TRANSFORMCO

Annual Enrollment 2026 Overview

What's New and Changing

October 29th and 30th

Agenda

Annual Enrollment

- AE Communication Timeline
- What is Annual Benefits Enrollment?
- 2026 Annual Benefits Enrollment Overview
- Eligibility
- Is Action Required?
- Dual Enrollment
- Suggestions On How To Prepare
- Additional Items for Consideration

What's New and Changing for 2026?

- eGuide
- Hawaii Medical Plans transitioning to all Kaiser Permanente plans, replacing HMSA plans
- Long-term Disability Evidence of Insurability (EOI) – 2026 Annual Enrollment one time only – no EOI for late entrants
- MetLife Supplemental Medical Plans – new Connected Benefits for BCBS members
- Health Savings Account (HSA) Plan Contribution Limit Changes
- Reimbursement Plan Contributions Changes (FSA Health Care/ Limited FSA)
- 401(k) Savings Plan Limit Changes
- New 401(k) Savings Plan High Earner Catch Up contributions must be made on a Roth 401(k) basis

Review of Current Benefits

Get Ready To Enroll!

- Annual Enrollment Checklist
- Resources
- Reminder – Online Annual Enrollment Nov. 5– Nov. 19
- Have Questions or Need Assistance?

Questions

Appendix

2026 Annual Enrollment

What is Annual Benefits Enrollment?

The Annual Benefits Enrollment Period

This is a once per year opportunity for eligible associates to enroll in, make changes to, or opt-out of most benefit plans for the upcoming year.

This is the only time you are eligible to make changes unless you have a qualifying life event, such as a family or employment change.

What's a Qualifying Life Event?

A qualifying event that allows for a special enrollment period outside of annual enrollment.

Example of Qualifying Life Events (not inclusive):

- Change in marital status
- Birth of child/Adoption
- Change in employment
- Change in dependent eligibility due to plan requirements (e.g., loss of student status, age limit reached)
- Change in residence (e.g., associate or dependent moves out of plan service area)
- Change in coverage of spouse or dependent under another employer plan (e.g., spouse's employer had no insurance coverage before but now offers a plan)
- Judgments, decrees or orders
- Entitlement to Medicare or Medicaid

2026 Annual Benefits Enrollment Overview

- **Enrollment Period:**
  - November 5 – 19, 2025

- **Enrollment Type:**
  - **Active –** All associates must actively enroll to have the following benefits in 2026:
    - Medical Coverage
    - Reaffirm/update Tobacco Use Status (default results in Tobacco Use Surcharge applied)
    - Reaffirm/update Spousal Surcharge Elections (default results in Spousal Surcharge applied)
    - Dental Coverage
    - Vision Coverage
    - Flexible Spending Accounts (Healthcare & Dependent Care)
    - Health Savings Account

- **Dual Enrollment:**
  - There will be salaried associates who will need to enroll twice – 1. as a new hire for 2025 benefits and 2. during Annual Enrollment for 2026 benefits

- **Enrollment Site: www.88sears.com**
  - **Quick Links**
    - Health Benefit Center
    - Financial – 401(k) Benefit Center

- **Enrollment Resources:**
  - Annual Enrollment Guide
  - Enrollment Reference Document
  - Annual Enrollment Poster
  - Enrollment Checklist
  - Annual Enrollment Presentation
  - FAQ’s with Talking Points
  - 2026 Benefits at a Glance

Eligibility

	Full-time Salaried *Eligible Date of Hire	**Full-time Hourly** *Eligible after 90 days of employment	**Part-time Hourly (avg. 20+ hours)** *Eligible after 90 days of employment
Medical Plans	✓	✓	X
Dental Plans	✓	✓	✓
Vision Plans	✓	✓	✓
Health Savings, Flex Spending and Commuter Benefit Accounts	✓	✓	X
Whole Life with Long Term Care	✓	✓	✓
Basic Life Insurance	✓	✓	X
Optional Life and AD&D Insurance	✓	✓	✓
Supplemental Medical Plans (Critical, Accident, Hospital)	✓	✓	✓
Short-term Disability	✓	✓	X
Long-term Disability	✓	✓	X
401(k) Savings Plan	✓	✓	✓
Employee Assistance Program (EAP)	✓	✓	✓ (after a year of service)

*You must enroll within 31 days of your Date of Hire regardless of your benefits eligibility date

Is Action Required?

Annual Enrollment is "ACTIVE" meaning you are required to take action if you would like to continue certain benefits into 2026. Below is a listing of benefits that require action and those that do not – please review carefully.

Benefits that "Require Action"

- Medical Coverage
  - Reaffirm/update Tobacco Usage Status (*default results in Tobacco Use Surcharge applied*)
  - Reaffirm/update Spousal Surcharge Elections (*default results in Spousal Surcharge*)
- Dental Coverage
- Vision Coverage
- Flexible Spending Accounts
  - Healthcare Flexible Spending Account
  - Dependent Care Flexible Spending Account
- Health Savings Account

Benefits that Do Not Require Action

- Optional Life and AD&D
  - Associate coverage
  - Spouse coverage
  - Child(ren) coverage
- Long-term Disability
- 401(k) Savings Plan
- Allstate Group Whole Life with LTC -
- Supplemental Medical Plans
  - Hospital Care
  - Accidental Injury
  - Critical Illness

Dual Enrollment

Salaried associates are eligible for benefits on their Date of Hire and must enroll in 2026 benefits in the Benefit Center (Businessolver) portal during the Annual Enrollment event November 5, 2025 running through November 19, 2025.

Salaried Example:

DOH October 30, 2025 (benefits effective date of hire)

- Step 1 – enroll in benefits effective 10/30/25 in the Health Benefits Center between and 10/30 and 11/19
- Step 2 – enroll in benefits effective 1/1/26 during the Annual Enrollment event 11/5 – 11/19 in the Health_Benefits Center

Hourly associates with a hire date of ***October 3, 2025 or later*** will be presented with 2026 plans and rates as part of their New Hire enrollment process. They will not need to complete the Annual Enrollment event to have benefits coverage in 2026.

Hourly Example:

DOH October 16, 2025 – (benefits effective after 90 days of employment)

- enroll in benefits effective 1/14/2026 in the Health_Benefits Center;
- enrollment must be completed within the 31-day enrollment window open through 11/16/2025

Suggestions On How To Prepare

Make Choices that Fit your Needs

Your Responsibilities During Annual Enrollment:

- Review all communications regarding Annual Enrollment
- Educate yourself on plan offerings
- If you are thinking about participating in an FSA consider your past expenses carefully to avoid potentially forfeiting unused funds
- If adding a dependent make sure you have proper documents available to complete the dependent verification process.
- Do you have a beneficiary on file? Now is the perfect time to review your beneficiaries and make necessary updates.
- Ensure your changes or updates have been properly submitted by the deadline – November 19, 2025
- Some things to consider when evaluating your benefit elections are: Monthly Premium, Provider networks, Deductible, Coinsurance, and Copays; Prescription coverage and costs and estimated out-of-pocket costs

What's New and Changing for 2026?

2026 Annual Enrollment Benefits eGuide

Available October 20, 2025

Explore Your Benefits with the new 2026 Interactive eGuide

Our interactive Benefits eGuide continues to provide you with convenient and engaging way to explore your benefits. You can easily access all the essential information about your benefits in both English and Spanish by visiting:

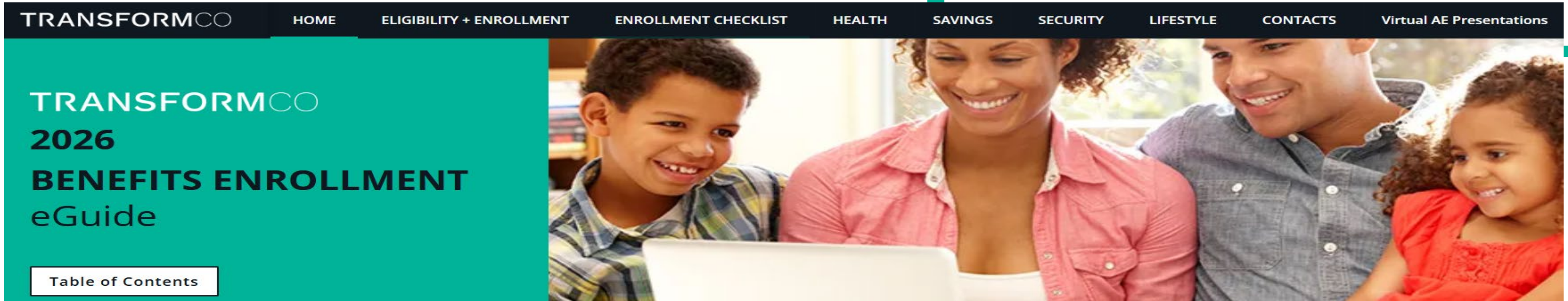
www.TransformcoBenefitsGuide.com

The eGuide allows you to seamlessly connect with the information you need to make well-informed decisions about your benefits. It includes clickable links to flyers, embedded videos, and more! The eGuide is compatible with both desktop and mobile devices, ensuring convenient access from anywhere.

Explore the New Monthly Benefits Resource Highlights in the Lifestyle category

eGuide – Table of Contents

HEALTH	SAVINGS	SECURITY	LIFESTYLE
Medical	Health Savings Account	Term Life Insurance	Adoption Assistance
Prescription Drugs	Flexible Spending Account	Accidental Death & Dismemberment Insurance	Tuition Assistance
Dental	Commuter Benefits	Disability	Everyday Benefits
Vision	Savings Plan - 401(k)	Business Travel Accident Insurance	Associate Discount Programs
Supplemental Medical		Whole Life with Long-Term Care	Sears Protect Home Warranty
Employee Assistance Program			Shop Your Way Program

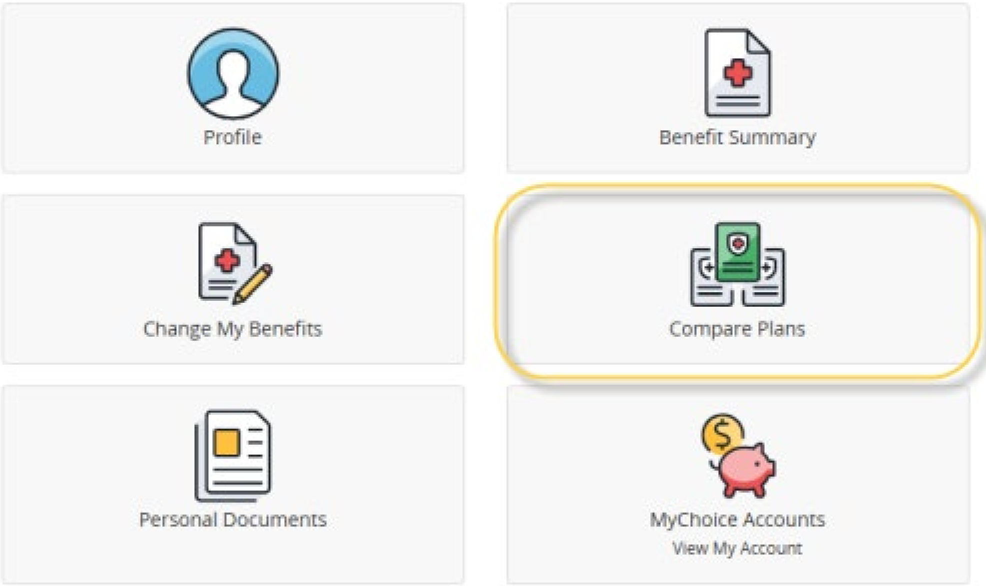


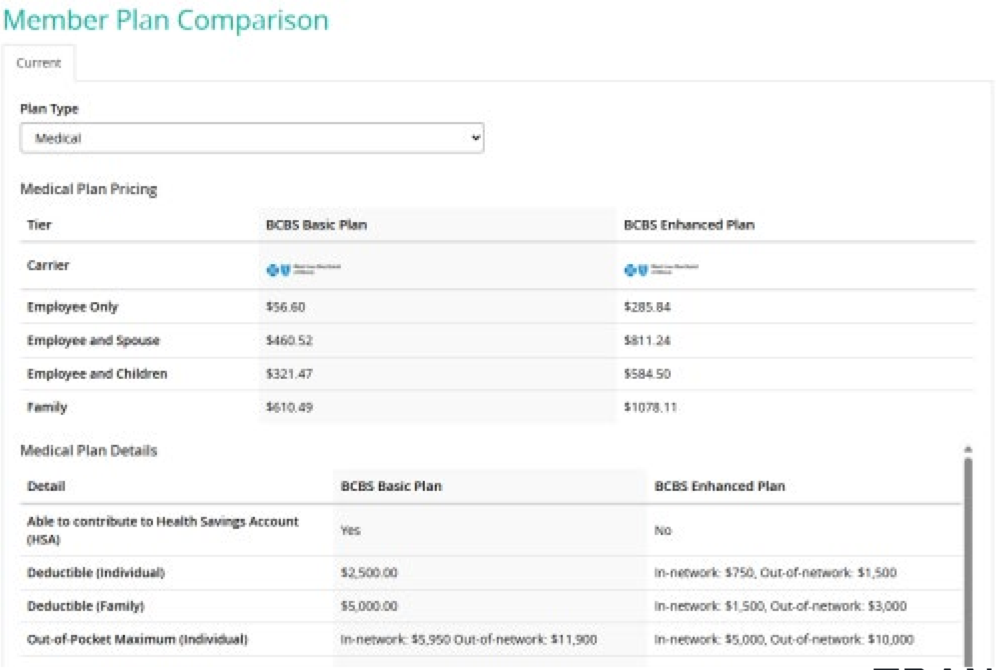
Medical Plan Reminders

Effective January 1, 2026

Most of the medical plans have increased in cost for 2026, rates will be available to review in the portal on November 5th.

In the Benefitsolver portal, click on the Compare Plans button to see a side by side comparison of Medical, Dental, and Vision plans that are available to you. Costs shown are base prices per pay period with no credits or surcharges applied.





Member Plan Comparison

Current

Plan Type

Medical

Medical Plan Pricing

Tier	BCBS Basic Plan	BCBS Enhanced Plan
Carrier		
Employee Only	$56.60	$285.84
Employee and Spouse	$460.52	$811.24
Employee and Children	$321.47	$584.50
Family	$610.49	$1078.11

Medical Plan Details

Detail	BCBS Basic Plan	BCBS Enhanced Plan
Able to contribute to Health Savings Account (HSA)	Yes	No
Deductible (Individual)	$2,500.00	In-network: $750, Out-of-network: $1,500
Deductible (Family)	$5,000.00	In-network: $1,500, Out-of-network: $3,000
Out-of-Pocket Maximum (Individual)	In-network: $5,950 Out-of-network: $11,900	In-network: $5,000, Out-of-network: $10,000

Medical Plan Reminders

Ongoing January 1, 2026

Medical Dependent Tier Subsidy

- Provided as additional overlay of dollars to the eligible associate electing EE+SP, EE+CH or FAMILY coverage – offered to Tech and Non-tech.

Teladoc Virtual Primary Care offering for BCBS Basic and Enhanced Plans

- **Important Note:** MDLive will continue to be the Virtual Care offering for the BCBS HPN Plan in 2026
- You can schedule primary care visits through Teladoc at times that are convenient for you. Your Virtual Primary Care team can assist with everything from colds to scheduling preventive care appointments.

Reduce your healthcare costs by taking advantage of available plans

- Preventive care annual checkups are 100% covered by your plan.
- HSA and Healthcare FSA plans save you money by contributing pre-tax dollars that are not taxed when used for qualified expenses.
- Supplemental Medical plans are a cost- effective way to provide financial support when you have a covered event. The plans also provide Health Screening Benefits when you complete routine health screenings.

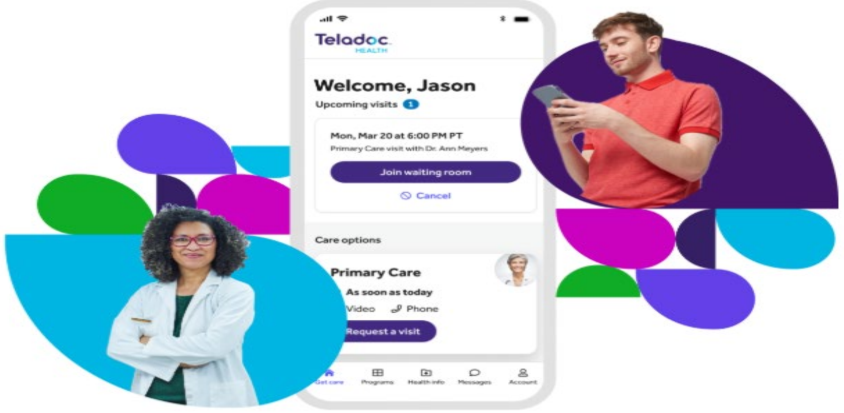
2026 Benefits eGuide – www.TransformcoBenefitsGuide.com

Teladoc Health – Virtual Primary Care

Teladoc HEALTH | TRANSFORMCO

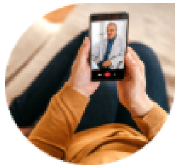
Become your healthiest self with Primary360

Register now



You now have access to Primary360, a new primary care benefit made available through Blue Cross and Blue Shield of Illinois so you can take care of every bit of your health, body and mind with ease.

With Primary360, you can:



Choose your provider

Book a visit and meet with a board-certified provider of your choice from the comfort of your home.

Schedule a visit →

Access healthcare on your terms

Get lab orders, prescriptions and referrals to in-person specialists if needed

Get a referral →

Get support from your dedicated Care Team

Work toward a healthier you with a dedicated Care Team and a plan to reach your health goals.

Message your Care Team →

Hawaii Medical Options - Kaiser

Beginning January 1, 2026

Kaiser will offer 2 Medical Plans for Hawaii associates

- The Kaiser Basic Plan (KP220), Employee Only medical tier will be the state mandated $0.00 premium plan. This plan is a base level plan that offers affordable care.
- The Kaiser Enhanced Plan (KP420) is a more robust plan at a slightly higher cost.

- Both plans are available with a reduction in associate cost compared to plans offered by HMSA.

What this means for you: In 2026, associates who were previously enrolled in a plan offered by HMSA will be required to move to Kaiser for coverage. The Hawaii associates were sent full plan design communications by email and a mailing to their home address on file.

- The disruption to the associate was carefully assessed, access to care locations and hospitals are within reach.

Long-term Disability Insurance – NO EOI required

Long-Term Disability Insurance

No Evidence of Insurability Required during the 2026 Annual Enrollment cycle – one time only offering.

Pays a portion of your income if you can't work for an extended period because of an illness or injury.

Schedule of Benefits (Salaried)	Benefit
Elimination Period	The earlier of the exhaustion of short term disability benefits or 140 days within a 52 week period.
Gross Disability Benefit	The lesser of 60% of your monthly Covered Earnings rounded to the nearest dollar or your Maximum Disability Benefit.
Maximum Disability Benefit	$12,500 per month.
Minimum Disability Benefit	$100 per month

Schedule of Benefits (Full-time Hourly)	Benefit
Elimination Period	The earlier of the exhaustion of short term disability benefits or 140 days within a 52 week period.
Gross Disability Benefit	The lesser of 50% of your monthly Covered Earnings rounded to the nearest dollar or your Maximum Disability Benefit.
Maximum Disability Benefit	$10,417 per month
Minimum Disability Benefit	$100 per month

Contact New York Life
Online at myNYLGBS.com
(800) 828-6352 or
(866) 562-8421 (Español)

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MetLife Supplemental Medical – New & Changing

Effective January 1, 2026

Connected Benefits

- Associates who are enrolled in BCBS Medical Plans will be able to opt in to Connected Benefits. This enhancement allows MetLife to connect with BCBS and automatically file and submit claims on behalf of the associate when a covered event occurs.

Health Screening Benefits

- All 3 MetLife Supplemental Medical plans have provisions to pay associates when they have completed a covered health screening or test.
- Health Screening Benefits are available to each covered member one time in a calendar year.
- If covered members are also enrolled in Transformco's Dental plan through MetLife, routine visits to the dentist will automatically initiate a Health Screening Benefit claim for all Supplemental Medical plans the associate is enrolled in.

Supplemental Medical Options - MetLife

Supplemental Medical Options			
Plan Features	**Accident Insurance**	**Hospital Care**	**Critical Illness**
Coverage	Fracture, Burn, Ligament Damage, Concussion, +	Expenses associated with a qualifying hospitalization	Heart Attack, Stroke, Cancer, End Stage Renal Failure, +
Options	X	X	$10,000, $20,000, or $30,000
Guaranteed Acceptance	✓	✓	✓
Payment of Benefit	Payment made directly to you	Payment made directly to you	Payment made directly to you
Family Coverage	✓	✓	✓
Portable Coverage	✓	✓	✓

MetLife

What is supplemental insurance?

Supplemental insurance is additional coverage to your primary health plan.

Visit MetLife

Claim Assistance

Contact MetLife
1-800-438-6388

MetLife Connected Benefits

Effective January 1, 2026

Connected Benefits Email Authorization Sample

2026 Savings and Spending Account Limits

Health Savings Account (HSA)

Individual	Family	Catch-up
$4,400	$8,750	$1,000

Flexible Spending Accounts (FSA & DCFSA)

Healthcare FSA	Healthcare FSA Carryover	Dependent Care FSA
$3,400	$680	$7,500

An HSA Plan can only be paired with a High Deductible Health Plan (HDHP)

(*Transformco's HDHP is called Basic*)

All associates enrolled in the Basic HDHP and elect to contribute to the HSA are eligible to receive an employer matching contribution:

Individual

Contribute $250-499 for a $250 match

Contribute $500-749 for a $500 match

Contribute $750 or more for a $750 match

Family

Contribute $1,000-1,499 for a $1,000 match

Contribute $1,500 or more for a $1,500 match

2026 Commuter Benefit Program and Account Limits

Commuter Benefit:

Transform provides a way for associates to save on work-related commuting expenses through the Commuter Benefit Program.

The program allows you to pay for eligible commuting expenses with pre-tax dollars.

Questions	Commuter Benefit
What is covered?	• Public Transportation – Bus-Train-Subway-Fairy • Vanpool, UberPool, Lyft Shared (not a single rider Uber or Lyft) • Parking – at or near work or near public transportation you use to get to work
How does the program work?	When you enroll, you select whatever transit product or payment method you need for your monthly commute. You can elect transit or Parking and select pre-paid or reimbursement method.
Pre-tax Benefits	You may receive pre-tax benefits up to limits established by the Internal Revenue Service. For 2026, the combined limit for transit and/or vanpooling expenses is **$340** per month, and the limit for qualified parking expenses is **$340** per month.

What is a Health Savings Account?

A Health Savings Account (HSA) is a personal investment account that you own. You can use it to save money, federal income-tax–free, to pay for qualified medical expenses. When you have medical expenses, including those that may apply to your deductible, you can choose to pay for them using the money in your HSA. Or, you can save the money for a future need – even into retirement.

The advantages of an HSA if you select a High Deductible Health Plan (HDHP)

1. Triple Tax Advantage:
   - Contributions that you make to the HSA can be tax-free for you.
   - Interest and investment earnings on your HSA balance are not taxed.
   - Withdrawals used to pay for qualified medical expenses are not taxed.
2. Portable: Your money rolls over year after year and the account is yours to keep, even if you leave the company or retire.
3. Your HSA can be a tool for saving for retirement: investing part or all of your HSA balance makes your money work even harder – potentially growing tax-free for future health expenses.

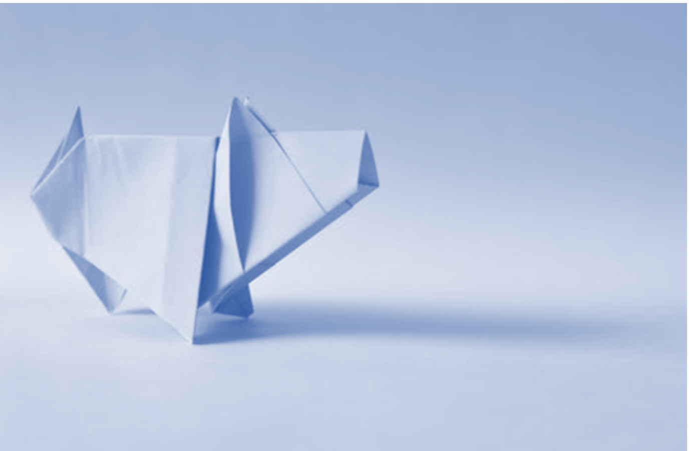
What is a Flexible Spending Account?

An FSA allows you to have a set amount taken from your pay before taxes, which lowers your income tax. The money is put into an account you use to reimburse yourself for eligible expenses.

Transformco offers two kinds of FSAs:

- The **Health Care FSA** is used to pay for most out-of-pocket medical, vision, and dental care expenses for you and your eligible dependents.
- The **Dependent Care FSA** is for eligible day care expenses for a dependent child under the age of 13, or elder care for a dependent adult, while you work.

You can enroll in one type of FSA or both. You contribute tax-free dollars to your FSA(s) through payroll deductions.



Determine How Much to Contribute

Determine the annual contribution you want to make to a Health Care account for health, vision, or dental care for you and your dependents, and/or a Dependent Care account for daycare expenses. Only expenses incurred on or after your effective date of coverage are reimbursable from your FSA. There is a roll-over feature of up to $680 for 2026, however funds remaining over that amount will be forfeited.

MyChoice Accounts Administration

MyChoice Accounts is your vendor for all spending accounts;

- Health Savings (HSA)
- Flex Spending Account (HFSA and DFSA)
- Commuter Benefits

Access them directly through Benefitsolver or the MyChoice® Mobile App, where you enroll in and manage all your benefits.

New enrollees will receive a MyChoice Accounts debit card after completing the new-hire enrollment process.

2026 Savings Plan Contribution Limits

US Savings Plan

Pre-tax and Roth 401(k)	After-tax	Pre-tax and Roth 401(k) catch-up
Between 1% and 50%, up to the 2025 IRS maximum limit of $23,500*	Between 1% and 25% The total of your pre-tax and after-tax contributions cannot exceed 50% of your eligible pay.	Between $1 and $7,500 for ages 50 – 59 or 64 and up Between $1 and $11,250 for ages 60 - 63*

PR Savings Plan

Pre-tax	After-tax	Pre-tax catch-up
Between 1% and 25%, up to the 2024 Puerto Rico Code maximum limit of $15,000*	Between 1% and 10% The total of your pre-tax and after-tax contributions cannot exceed 25% of your eligible pay.	Between $1 and $1,500 Pre-tax only*

* *2025 Limits. The IRS has not yet announced the contribution limits for Savings Plans in 2026, but it is expected that they will change.*

Savings Plan High Earner Catch-up Requirements

Effective January 1, 2026

As part of the Secure 2.0 Act, eligible participants may be restricted in the type of Catch-up contributions they can make. Eligibility for Catch-up contributions is based on your age at the end of the plan year. Eligibility for restrictions on the type of Catch-up contributions is based on your prior year Transformco FICA earnings.

All ages in the examples below are as of 12/31/2026.

- Associates who are less than age 50 are not eligible to make catch-up contributions.
- Associates between age 50 and 59 will be able to make catch-up contributions up to the regular catch-up limit, as per the IRS limit for 2026.
- Associates between age 60 and 63 will be able to make super catch-up contributions with the maximum amount being $10,000 or 150% of the regular catch-up limit, whichever is greater. For example, if the regular catch-up limit = $7,500, those eligible for super catch-up can contribute up to $11,250.
- Associates age 64 and above will revert to the regular catch-up limit.
- Associates who are eligible to make catch-up contributions and whose prior year Transformco FICA earnings exceed the IRS limit (currently projected to be $145,000) will not be able to make pre-tax catch-up contributions. If they choose to make catch-up contributions, they must be Roth 401(k) catch-up contributions which are after tax. Earnings on Roth 401(k) contributions are not taxed as long as the requirements for distribution are met.

Get Ready To Enroll!

Annual Enrollment Checklist

- ❑ Annual Enrollment begins **November 5** and ends **November 19**
- ❑ Change and resubmit elections as many times as needed through November 19
- ❑ A submission verification will immediately appear on the screen, make sure to save the confirmation
- ❑ Follow-up your enrollment elections with Evidence of Insurability and Dependent Verification (if applicable)
- ❑ Benefit changes or elections completed during annual enrollment will be effective January 1, 2026.
- ❑ Your next opportunity to make changes or elect coverage will be during our next annual enrollment or is you experience a qualifying life event.

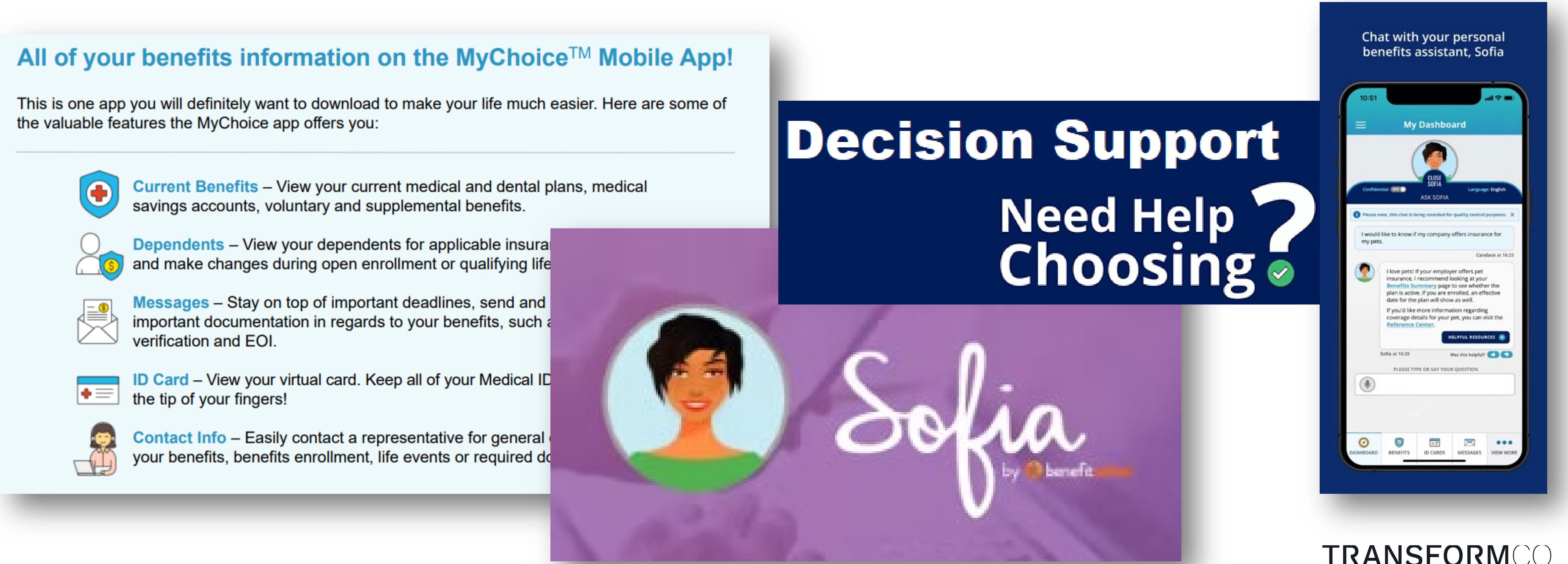
Annual Enrollment Resources

Resource Materials available on PeopleDock

- Enrollment Instructions
- Annual Enrollment Guide
- Step-by-Step Enrollment Reference Guide
- Enrollment Checklist
- List of Plan Changes
- Plan Summaries
- And more…

Enhanced Resources

Sometimes, you just can't seem to find the right answers to your benefits questions. Use the resources below to get the answers you need and access your benefits year-round.

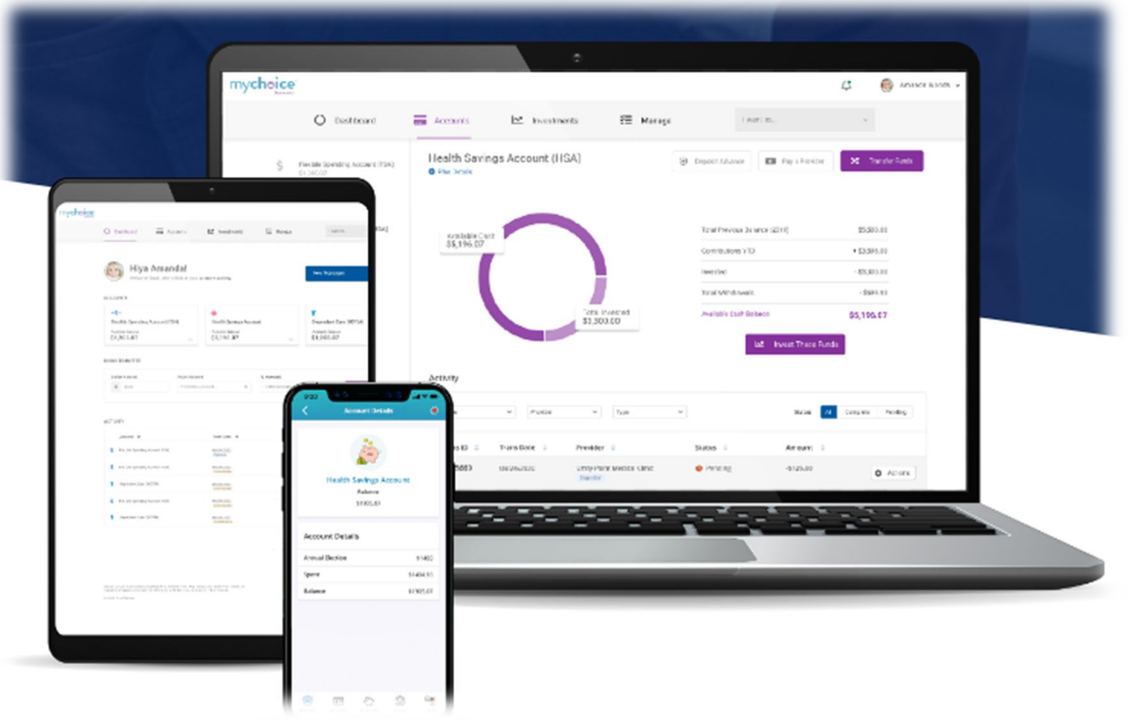


MyChoice Mobile App

Manage your benefits on the go:

The **MyChoice Mobile App** allows you to stay connected with your benefits wherever you are.

- Check your balance
- File a claim or request funds
- Pay a provider
- Upload documentation with your device's camera
- Contact member services
- Manage bank accounts, debit card and providers



A "one-wallet" approach to benefits.

Have Questions or Need Assistance?

- **Ask Sofia**, your virtual health benefits assistant, available 24/7.
- Businessolver **MyChoice Mobile App**.
- You can also call the **Transformco Benefits Center at 888-887-3277**, select your language preference, and then select Opt. 1. Call hours are 7:00 a.m. – 7:00 p.m. Central time, Monday – Friday.
- Benefits Department **Office Hours**:
  - Wednesday: 7 – 7:30am CT – Dial in +1 878-787-7709,,348991699# Phone Conference ID: 348 991 699#

Questions