also back for a second year: Our Medical Plan Evaluator

- Online decision support tool can help employees understand how their medical plan options and their costs stack up for them
- Pre-populated with 2021 data and our current medical plans
 - 2021 claims data can be updated to reflect anticipated 2023 needs
 - Covered dependents listed, with ability to update
- Linked from BenefitsNavigator, and employees may use the tool as often as they'd like from October 5 – 26
- Need to return to BenefitsNavigator to make 2023 benefit elections



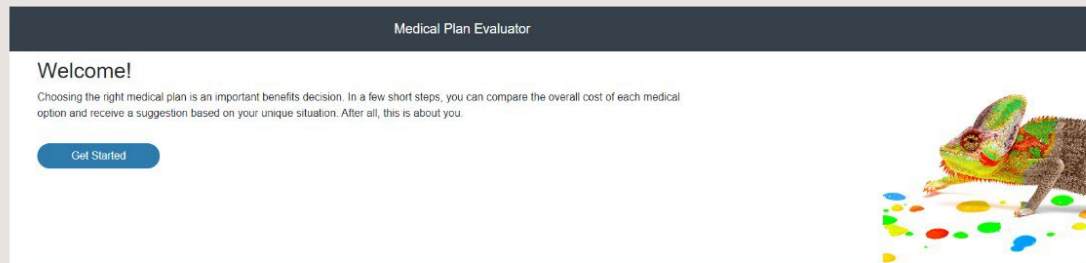
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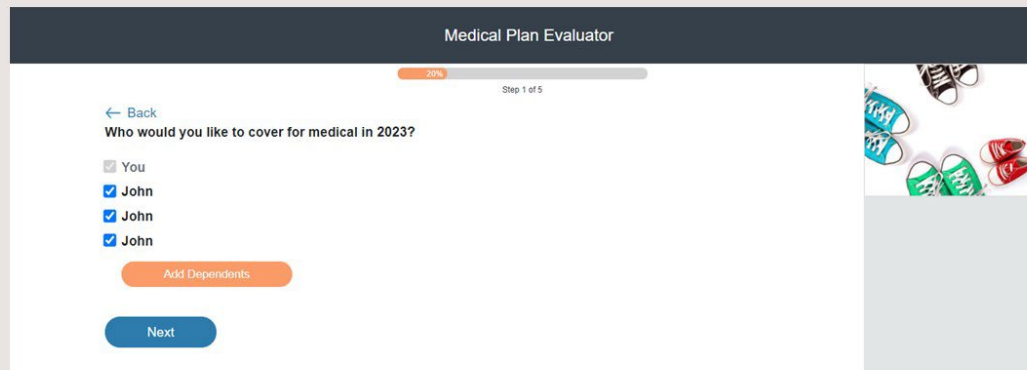
- One tool that can help you understand how the costs of each of your medical plan options work is the Medical Plan Evaluator.
- The Evaluator tool was introduced last year, and it will again be available during Annual Enrollment for 2023 benefits.
- The tool is tailored for BAE Systems employees to create a forecast of what your costs may be based on negotiated discounts in our Cigna national plans and with CVS, as well as other factors related to our plan design features that vary across the plans.
- As you also see here, this year the Medical Plan Evaluator will be loaded with 2021 claims data, adjusted to reflect services that can reasonably be expected to occur from year to year for purposes of anticipating 2023 needs.
- To access the tool, visit BenefitsNavigator and click on the Medical Plan Evaluator tile to get started. Then you may use the tool as often as you like from October 5 through October 26 to help you understand which plan best fits your needs for 2023.
- This is also a good time to remember that you must access BenefitsNavigator to complete your 2023 benefit elections.
- Now let's walk through some of the Evaluator screens and refresh ourselves on how it works.

Medical Plan Evaluator



- Our walk through the tool begins with the welcome screen.
- Next, you'll need to answer a few questions to get started.

Medical Plan Evaluator: Answer a few short questions



The screenshot shows a web form titled "Medical Plan Evaluator" with a progress bar indicating "20%" completion and "Step 1 of 5". The question is "Who would you like to cover for medical in 2023?". The form includes a "Back" link, a list of checkboxes for "You", "John", "John", and "John", an "Add Dependents" button, and a "Next" button. A decorative image of sneakers is visible on the right side of the form.

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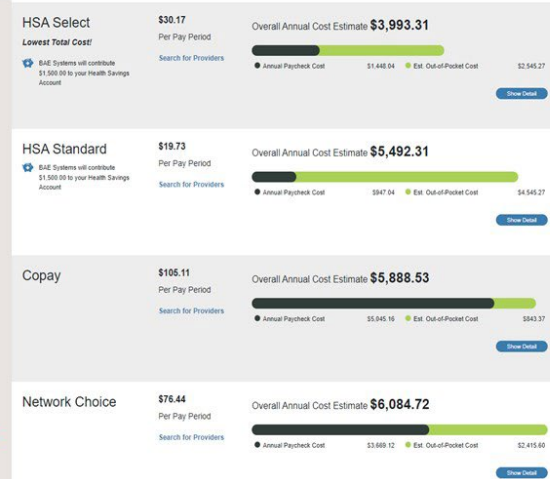
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- First – who will you be covering next year?
- Your covered dependents are pre-populated for you to confirm, and you can add any new members to your family here, too.

Medical Plan Evaluator: Results

- Results page will return listing of available plans with per pay period and overall annual cost estimate details
- The **black** bar portion represents total paycheck costs (your premiums)
- The **green** portion represents estimated out-of-pocket costs (deductible + other costs)
- The plan with the lowest total estimated cost will appear at the top
- You may choose any of the available plans – it's your choice to find the best fit

Note: 2021 data is pre-populated if you were in a Cigna plan for the full year. Adjustments are made to exclude certain items that aren't expected to be repeated annually, e.g., elective surgery, a birth of a child, etc.



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- Once you've stepped through the initial questions, you will be able to run the tool and review your results. We encourage you to run the Evaluator using your pre-loaded 2021 data – assuming you were enrolled in a BAE Systems Cigna plan throughout 2021. If that's not the case for you, then you'll need to customize your anticipated medical plan usage data before projecting your first set of results.
- Based on either the pre-loaded 2021 data or customized data you enter, the tool will rank the medical plan options available to you based on their total overall costs (lowest to highest).
- Within the results for each plan there is a total annual costs bar. The **black** portion of the bar represents your paycheck costs, or premiums. These are the costs you pay whether or not you need care. The **green** portion represents estimated out-of-pocket costs, which is the total of your deductible and any other costs based on your anticipated medical care and prescription needs. Together these **black** and **green** costs represent the total estimated annual cost for you, and they are shown stacked for each plan.
- It's interesting to note on these modeling results that the plan with the lowest per paycheck premiums represented by the smallest black bar – HSA Standard – did NOT rank at the top of the list. And the Copay plan with the highest premiums did not rank LAST. Your plan rankings may be different, and we encourage you to model different scenarios based on whom you plan to cover in 2023 and their potential medical needs.
- During the initial screen pages, the tool also asks you questions to determine your eligibility for an HSA, and if you are eligible, the BAE Systems HSA contributions will be incorporated as an offset to your total annual costs under the HSA plans. Keep in mind that even if you're not eligible to contribute to an HSA, you may still enroll in one of the HSA medical plans.
- One final, important point to keep in mind ... while the tool ranks your plan options, **the choice about which plan to elect is always yours**. The tool is not making a recommendation – it's just helping you understand how the plans stack up for you based on your personalized cost projections.

Medical Plan Evaluator: Making adjustments for 2023

- Tool allows employees to adjust pre-populated data to reflect their anticipated medical care needs for 2023
- 2021 may not have been a typical year in terms of how employees used their medical plan benefits
- Changes in covered family members and planned medical procedures may prompt data changes for 2023 projections
- Taking time to make adjustments for 2023 can improve forecasted costs under the medical plan options and change the rankings
- **IMPORTANT NOTE:** When you customize any data, be sure to customize **ALL** entries – no 2021 data will be used

Medical Plan Evaluator

← Back Save →

We've populated the tables below on your behalf using benchmark data. Please adjust these numbers as you deem fit. You can change your estimates as many times as you like. Your answers will always be kept confidential.

Preventive Care

	Physician/Ref. Visits	Adult Screenings	Child Immunizations
You	1	1	N/A
John	0	1	N/A
John	0	N/A	0

Routine Care Visits

	Primary Doctor	Specialist	Laboratory	Therapy (PT/OT/Speech/Chiro)
You	2	1	0	0
John	2	1	5	0
John	3	1	3	0

Maintenance Prescriptions

	Generic	Brand (Formulary)	Brand (Non-Formulary)
You	0	0	0
John	1	0	0
John	0	0	0

Short-term Prescriptions

	Generic	Brand (Formulary)	Brand (Non-Formulary)
You	0	1	0
John	0	0	0
John	0	0	0

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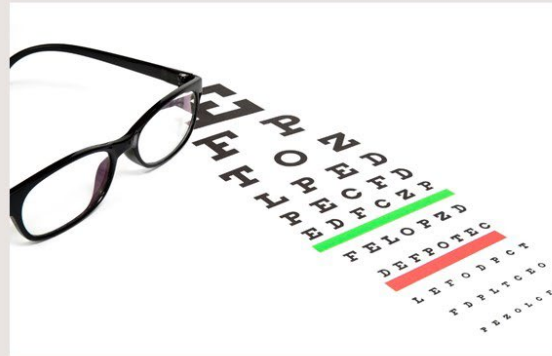
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- After you run the Evaluator with any pre-populated 2021 data, you may want to customize your 2023 forecast.
- Perhaps 2021 wasn't typical in terms of medical plan usage for you and your family, or you anticipate needing a procedure next year. If so, use the 'start over' button and customize your 2023 forecast to see if you get a different result, and feel free to do this as often as you like.
- An important note to consider: when you customize your data, your 2021 data will remain visible on the blue bars for reference. But you will need to enter data into ALL of the white boxes that you want the tool to use in calculating a set of results – none of the original 2021 data will carry over or be used once you customize any element of your data to run a new cost projection.

Medical Plan Evaluator Summary

- Take advantage of the tool beginning Oct. 5 and combine with other resources to help make an informed plan choice
- Online tool allows employees to model their unique healthcare needs and take a close look at their plan choices
- Tool is customized to our medical plan designs and cost structures
- And develop a smart habit of revisiting plan choices during Annual Enrollment each year



No single plan can be right for everyone every year!

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- Again, we encourage you to begin using the Medical Plan Evaluator early to become familiar with your medical plan options, and to help you start thinking about which plan may be the best fit for you well before you need to submit your 2023 enrollment elections.
- That's why the tool becomes available on October 5, a week prior to enrollment opening.
- This tool is supplemented by our Benefits website, plus the materials mailed to your home in late September.
- Remember, no single plan can be the right plan for everyone every year, so develop a smart habit of revisiting your plan choices each year during Annual Enrollment. And your other benefit elections may need updating too!

Company HSA contributions

- Company contributions to employee HSAs will continue for 2023
 - \$750 for employee only coverage
 - \$1,500 for employee plus dependent(s) coverage
- No action required to receive HSA contributions
 - Employees must be eligible to contribute to an HSA
 - Accounts will be opened if employees don't have one
- Maximum employee contributions will be adjusted by company contribution to keep total under IRS limits
- Full amount of company contribution is deposited in January (or when eligible through Sept. 30 for new hires)
- No adjustments for in-year qualified changes or transfers



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- As we reviewed the Medical Plan Evaluator results, we mentioned that company contributions to HSAs would be reflected in the rankings for the HSA plans if you are eligible to contribute.
- Focusing on this important point: employees who enroll in either the HSA Standard or HSA Select plan who are eligible to contribute to an HSA will receive an annual contribution from BAE Systems to their HSA – or Health Savings Account. This company contribution will lower your total annual costs by the amounts shown here based on whom you cover under the HSA medical plans.
- Remember, you don't need to take any action to receive your HSA contribution – BAE Systems will automatically make the contribution to your account in January – and there are no adjustments during the year even if you experience a qualified plan change or transfer within BAE Systems.
- We encourage you to save for your healthcare using an HSA account, but you don't have to contribute in order to receive the company contribution. When you do contribute, be sure to remember the company contribution amount so you remain below the annual IRS limits for HSAs.
- There are some other IRS limitations set for HSAs, and we've mentioned an important one here. In order to receive the company contribution, you must be **eligible** to contribute to an HSA.
- Several factors could mean you are not eligible to contribute, even though you can still enroll in the HSA Standard or HSA Select plans to take advantage of their lower premiums. The most prevalent reason for our employees to **not** be eligible to contribute to an HSA is if they are covered by TRICARE or Medicare. Other questions are included in the Evaluator and on our Benefits website on the HSA page to help you determine if you are eligible for an HSA.
- Most of our employees are eligible to contribute, and the company contribution to your HSA could be a significant factor in considering the two HSA plan options. If you are **not** eligible for an HSA and choose one of the HSA plans, you can still save pre-tax for your health care costs, but only up to annual Health Care Flexible Spending Account limits. These FSAs are different, however, since the funds you choose to contribute to an FSA must be used in the same calendar year. For more details about these HSA and FSA accounts, access benefits.baesystems.com and view the chart that's downloadable there to see how these different types of accounts compare.
- In addition to pre-tax savings in an HSA, another important factor in assessing the best plan for you may be how medications are covered. Let's cover a few more details about the prescription drug coverage in our plans.

Prescription Drug Coverage

All plan options include some cost limits to help employees manage prescription medication costs

- **Under HSA plans:** deductible must be met before prescription cost limits become effective
- **Network Choice and Copay plans** include a unique feature for obtaining certain specialty medications at no cost by enrolling in the PrudentRx program
 - Program only applies to CVS/Caremark specialty pharmacy medications for chronic, progressive conditions
 - Employees who take these medications are encouraged to carefully consider how prescriptions are covered under the plan options
 - Consult the current specialty drug list on caremark.com



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- If you take prescription medications, you know that the costs and how you pay for them can vary depending on your medical plan.
- All of our plan options include caps on the amounts you will pay on different types of drugs to help you better manage your prescription costs.
- However, if you choose HSA Standard or HSA Select, you must meet your deductible amount before the plan starts to pay its portion of your prescription drug costs.
- If you choose the Network Choice or Copay plan, the deductible does not apply, and you will only pay a set copay based on the type of prescription you're filling.
- And for a few of our employees and family members who need certain specialty medications, the Prudent Rx program is available. These specialty medications are prescribed for chronic, progressive conditions, such as multiple sclerosis or rheumatoid arthritis, and they're generally injections dispensed by the CVS pharmacy.
- While less than 1% of our population uses these specialty pharmacy medications, those who need them and enroll in the PrudentRx program under either the Network Choice or Copay plan may obtain them free of charge.
- For our colleagues and their family members who require these medications, we encourage you to check the website for the current specialty medications list in the BAE Systems Prudent Rx program.
- And if your medication is included on the list, carefully consider this prescription drug program that's offered with the Network Choice and Copay plans to help you manage your medication costs.
- Further details about the prescription drug coverage were included in the earlier side-by-side comparison of the plans, and information is also featured on the Benefits website.

A reminder: Health Reimbursement Account (HRA)

- In January 2022, Wellness Incentives were eliminated and HRA balances transitioned to Limited Purpose HRAs
- New process to use remaining balances is managed by Cigna
- Process and eligible expenses differ for two year run-out period

Reminder about legacy Health Reimbursement Accounts

January 1, 2022	HRA balances converted to Limited Purpose HRAs and remained available for participants who enrolled in a Cigna medical plan for 2022 coverage
January 1, 2022 through December 31, 2023	Balances will remain available for up to two years <ul style="list-style-type: none"> • Cigna will manage accounts and reimbursement process • Funds may only be used for dental and vision expenses • Medical expenses incurred in 2021 are eligible for reimbursement
Mid-January 2023	Employees with remaining balances will receive a reminder from Cigna
January 1, 2024	Any remaining HRA funds will be forfeited

- We also wanted to touch on one final health care savings item that may carry over for you in 2023.
- For a select few employees who have a remaining balance in a legacy HRA, this slide covers some important reminders about the transition last year to Limited Purpose HRAs and other upcoming milestone dates for the final 2023 plan year.
- About 3,500 employees still have a balance in their Limited Purpose HRAs (down from about 11,000 last year). For employees with remaining balances, you have until December 31, 2023 to use these funds for eligible dental and vision expenses.
- On January 1, 2024, any remaining HRA funds after filing eligible 2023 expense claims will be forfeited.

Resources & Communications



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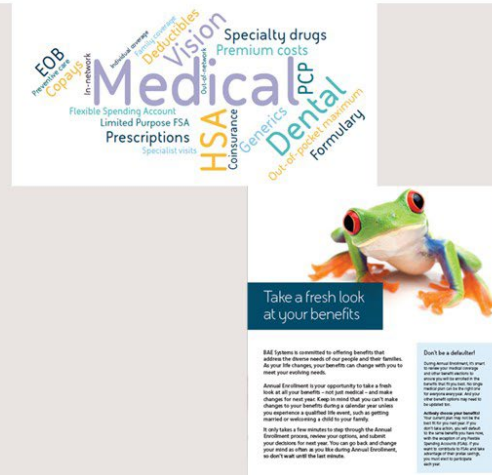
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- Let's now take a few minutes to talk about some other resources and communications that may be helpful during Annual Enrollment this year ...

Annual Enrollment resources

- **Benefits website:** Annual Enrollment materials, terms and definitions, and healthcare savings option reference tables are posted to benefits.baesystems.com
- September **Benefits 101** home mailer
- **Annual Enrollment home mailer**
- **BenefitsNavigator** (linked from the Benefits website)
 - **Medical Plan Evaluator** eliminates employee 'homework' to gather claims history and available 24/7 from October 5 – 26
 - **Chat** support on BenefitsNavigator during Benefit Center hours
 - **Appointments** with Benefit Center counselors to assist employees with complex or special circumstances



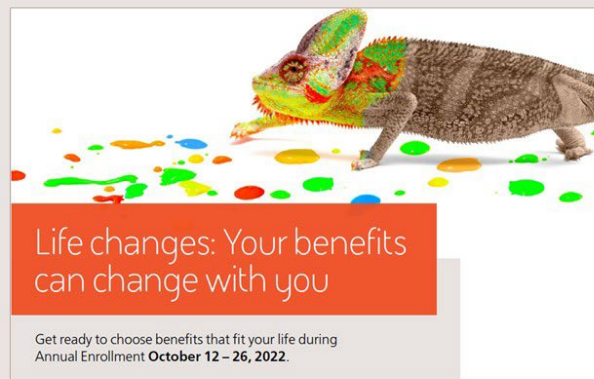
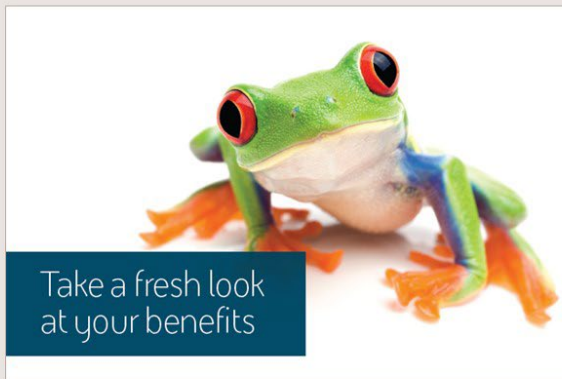
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- In addition to this presentation, our Benefits website is featuring Annual Enrollment materials for employees and their families. The site is available publicly, so you and any family members may view the material at **benefits.baesystems.com** with no password required.
- Be sure to also review the materials that have been mailed to your home, such as the Benefits 101 and Annual Enrollment mailers, which are also available on the Benefits website if you need another copy.
- Once you access BenefitsNavigator, you will be able to link to additional tools and resources. These include the Medical Plan Evaluator we covered earlier, plus access to a Chat feature during normal Benefit Center hours, and plan documents that are linked within the enrollment process flow.
- Employees with complex benefit questions will also be able to request an appointment with a Benefit Center counselor using the online booking site on BenefitsNavigator.
- Email notifications and reminders are also being issued during October at key points in the Annual Enrollment process.

Take note of our 2023 communications



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- The email reminders and other communications will consistently encourage you to take a fresh look and actively enroll in your 2023 benefits. After all, life changes and your benefits can change with you.
- Another key message is “Don’t be a defaulter!”

If you do not enroll or waive coverage by October 26:

Currently enrolled (in a Cigna medical plan)	Not currently enrolled (in a BAE Systems medical plan)
<ul style="list-style-type: none"> If enrolled in a BAE Systems Cigna medical plan today, those who neither enroll nor waive coverage for 2023 will be automatically defaulted into their current medical plan for you and any family members covered today 	<ul style="list-style-type: none"> If not currently enrolled in a BAE Systems medical plan, those who do not take action will continue not to have BAE Systems medical coverage for 2023

IMPORTANT: After October 26, the Medical Plan Evaluator will no longer be available for use to compare plan options, even if you defaulted

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- You are strongly encouraged to review and select benefits that best fit your needs for 2023.
- If you are enrolled in a BAE Systems Cigna medical plan today and you don't enroll in one of our plans or waive coverage for 2023, you will default automatically to enrollment in your current plan for you and any family members you cover today.
- This may not be the best plan for you, which is why we are encouraging you to actively enroll in your benefits during each Annual Enrollment period.
- If you're **not** enrolled in a BAE Systems medical plan today and you don't take any action to enroll, you will continue to have no medical plan coverage from BAE Systems for 2023. That said, we encourage you to take a fresh look at our medical plans and all of your benefit options.

Annual Enrollment Key Milestones

Date	Milestone
Late September	Employees learn about 2023 changes from Annual Enrollment postcard & home mailer
October 5 – 26	Employees can use new Medical Plan Evaluator tool (not available after this date)
October 12 – 26	Annual Enrollment Other support resources are available: <ul style="list-style-type: none"> • Web Chat service on BenefitsNavigator • Oct. 13 – 22: Benefit counselors available by appointment (Tuesday – Friday)
December 30, 2022	Final date to contact the Benefit Center to address defaults or plan election errors
January 1, 2023	2023 Plan benefits become effective

- As we begin to wrap up this presentation, here are some key Annual Enrollment dates and upcoming benefit election milestones.
- We hope you've already started to hear about Annual Enrollment and the key dates from the communications items we just covered.
- Take a closer look at your options by using the Medical Plan Evaluator and projecting the care you'll need next year.
- Then on January 1, 2023, your new benefit coverage will become effective.

Don't miss your opportunity to take a fresh look and enroll

- Be curious and take a fresh look at your benefits every year
- Don't default – actively choose your benefits
- Thank you for taking the time today to learn more about Annual Enrollment for 2023 benefits
- For more details, visit our Benefits website at benefits.baesystems.com



We wish you great health in 2023 and future years!

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- Thank you again for taking time today for this overview of the 2023 medical plans, our tools, and other Annual Enrollment resources.
- We hope this presentation has been helpful in building your understanding of your benefit options.
- This year and in the future, stay curious and take a fresh look at your benefits during each Annual Enrollment opportunity.
- And don't default! Take a few minutes to actively choose your benefits each year to be sure they adapt as your life changes.
- Much of this material is also included in your Annual Enrollment home mailer, and even more details are posted to our Benefits website at benefits.baesystems.com.
- Thank you again for your time, and we wish you great health for the coming years!