

# Annual Enrollment 2025

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



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- Thank you for taking some time today to learn about this year's Annual Enrollment process for your 2025 benefits.
- In particular, we'll cover a few key considerations that we encourage you to keep in mind this year as you consider, compare, and choose your benefits for next year.
- Let's get started with our key objectives for today ...

## Briefing objectives

### Briefing objectives

- Review things to consider for 2025
- Highlight support resources to help employees navigate their choices
- Outline Annual Enrollment timeline and communications materials

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
- Space & Mission Systems

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.

- Our top priority for this presentation is to provide an overview of the Annual Enrollment process and highlight some changes and other things to consider as you make your 2025 benefit elections.
- We'll cover our Cigna medical 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 health 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, Platforms & Services, and Space & Mission Systems 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.

## Highlights to consider for 2025

- 2025 Medical, dental, and vision plans aren't changing, but the right plan for you and your covered family members for next year may be different from what you have now.
- **Remember:** Cigna ID cards won't be issued in 2025, but virtual ID cards will be available
- FSA contribution limits are increasing and remember participants must elect to contribute each year
- 2025 Health Savings Account (HSA) contribution limits are increasing with contribution elections that carry over year to year and can be changed any time
- **New for 2025** – Hinge Health for employees and dependents age 18 and older enrolled in a national Cigna medical plan offering free virtual physical therapy for back, joint, muscle, and pelvic health



- Here are a few highlights for 2025 – we'll go a little deeper into some of these topics later in the presentation.
- First, our medical, dental, and vision plans aren't changing for 2025, but the right plan for you and your family may be different from what you have now. It's smart to review your options every year and make changes when needed to support you wherever life takes you.
- One update for those who enroll in a Cigna medical plan, ID cards won't be issued next year, but virtual ID cards will be available on myCigna.com at the first of the year.
- For 2025, the Flexible Spending Account and Health Savings Account contribution limits are increasing. Don't forget that to participate in a Health Care or Dependent Care FSA, you must actively choose to participate during Annual Enrollment; your current elections do **not** carry forward from year to year. If you elect an HSA medical plan, consider increasing your HSA contributions for next year up to the new IRS limit.
- And one of the main changes we have for next year is a new Hinge Health benefit for those 18 and older who enroll in a Cigna national plan. This new benefit offers **free** virtual physical therapy for back, joint, and muscle care, as well as pelvic health support. Let's go to the next slide to cover a few more details on this new benefit option.

## Free virtual physical therapy through Hinge Health

- Hinge Health offers free virtual physical therapy for back, joint, muscle care, and pelvic health support.
- Employees and dependents age 18 and older who are **enrolled in a national Cigna medical plan** are eligible to take advantage of these personalized services.
- Hinge Health can help reduce pain, improve mobility, recover from an injury, prepare for or recover from surgery and maintain a healthy and pain free lifestyle.



You can join the Hinge Health wait list today by visiting [hinge.health/baesystems-ae](https://hinge.health/baesystems-ae)

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- With the Hinge Health app, you can obtain virtual physical therapy treatment at no cost to you, whenever and wherever you need it. Once you complete your application, you'll have access to an exercise-based therapy program that includes dedicated one-on-one support to help keep you moving!
- Hinge Health can help you reduce pain, improve your mobility, recover from an injury, prepare for or recover from surgery, and maintain a healthier lifestyle.
- The program also includes a pelvic health program that offers support for your unique musculoskeletal needs, addressing all stages of life, from pregnancy and postpartum, through menopause.
- While the program isn't available until the start of the year, you can join the Hinge Health wait list today by visiting [hinge.health/baesystems-ae](https://hinge.health/baesystems-ae).

## Taking care of loved ones – beneficiary updates

- Annual Enrollment is a great time to review and update your beneficiaries
- 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
- Update beneficiary details for all benefits
  - Life and other insurance benefits
  - Any Health Savings Account balances
- 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, just 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 a high deductible, HSA medical plan and you have accumulated an account balance.
- Now that we've talked about some key highlights for 2025, let's take a step back and complete a brief review of the medical plan options and Medical Plan Evaluator, which are all back again this year.

# Our 2025 Medical Plans



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- Let's start our review with our medical plans.

## Our medical plan design

Our key objectives in designing our benefit options are to:

- Provide **meaningful choices to meet the diverse needs** of our employees and their 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)
- Use the national **Cigna network\*** of facilities & providers and offer **comprehensive coverage with preventive care covered at 100%**
- Offer prescription coverage from **CVS Caremark**
- Align to peers so we can **attract and retain top talent**

\* **NOTE:** SMS sector employees in Colorado may also choose the Kaiser Colorado medical and prescription coverage option



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- Our medical plan options have been designed to provide meaningful choices and flexibility that can help our employees and all different types of families address their diverse needs – both in how they expect to use their health benefits and how they will pay for their coverage and care.
  - The plans offer coverage that can meet the individual needs of our employees and families in different life stages as they evolve over time.
  - And, employees have the flexibility to choose how they pay their share of the cost for coverage with medical plans that have been structured to have lower or higher per paycheck premiums in exchange for paying more or less cost out of pocket when care is needed.
- Our plans include features that have been in place for many years:
  - The plans 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, all of our plans continue to cover all preventive care services at 100%, and CVS Caremark continues to be the pharmacy provider
  - And as we look across our industry, we benchmark and work to position our benefit offerings to be competitive and enable us to attract and retain top talent.
  - One important note: for Space & Mission Systems employees located in Colorado, you may choose from the Cigna plans covered in this presentation as well as the Kaiser Colorado medical and prescription coverage. For this presentation, we are focused on our Cigna national medical plans that are most universally available.

## Overview of Inc. HQ/ESS/COE / ES / P&S / SMS Cigna plans

Medical Plans for 2025				
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 Cigna 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 if you enroll in one of these high deductible plans.
- In the next column to the right, we have the Network Choice option, and in the last column you see 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 premium costs 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 a form of prescription cost limits, but note that in the left two columns, these limits only become effective **after** you meet a 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.



## Cigna Plan choices for Inc. HQ/ESS/COE, ES / P&S / SMS 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%	20%
Out-of-Pocket Limit (ind/fam)	\$6,000 / \$12,000	\$4,000 / \$8,000	\$3,000 / \$6,000	\$2,500 / \$5,000
Office Visits PCP/Specialist	20%	20%	10% / 20% depending on provider	\$25 / \$50
Urgent Care	20%	20%	20%	\$50 copay after deductible
Emergency Room	20%	20%	20%	\$250 copay after deductible
Inpatient Care	20%	20%	20%	\$300 copay per admission after deductible
Outpatient Care	20%	20%	20%	\$150 copay per procedure after deductible
<b>Prescription coverage</b>				
<b>Retail</b> (up to 30-day supply)	<b>After meeting deductible, 20% coinsurance, with a max of:</b>	<b>After meeting deductible, 20% coinsurance, with a max of:</b>	<b>Deductible does NOT apply, you pay a copay of:</b>	<b>Deductible does NOT apply, you pay a copay of:</b>
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)
<b>Mail Order</b> (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 2025 there are no material changes in coverage provisions.
- A similar comparison chart plus other information is also available online at [benefits.baesystems.com](https://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.

## 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 2023 data and our current medical plans
  - 2023 claims data can be updated to reflect anticipated 2025 needs
  - Covered dependents listed, with ability to update
- Linked from **BenefitsNavigator**, and employees may use the tool as often during the annual enrollment window.
- Need to return to **BenefitsNavigator** to make 2025 benefit elections



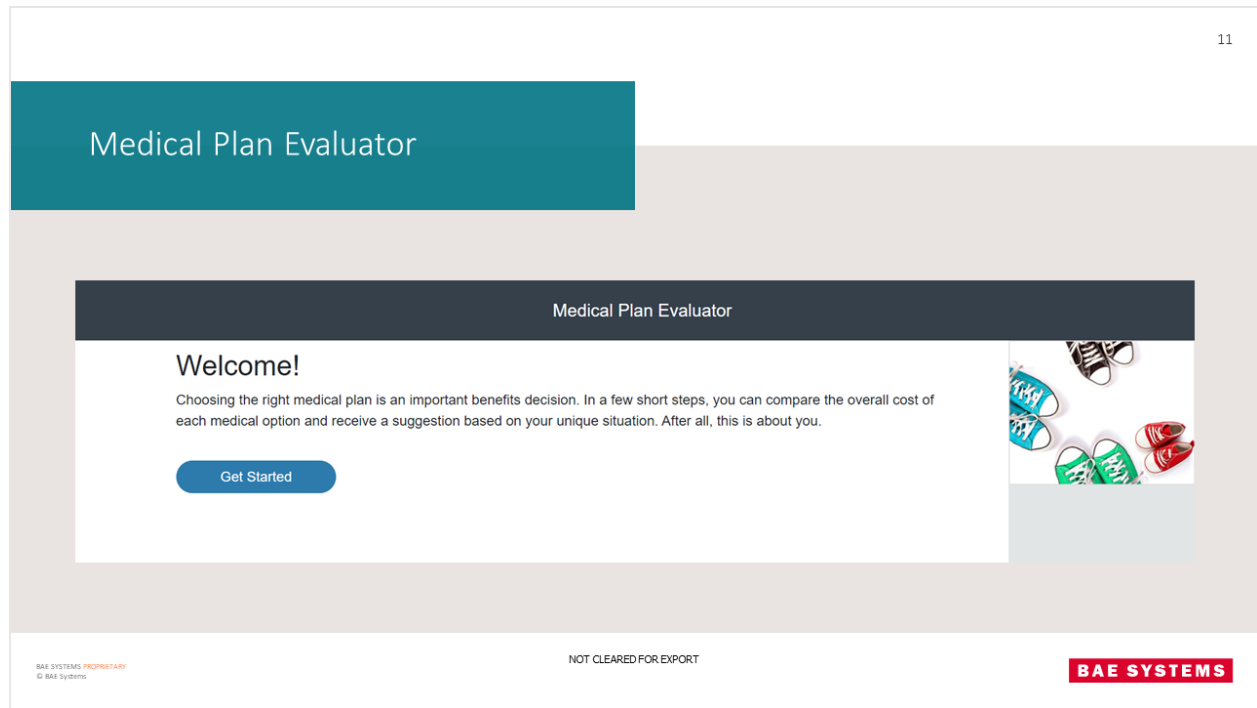
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- One tool that can help you understand how the costs of each of your medical plan options could work for you is the Medical Plan Evaluator.
- The tool is tailored for BAE Systems employees to create a forecast of what your costs may be based on negotiated 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 2023 claims data, adjusted to reflect services that can reasonably be expected to occur from year to year for purposes of anticipating 2025 needs.
- To access the tool, visit **BenefitsNavigator** and click on the Medical Plan Evaluator tile to get started. You may use the tool as often as you like from November 6 through November 20 to help you understand the costs of your 2025 plan options.
- This is also a good time to remember that you must access **BenefitsNavigator** to complete your 2025 benefit enrollment.
- Now let's walk through some of the Evaluator screens and refresh ourselves on how it works.

## Medical Plan Evaluator



The screenshot shows the 'Medical Plan Evaluator' interface. At the top, a teal banner contains the title 'Medical Plan Evaluator'. Below this, a dark grey header also displays 'Medical Plan Evaluator'. The main content area is white and features a 'Welcome!' heading. Below the heading is a paragraph: 'Choosing the right medical plan is an important benefits decision. In a few short steps, you can compare the overall cost of each medical option and receive a suggestion based on your unique situation. After all, this is about you.' A blue 'Get Started' button is positioned below the text. To the right of the text is an image of several pairs of colorful sneakers (blue, green, red, and black). At the bottom of the screen, there is a footer with 'BAE SYSTEMS PROPRIETARY © BAE Systems' on the left, 'NOT CLEARED FOR EXPORT' in the center, and the 'BAE SYSTEMS' logo on the right.

- 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

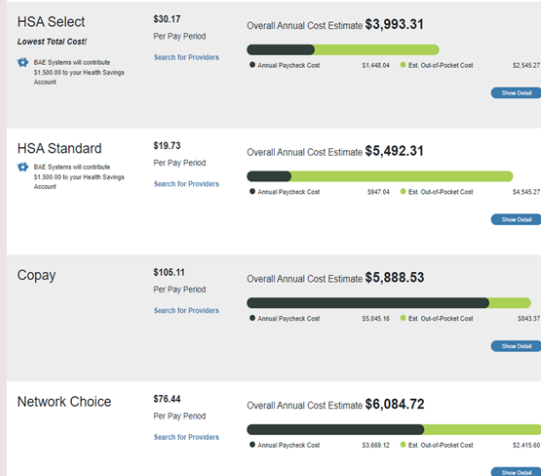
The screenshot shows a web application titled "Medical Plan Evaluator" with a progress bar at 20% and "Step 1 of 5". The main question is "Who would you like to cover for medical in 2025?". There are three checkboxes: "You" (unchecked), "John" (checked), and "John" (checked). Below the checkboxes are two buttons: "Add Dependents" (orange) and "Next" (blue). To the right of the form is a decorative image of various shoes. At the bottom of the page, there is a footer with "BAE SYSTEMS PROPRIETARY © BAE Systems" on the left, "NOT CLEARED FOR EXPORT" in the center, and the "BAE SYSTEMS" logo on the right.

- You'll get started by selecting whom you will be covering next year.
- Your covered dependents from last year are pre-populated for you to confirm, and you can add any new members to your family here, too.
- Once you've stepped through the initial questions, you will be able to run the tool and review your results.

## Medical Plan Evaluator: Results

- Results page will return a 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:** 2023 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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- These sample results cover the four Cigna medical plans – but all the plans available to you will be shown in your results. We encourage you to run the Evaluator using your pre-loaded 2023 data – assuming you were enrolled in a BAE Systems Cigna plan throughout 2023. If this isn't the case for you, you'll need to customize your anticipated medical plan usage data before projecting your first set of results.
- Based on either the pre-loaded 2023 or customized data you enter, the tool will rank your medical plan options based on their total overall costs (lowest to highest).
- Within the results for each plan there is a total annual costs bar made up of two parts. The **black** portion of the bar represents your paycheck costs, or premiums – you pay these costs whether or not you need care. The **green** portion represents estimated out-of-pocket costs, which is the total of your deductible and other expenses 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, which has the highest premiums (or the longest black bar) of the four plans, did not rank LAST. This is because the results are calculated based on your projected medical plan usage – which includes both the premiums AND your deductibles and out-of-pocket costs combined based on the different plan designs and cost structures.
- During the initial screen pages, the tool also asks 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.
- Your plan rankings may be different, and we encourage you to model different scenarios based on whom you plan to cover in 2025 and their potential medical needs.
- 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 only intended to help you understand how the plans stack up based on your personalized cost projections.

## Medical Plan Evaluator: Making adjustments for 2025

- Tool allows employees to adjust pre-populated data to reflect their anticipated medical care needs for 2025
- 2023 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 2025 projections
- Taking time to make adjustments for 2025 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 2023 data will be used

Medical Plan Evaluator

See file

← Back  
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/Well Visits	Adult Screenings	Child Immunizations
You	1	1	NA
John	0	1	NA
John	0	NA	0

**Routine Care Visits**

	Primary Doctor	Specialist	Laboratory	Therapy (PT/OT/Speech/Chiro)
You	2	1	8	0
John	2	1	5	0
John	3	1	3	0

**Maintenance Prescriptions**

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

**Short-term Prescriptions**

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

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- After you run the Evaluator with any pre-populated 2023 data, you may want to customize your 2025 forecast.
- Perhaps 2023 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 2025 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 2023 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 2023 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 during the annual enrollment window 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
- Develop a smart habit of revisiting your plan choices during Annual Enrollment each year



No single plan can be the right one for everyone every year!

- Again, we encourage you to use the Medical Plan Evaluator to assess your options and decide which plan may be best for you.
- This tool is supplemented by information posted to our Benefits website, plus the enrollment guide that was mailed to your home in late October.
- 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 continue for 2025:

- \$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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- If you choose to enroll in either the HSA Standard or HSA Select plan, BAE Systems will contribute to your HSA – or Health Savings Account.
- This company contribution will lower your total annual costs by the amounts shown here.
- Most importantly, you do not need to take any action to receive this HSA contribution – BAE Systems will automatically make the contribution to your account in January, and there are no adjustments during the year if you experience a qualified plan change or transfer within BAE Systems.
- And while we encourage you to take advantage of saving for your healthcare using an HSA account, 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 our employees are **not** eligible to contribute to an HSA is if they are covered by TRICARE or Medicare. A few other qualifying questions are included online to help you determine if you're eligible for an HSA.
  - If you are not eligible to contribute to an HSA, BAE Systems cannot provide you with the company contribution.
  - Again, most of our employees are eligible, and this company contribution to your HSA could be a significant factor in considering the two HSA plan options.
- Next, let's cover a few more details about the prescription drug coverage ...



## 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** includes 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](http://caremark.com)



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- If you need prescription medications, you know that the costs and how you pay for these prescriptions can vary depending on your medical plan.
- Our plan options include caps on the amounts you will pay on each type of drug to help you better manage your prescription costs.
- If you choose HSA Standard or HSA Select, which are high deductible plans, you'll need to meet the deductible 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 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 shown here for the current list of specialty medications included in the BAE Systems Prudent Rx program.
- If your medication is included on the list, be sure to carefully consider this prescription drug program that is 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 other information is featured on the Benefits website.

## Resources & Communications



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- We've already discussed the Medical Plan Evaluator tool, but let's take a more comprehensive look at the resources and communications that are available to you during Annual Enrollment this year ...

## Annual Enrollment resources

- Annual Enrollment home mailer
- Benefits website covering benefit options and changes for 2025, plus healthcare savings and spending account references

### Additional tools and resources:

- Medical Plan Evaluator allows employee to compare costs of medical plan options based on 2023 claims history; available 24/7 during annual enrollment
- Chat support on **BenefitsNavigator** while in enrollment workflow during Benefit Center hours
- **Appointments** with Benefit Center counselors to assist employees with questions or special circumstances



- Be sure to read and review the printed materials mailed to your home, including the Annual Enrollment guide pictured here.
- For more details about our benefit plans and highlights for 2025, access the Benefits website at **benefits.baesystems.com**
- The Medical Plan Evaluator will be available throughout the Annual Enrollment period from November 6 - 20
- On **BenefitsNavigator**, you have access to a Chat tool during normal Benefit Center hours. This may provide a faster response, since call wait times for Benefit Center representatives may be longer during Annual Enrollment.
- And for employees who have questions about Annual Enrollment or need to address complex benefit issues, consider making an appointment with a Benefit Center counselor using the online booking site accessible from **BenefitsNavigator**.

## 2025 AE Communications Themes

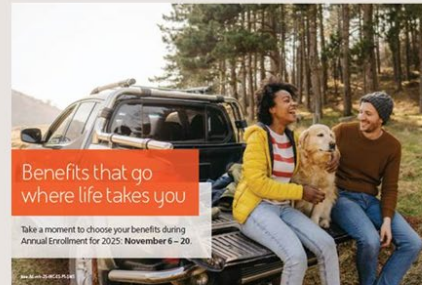
### Benefits that go where life takes you

- Review all your benefits – not just medical – to choose the 2025 benefits that will best support your journey next year.



### Take a moment to choose your benefits

- Even if you think your current plan is best for you, it's smart to step through the enrollment process and see if any adjustments might better your needs in the upcoming year.




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- Each year we create key themes and imagery to engage employees in this important, once-a-year opportunity and also tie together our Annual Enrollment campaign.
- For 2025, Annual Enrollment is all about choosing benefits that can go where life takes you. Throughout your life's journey, things will change, and no matter which path you're on, your benefits can support you along the way.
- A secondary theme is focused on taking a few moments – it doesn't take long – to actively review and choose the benefits that will best fit the needs of you and your family members next year.
- Throughout the communications campaign, you will see messaging to encourage you to compare your options and take action to enroll!
- **Don't default** – actively choose to waive or enroll in your 2025 benefits!

## If you do not enroll or waive coverage by November 20:

Currently enrolled (in a Cigna medical plan)	Not currently enrolled (in a BAE Systems medical plan)	Final deadlines to make corrections
<ul style="list-style-type: none"> <li>If enrolled in a BAE Systems Cigna medical plan today, <b>those who neither enroll nor waive 2025 coverage will automatically default to their current medical plan</b> for current covered family members</li> <li>After November 20, the Medical Plan Evaluator will no longer be available for use, even if you defaulted</li> </ul>	<ul style="list-style-type: none"> <li>If you're not currently enrolled in BAE Systems benefits, those who do not take action will continue to not have BAE Systems medical coverage for 2025</li> </ul>	<ul style="list-style-type: none"> <li><b>Confirmation statement errors?</b> Employees will have until year end 2025 to make corrections to their medical plan election for 2025</li> <li><b>By calling the Benefit Center by December 31, 2025</b> (the last business day of the year),</li> <li><b>Online on BenefitsNavigator no later than December 31, 2025</b> using the enrollment tile</li> </ul>
<p><b>IMPORTANT:</b> Employees are strongly encouraged to select benefits that will best fit their needs for 2025 and check their confirmation statement for accuracy in case corrections are needed.</p>		
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- We're confident that you will take action and either enroll or waive coverage for 2025 by the November 20 deadline. But just so you know what happens if you don't ...
- As you can see here, **if you are currently enrolled** and don't take action, you will default to the same coverage you currently have, with the exception of any FSA elections that cannot carry over from year to year to help you pay for your eligible benefit expenses.
- **If you are not currently enrolled** in our benefits and don't take action, you will continue to not have BAE Systems benefit coverage in 2025.
- If you receive your confirmation and identify an error or need to make a correction to your elections, please note that you have until year-end to make these corrections. Note that you must contact the Benefit Center to submit these changes, and we recommend that you don't wait until the last day when hours may be limited on New Year's Eve.
- The last day to call with changes is December 31, 2024, or you may make online corrections on BenefitsNavigator no later that same day.

## Annual Enrollment key milestones

Date	Milestone
Late October	Employees learn about 2025 changes from Annual Enrollment home mailer
November 6 - 20	Annual Enrollment Other support resources are available: <ul style="list-style-type: none"> <li>• Benefits website materials posted (<a href="https://benefits.baesystems.com">benefits.baesystems.com</a>)</li> <li>• Medical Plan Evaluator tool</li> <li>• Web Chat service on BenefitsNavigator</li> <li>• Benefits Center appointments</li> </ul>
January 1, 2025	2025 Plan benefits become effective

- These are the major milestones and dates for Annual Enrollment.
- You have already started to receive Annual Enrollment communications in advance of the November 6 – 20 enrollment period.
- In late October, employees will receive their Annual Enrollment home mailer, which is supported by additional information about the 2025 benefit options posted to the Benefits website.
- To help employees compare their medical plan options, the Medical Plan Evaluator will be available throughout Annual Enrollment– allowing employees to view their 2025 premiums for each plan option.
- Medical plan premiums are based on salary bands. The band under which an employee falls is calculated using an employee's salary in the Benefit Center's system as of October 2, and is fixed for the 2025 calendar year. This means that an employee's salary band will not change during 2025 even if their salary changes.
- 2025 benefits will become effective on January 1, 2025.

## Don't miss your opportunity to evaluate your options and enroll

- Take time to review your benefits every year
- Don't default – actively choose your benefits
- Thank you for joining us today to learn more about Annual Enrollment for 2025 benefits
- For more details, visit our Benefits website at [benefits.baesystems.com](https://benefits.baesystems.com)



We wish you great health now and in the future!

- Thank you for taking time today for this overview of the 2025 benefits, 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, plan ahead and schedule some time to take a fresh look at your benefits and think about what might be changing for you in the coming year.
- Don't default! Actively choose your benefits during each Annual Enrollment opportunity 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](https://benefits.baesystems.com).
- Thank you again, and we wish you great health now and in the future!