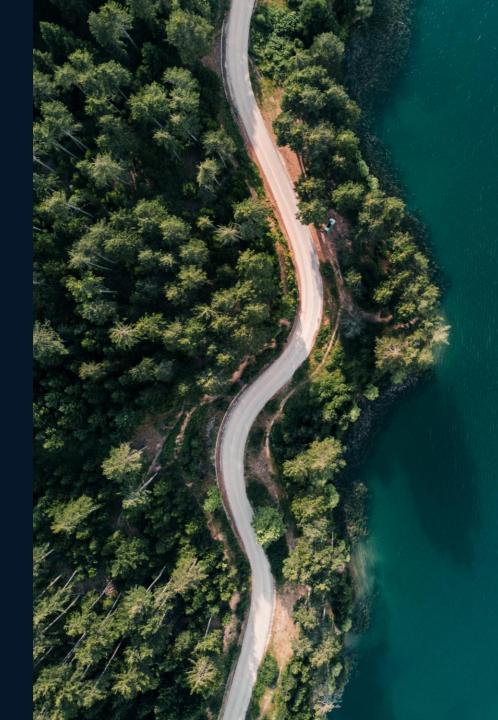
BORGWARNER

Open Enrollment 2024

Benefits for the Road Ahead

October-November 2023





Please contact HR Link for any questions:

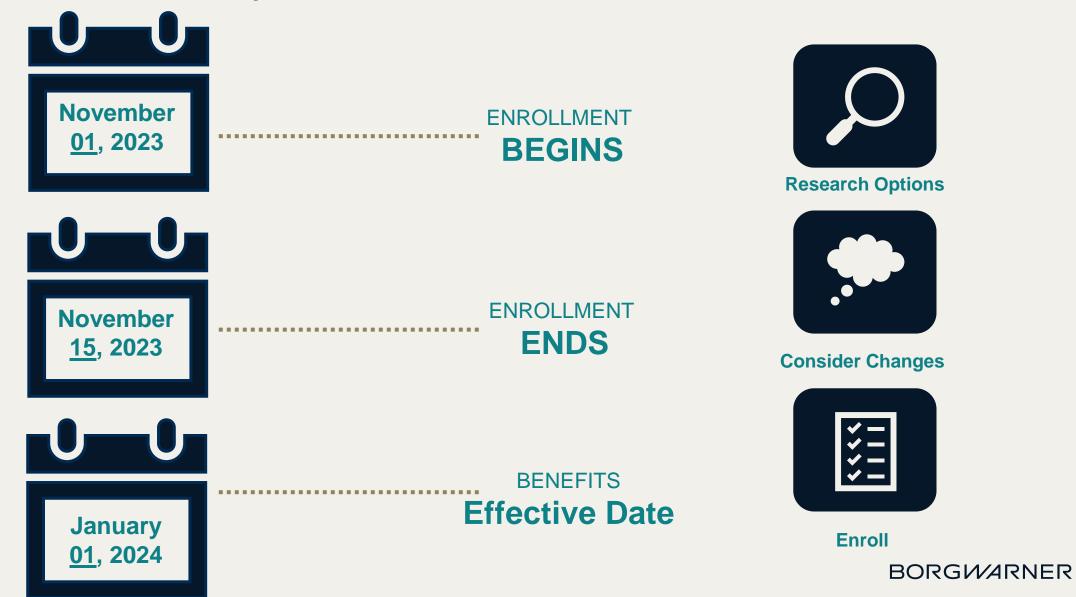


Hours: Monday-Friday 8am-4pm

Our goal is to respond within 24 hours

Benefits
Claims Issues
Life Changes
Workday Support
Life After BorgWarner

It's Here! 2024 Open Enrollment



Annual Open Enrollment

Reminder

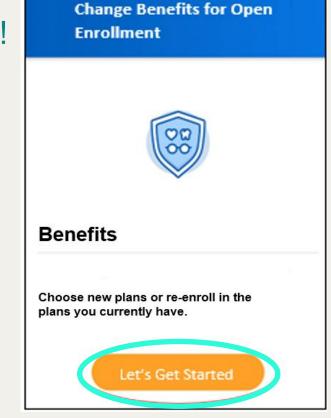
- ► Benefit changes can only be made:
 - At the time of hire
 - During the annual open enrollment period
 - Within 30 days of a qualifying life event, such as a birth, marriage, divorce, or change of insurance for one of your dependents
- Elections made during this annual open enrollment are effective 1/1/2024 -12/31/2024
- All employees must make elections online through Workday between 11/01/2023 – 11/15/2023
- Review benefits videos at <u>www.BorgWarner.com/benefits</u>

Mobile Enrollment

► Open enrollment can be completed on your cell phone!

- Employees may use the BorgWarner Workday website or download the free Workday app for Apple or Android devices
- Instructions also available at www.BorgWarner.com/benefits





Workday Enrollment

- There is a smoking attestation to start off the enrollment process
 - IMPORTANT: This needs to be completed regardless of which benefits you enroll in
- Parts of the online form will be auto-populated for you to review and verify
 - Your current 2023 elections will *not* automatically carry over for Medical, Dental, and Vision due to the tier changes.
 - FSA is not auto-populated and must be completed each year



Workday Enrollment (Continued)

 All employees must complete/submit enrollment

Selected Benefits	
Medical Cigna (1) Basic HRA: 5+ W Jane Jones (Child) Jon Jones (Spouse)	Included ellness Points
a fraudulent act, which is BorgWarner may seek reim from me in the amount of a claims that have been paid of an ineligible dependent.	bursement any and all

- Employees who do not submit an enrollment in Workday are subject to default plan enrollment, listed below.
- Certain benefits do not carry over from yearto-year

Plan	Your Default Coverage
Medical	HRA Medical Plan (Employee Only Coverage)
Dental	No Coverage
Vision	No Coverage
Flexible Spending Accounts (FSA)	No Coverage
Long-Term Disability	Basic Plan
Critical Illness Insurance	No Coverage
Legal Plan	No Coverage
Identity Theft Plan	No Coverage
Hospital Indemnity Insurance	No Coverage
Accident Insurance	No Coverage

Premium Points for 2025



Employees must earn 5 points by September 30, 2024, to receive the lowest premium rate in 2025

*Alternative to earn points: Enroll and participate in a Cigna telephonic coaching program that is most appropriate for you. There are multiple options available, including Weight Management, Stress Management, Disease Management or Healthy Eating. Call your Cigna Health Advocate at (800) 237-2904 for the coaching program that's right for you. **Total Cholesterol divided by HDL = Cholesterol Ratio.

2024 Changes to Current Benefits



Eliminating Spousal Surcharge and Working Spouse Rule

BorgWarner continues to seek ways to better support our employees and their families. We are eliminating the current Spousal Surcharge that applies to our medical plans and removing the Working Spouse Rule.

What this means:

Spouses can have Primary Coverage through BorgWarner	No more Spousal Surcharge	No Need to Complete Tasks
Regardless of whether your spouse has access to medical coverage through their own employer, you can now choose to have BorgWarner's plan as their primary coverage for 2024 .	There will no longer be an added cost for covering spouses with access to medical coverage – that means you take home more money in your paycheck!	Your spouse will no longer need to complete the two voluntary tasks (Cigna Health Assessment and a Preventive Health Exam) by the September 30th deadline.

Expanding Coverage Levels

For greater choice and flexibility, we have added another coverage level to the medical, dental, and vision plans. Now you can choose from four levels of coverage rather than three.

Current Plan Tiers	New 2024 Plan Tiers		
Employee Only	Employee Only		
Employee + 1	Employee + Spouse		
Family	Employee + Child(ren)		
	Family		

NOTE: For the medical, dental, and vision plans, the coverage will not roll over this year. You will need to re-enroll in the correct new coverage. The system will automatically waive the coverage if you do not re-enroll.

Discontinuing of the Buy-Up HRA Medical Plan

- ► As announced earlier this year, we are discontinuing the Buy-Up Medical Plan due to low enrollment
 - In addition, we are introducing a new HSA Savers Medical Plan to be offered alongside the current HRA Medical Plan, formerly known as the Basic plan.
- If you are currently enrolled in the Buy-Up plan, you will need to go into Workday and enroll in one of the two plans to have medical coverage for 2024
- Any remaining HRA funds for Buy-Up HRA participants will rollover to the HRA plan; funds cannot be rolled over into the HSA due to IRS restrictions

Reed group is now Alight

► Same team, same service, new name

 BorgWarner's current disability vendor, Reed Group, has changed to Alight. While the name has changed, the ways you reach them remain the same.

Contact Information				
Phone	(800) 441-9628			
Web Portal	https://borgwarner.myleaveproservice.com/#/home			
Chat and Text	https://borgwarner.myleaveproservice.com/#/home			

Medical

New HSA Saver Medical Plan

BorgWarner is pleased to introduce a new type of medical plan powered by a Health Savings Account (HSA)

Plan Highlights

- BorgWarner-paid contribution to your HSA -\$600/\$1,200
- You own the HSA
- You can contribute to an HSA Tax-Free up to IRS limits
- No Separate Prescription Drug Out-of-Pocket Maximum

HSA Saver Plan						
Feature	In-Network	Out-of-Network				
Plan Deductible Employee Only Employee + Spouse Employee + Child(ren) Family	\$1,600 \$3,200 \$3,200 \$3,200	\$3,200 \$6,400 \$6,400 \$6,400				
BorgWarner-paid contribution Employee Only Employee + Spouse Employee + Child(ren) Family	\$600 \$1,200 \$1,200 \$1,200					
Coinsurance	Company pays 80% You pay 20%	Company pays 50% You pay 50% \$8,000 \$16,000 \$16,000 \$16,000				
Medical Out-of-Pocket Maximum Employee Only Employee + Spouse Employee + Child(ren) Family	\$4,000 \$8,000 \$8,000 \$8,000					
Prescription Drug (Rx) Deductible	Applies to Medical	Plan deductible				
Prescription Drug Out-of-Pocket Maximum	N/A Applies to Medical Out-of-Pocket Maximum	N/A Applies to Medical Out-of-Pocket Maximum				
Preventive Care	100%; no deductible	You pay 50%				
Chiropractic	80% after deductible (max. of 20 visits/year)	No coverage				
Cost for use of BorgWarner Onsite Clinics (only applies to locations with a clinic)	\$35 Per Acute care visit Applies to deductible and OOPM	N/A				

IMPORTANT:

To be able to finalize your open enrollment, if enrolled in the HSA Saver plan you **MUST** select and enroll in coverage for the HSA. You **DO NOT** have to make any payroll contributions. You may elect \$0 to move forward.

HSA Saver vs. HRA Plan Comparison

Plan Differences

- Plan Deductibles for middle tiers
 - Employee + Spouse and Employee + Child(ren)
- BorgWarner Paid Contributions
 - Employee + Spouse and Employee + Child(ren)
- BorgWarner Clinic Cost for acute care

	HRA	Plan	HSA Saver Plan			
Feature	In-Network	Out-of-Network	In-Network	Out-of-Network		
Plan Deductible						
Employee Only	\$1,600	\$3,200	\$1,600	\$3,200		
Employee + Spouse	\$2,400	\$4,800	\$3,200	\$6,400		
Employee + Child(ren)	\$2,400	\$4,800	\$3,200	\$6,400		
Family	\$3,200	\$6,400	\$3,200	\$6,400		
BW-paid contribution						
Employee Only	\$60	00		\$600		
Employee + Spouse	\$90	00	\$	51,200		
Employee + Child(ren)	\$90	00	\$	51,200		
Family	\$1,2	00	\$	51,200		
Coinsurance	Company pays 80%	Company pays 50%	Company pays 80%	Company pays 50%		
	You pay 20%	You pay 50%	You pay 20%	You pay 50%		
Medical Out-of-Pocket						
Maximum						
Employee Only	\$4,000	\$7,500	\$4,000	\$8,000		
Employee + Spouse	\$6,000	\$12,000	\$8,000	\$16,000		
Employee + Child(ren)	\$6,000	\$12,000	\$8,000	\$16,000		
Family	\$8.000	\$16.000	\$8.000	\$16,000		
Lifetime Max Benefit	Unlimited	Unlimited	Unlimited	Unlimited		
HRA Rollover Cap						
Employee Only	\$3,000	\$3,000	NA	NA		
Employee + Spouse	\$4,500	\$4,500				
Employee + Child(ren)	\$4,500	\$4,500				
Family	\$6,000	\$6,000				
Preventive Care	100%; no deductible	50% after deductible	100%; no deductible	50% after deductible		
Office Visit	80% after deductible	50% after deductible	80% after deductible	50% after deductible		
Hospitalization (Inpatient, outpatient, X- rays, lab tests, skilled nursing)	80% after deductible	50% after deductible	80% after deductible	50% after deductible		
BW Onsite Clinics (where applicable)	None		\$35 / Acute care visit Applies to ded. and OOPM	\$35 /Acute care visit Applies to ded. and OOPM		

HSA Saver Plan vs. HRA Plan Comparison

Plan Differences

- Prescription Drug (Rx) Deductible and Out-of-Pocket Maximum
 - HSA plan deductible must be met before coinsurance/copay begins

*HSA Rx coinsurance is effective after combined deductible is met; ** An individual maximum applies for pharmacy out-of-pocket costs. If one family member exceeds half of the total out-of-pocket cost in a middle tier or Family plan, the plan pays 100% of all eligible pharmacy expenses for the remainder of the year.

Prescription Drug (Rx)						
	HRAI	Plan	HSA Saver Plan			
Feature	In-Network Out-of- Network		In-Network	Out-of-Network		
Prescription Drug (Rx) Deductible	None		Applies to Medical Plan deductible	Applies to Medical Plan deductible		
Out-of-Pocket Maximum** Employee Only Employee + Spouse Employee + Child(ren) Family	\$4,550 \$6,826 \$6,826 \$9,100	N/A	N/A Applies to Medical Out- of-Pocket Maximum	N/A Applies to Medical Out-of-Pocket Maximum		
Retail (30-day supply) Rx Copay/Coinsurance*	Generic: \$10 Copay Brand Formulary: 30% (\$30 min - \$50 max) Brand Non-Formulary: 50% (\$50 min - \$150 max)					
Mail Order (90-day supply) Rx Copay/Coinsurance*	Generic: \$20 Copay Brand Formulary: 30% (\$60 min - \$120 max) Brand Non-Formulary: 50% (\$100 min - \$300 max)					

Medical Plan Enhancements

- Chiropractic Care
 - The in-network maximum number of visits per year is increasing from 12 to 20 visits after deductible
- Out-Of-Network Preventive care
 - Out-of-Network providers are now covered at 50%. Previously it was not covered

How does the HSA differ from the HRA?

	HRA	New HSA
Ownership	BorgWarner owns the account.	You own the account.
Contributions	Only BorgWarner can fund the account.	You, BorgWarner, or both can fund the account
Tax Advantages	Offers no tax savings for you.	You gain triple tax savings: • Money goes in TAX-FREE. • Money can grow TAX-FREE. • Money comes out TAX-FREE (for eligible expenses).
Control	You can't control when/how HRA funds are used - HRA funds are automatically used to pay expenses	You gain control over when and how to use your funds: • Use funds now to help cover out-of-pocket costs. • Save funds for the future by leaving money in the account to grow over time.
Rollovers	There's a limit to how much unused funds you can roll over from year to year.	There is no rollover limit.
Portability	HRA funds are forfeited if you leave the company.	You keep your HSA funds! They go with you if you change medical plans, leave the company or retire.
Future Savings	There's no future savings opportunity.	You can use it as an ADDITIONAL SOURCE OF SAVINGS for retirement since money can accumulate over time, there is an investment feature, and you won't pay federal income taxes when withdrawn (even in retirement) so long as you use it for qualifying expenses.

2024 Employee Medical Contributions

HRA Plar	า	Your Monthly Contribution			
Points Earned by Sept. 30, 2023	Premium %	Employee Only	Employee + Spouse	Employee + Child(ren)	Family
0	20%	\$140	\$320	\$260	\$430
1-2	15%	\$105	\$240	\$195	\$323
3-4	10%	\$70	\$160	\$130	\$215
5+	0%	\$0	\$0	\$0	\$0

HSA Plan		Your Monthly Contribution			
Points Earned by Sept. 30, 2023	Premium %	Employee Only	Employee + Spouse	Employee + Child(ren)	Family
0	20%	\$140	\$320	\$260	\$430
1-2	15%	\$105	\$240	\$195	\$323
3-4	10%	\$70	\$160	\$130	\$215
5+	0%	\$0	\$0	\$0	\$0

Health Savings Account

Health Saving Account Contribution Limits

▶ Both you and BorgWarner can make contributions to your HSA up to the 2024 IRS annual limits:

BorgWarner's Contributions Your Co		Your Contributions	Contributions 20		2024 IRS Annua	24 IRS Annual Limit	
Employee Only: \$600		Employee Only: Up to \$3,4	550		Employee Only:	Up to \$4,150	
All other coverage tiers: \$1,200	+	All other coverage tiers: Up to \$7,	100	=	All other coverage tiers:	Up to \$8,300	
If you are age 55 or older, you can make an additional \$1,000 catch-up contribution.							

► **IMPORTANT:** To be able to finalize your open enrollment, you **MUST** select and enroll in coverage for the HSA. You **DO NOT** have to make any payroll contributions. You may elect \$0 to move forward.

Reminder: There is no "use it or lose it" rule. Unused funds automatically roll over year after year with no limit!

How to Access Your HSA Funds

Debit card

- You automatically receive the HSA debit card(s) in the mail by January 1, 2024 in an unmarked envelope.
- Pay for out-of-pocket expenses directly from your HSA at the point of sale, such as at a doctor's office, pharmacy or when buying eyeglasses or contact lenses.
- Debit card purchases are limited to eligible healthcare merchants such as medical providers, dentists, vision providers, and pharmacies.
- Prior to enrollment, confirm your address is up-to-date in Workday to ensure your debit card is sent to the appropriate address.

Online bill pay and reimbursement

- Pay healthcare expenses online directly from your HSA on a one-time or recurring basis.
- You can elect to have a check sent to you or to your provider for qualifying expenses not reimbursed by your health plan.
- You can also pay for expenses using your personal funds and request reimbursement from your HSA later.
- You can reimburse yourself by making a withdrawal via an electronic funds transfer (EFT) or have a check mailed to you.

Reminder: Always keep your receipts in case you are required to provide proof of services to the IRS.

HSA Contribution Eligibility Requirements

To be eligible for HSA contributions, you:

- ► ARE enrolled in an HSA-qualified medical plan (HSA Saver Plan)
- ► ARE NOT covered under any other non-HDHP health coverage;
 - Disqualifying examples
 - Enrolled in Medicare Coverage
 - Coverage under a spouse's or parent's non-high-deductible healthcare plan (ex: PPO or HMO)
 - Access to a Health Reimbursement Account (HRA)
 - Enrolled in the HRA medical plan
 - Enrolled in a regular FSA account
 - TRICARE Coverage
- CANNOT be claimed as a dependent on another person's tax return

See all requirements on the FAQ posted on Borgwarner.com/Benefits

Flexible Spending Accounts (FSA)

Flexible Spending Account (FSA) Changes

For 2024, our FSA account administrator will change from Cigna to Health Equity.

What this means to you:

- ► You will receive a debit card in the mail to use towards your eligible expenses.
- ► Eligible rollover funds will be rolled over into your 2024 Health Equity FSA account
 - For those who enroll in the HSA, rollover funds will be moved to a Limited Purpose FSA (LPFSA) to use on eligible expenses
- If enrolled in the HRA Medical plan, claims will no longer automatically pay out of the FSA account once the HRA is exhausted
- You will receive monthly statements from Health Equity. It's highly recommended to go paperless to avoid statement fees
 - When you create an online account, you will have the option to go paperless.

HSA with FSA

▶ IRS rules clarify that you can't contribute to an HSA and a Health Care FSA (HCFSA) in the same year.

- If enrolled in the HSA Medical Plan, you can only pair the plan with a Limited Purpose FSA (LPFSA)
- ► What is an LPFSA?
 - LPFSAs are tax-advantaged accounts that let you use pre-tax dollars to pay for <u>eligible dental and vision</u> <u>expenses</u>
 - You will receive a separate FSA card

Dental and Vision Plan Updates



2024 Dental and Vision Updates

Dental Coverage

Orthodontia

 The orthodontia lifetime maximum is increasing from \$1,250 per person to \$1,500 per person

Vision Coverage

- Vendor Update
 - Our vision administrator will change from Cigna to VSP

What this means:

- Cigna's underlying network was administered by VSP, so there will be no change to the provider network
- There will be no vision cards issued; simply tell your provider you have VSP and provide your name, date of birth, and last 4 of your SSN
- Frames and Contacts
 - In-network allowances for frames or contacts will increase from \$100 to \$130 every 12 months

2024 Dental and Vision Rates

Dental Coverage

Vision Coverage

Coverage Level	Monthly Cost
Employee Only	\$14
Employee + Spouse	\$23
Employee + Child(ren)	\$30
Family	\$45

Coverage Level	Monthly Cost
Employee Only	\$5
Employee + Spouse	\$10
Employee + Child(ren)	\$11
Family	\$16

Voluntary Benefits Updates

Updated to Current Voluntary Benefits

► Legal Plan

- Improvements to the current legal plan:
 - Unlimited support for divorce (previously limited to 20 hours)
 - Increasing from 4 to 8 hours of attorney services for non-covered matters
 - Custody Issues
 - DUI Defense
- A new Enhanced Plan option will be available:
 - Allows coverage for up to 8 parents, grandparents, parents in-law

Critical illness

- Coverage will move to MetLife from our current vendor Allstate
- MetLife offers more robust coverage of conditions
- MetLife offers unlimited recurrences
- ► ID Theft
 - Allstate has added Cyber protection:
 - Personal device protection (missing stolen device tools, firewall, safe browsing, phishing protection), VPN with anti-trackers, password manager, family mobile and desktop protection for up to 10 devices

Updated to Current Voluntary Benefits (Continued)

Optional Life and A&D Insurance

- You can now enroll in Workday.
- Changes can be made at New Hire, Open Enrollment, and if you have a Qualified Life Event.
- BorgWarner will offer EnrollSmart for 2024 open enrollment only. This is a one-time opportunity for employees to have a reduced evidence of insurability requirement involving only 5 questions:
 - **Current Participant**: Can increase coverage to guaranteed issue amount (lesser of 4x base salary or \$300,000) amount with no medical questions; above guaranteed issue can elect amounts to plan max upon passing the 5 medical questions.
 - Non-participants: Enroll for any amount to plan max upon successfully answering the 5 medical questions.

New Voluntary benefits

Hospital Indemnity

- Hospital indemnity coverage pays cash benefits for admittance to the hospital as an inpatient, during which covered services are received
- Employees have the option to select basic or enhanced coverage
- This benefit includes accident and sickness, substance abuse/mental health, and maternity coverage

Plan Highlights

- The plan pays a hospital admission benefit of \$500 (basic) / \$1,000 (enhanced)
- Daily confinement benefit of \$100/day (basic) / \$200/day (enhanced)

Accident Insurance

 Accident plans provide additional coverage when an employee or family member is injured either on or off the job, through organized sports, etc. These payments can be used to cover out-of-pocket or unexpected expenses such as co-pays, lost wages, transportation, childcare or even groceries

Wellbeing @ BorgWarner

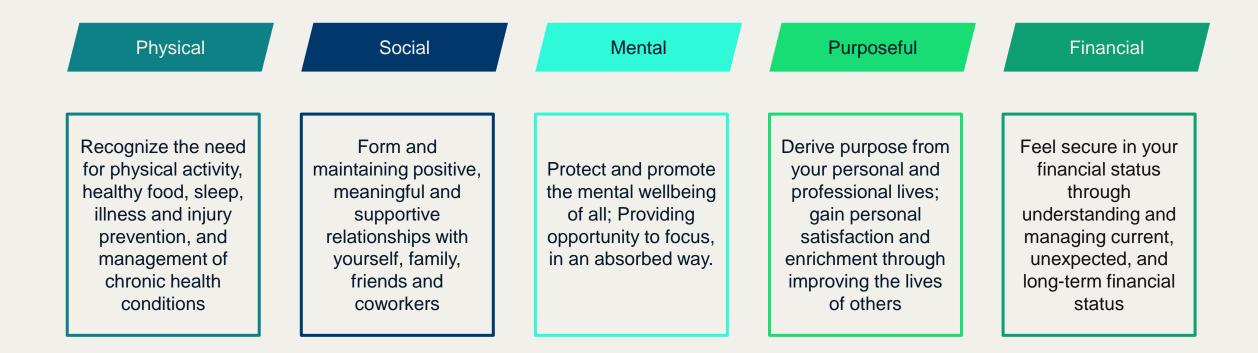
Wellbeing @ BorgWarner

We define wellbeing as the combination of feeling good and functioning well; having control over one's life, having a sense of purpose, and experiencing positive relationships.

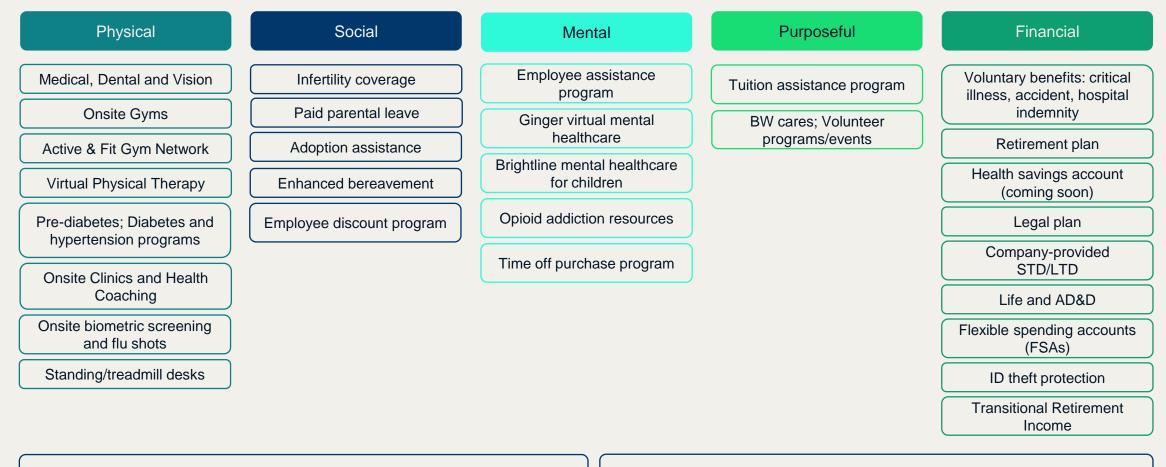


- We have offerings which support your wellbeing (e.g., education, listening, communications, benefits, etc.)
- We will connect these wellbeing offerings through 5 holistic wellbeing pillars

BorgWarner Wellbeing Pillars



BorgWarner Wellbeing Programs (US Only)



Employee belonging groups

Rewards and recognition programs

Actions to Take Soon



Enrolling Online

Every employee must make their enrollment elections by

November 15, 2023

If no action is taken, benefits will default to specific coverages, which may not suit your needs

> Contact **HR Link** for questions about dependent eligibility

1-844-429-5465 hrlink@borgwarner.com



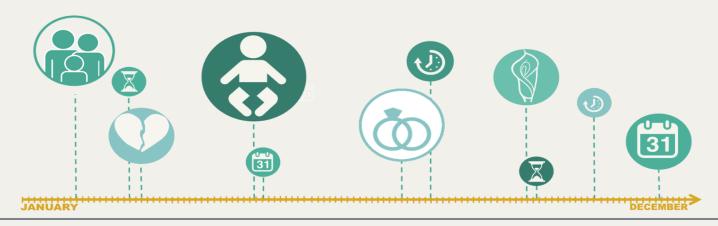
Consider using the mobile app this year!



Qualifying Life Events

Within <u>30 days</u> of a Qualifying Life Event, you are able to make changes to your benefits. This is the only time you may make changes outside our annual open enrollment period each year.

- Examples of Qualifying Life events:
 - Birth of a Child
 - Marriage
 - Divorce
 - Spouse loses/gains outside coverage



Supporting You

For more resources, be sure to check out the newly enhanced benefits website at www.borgwarner.com/benefits

spark Wellness

2023 BENEFITS REF.

fits for the Road Ahead

spark

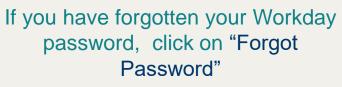
SPARK Wellness

hrlink@borgwarner.com



Questions?

How to Reset Your Workday Password



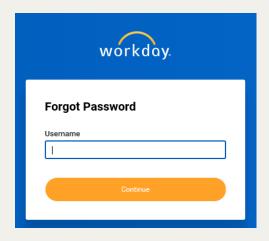
	workday	
Username		
Password		
	Sign In	
(Forgot Password?	>

Answer your Security Questions

	kday.
Security Question	ns
What city were you born in	? (City name only)
	S.
What is your maternal gra	ndmother's first name?

Input your Username

Note: Username for hourly employees is their Workday ID; Username for salary employees is their BorgWarner email address



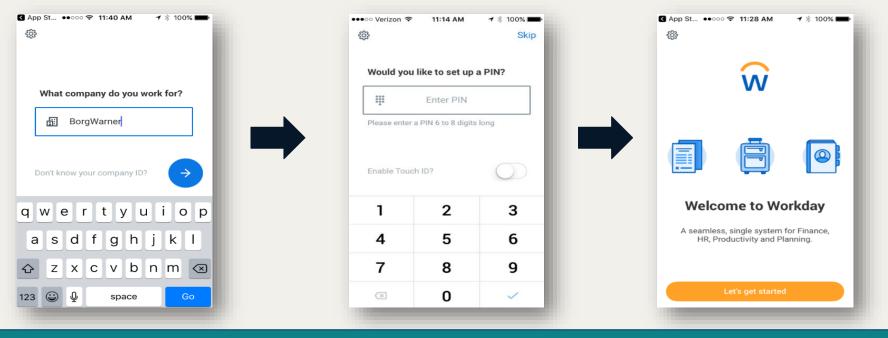
Input your new password. If successful, you will receive a message at the top letting you know.

workday
'our request to reset the password to your Workday account vas successful. Please enter a new password to sign on.
Change Password
Change Password



Mobile Phone App – Download and Setup

Download the free Workday Mobile App for iPhone, iPad, or Android



Use your current Workday Username and Password to log in this year

Enable Touch ID or Face ID to make it easier to access and reset your password in the future.