

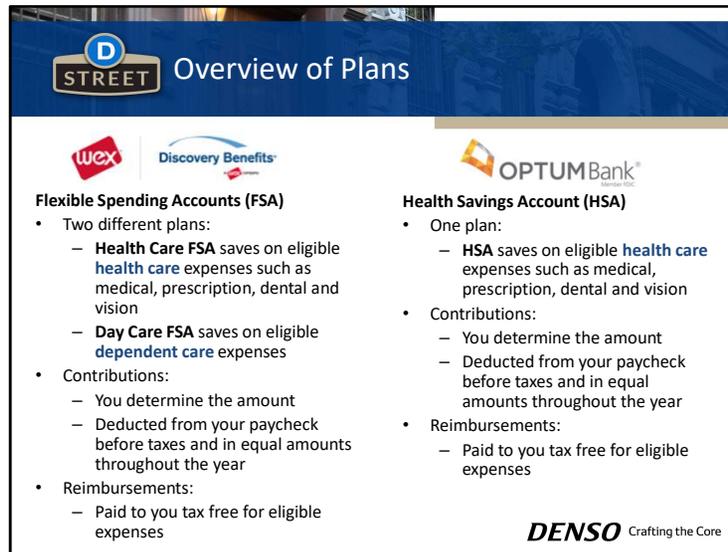


DENSO offers Tax Savings Plans, which allow you to use some of the money that normally goes to taxes, to help pay for your qualified expenses like health care and dependent care.

The Health Care Flexible Spending Account, or FSA, allows you to save for eligible health care expenses and the Day Care FSA lets you put money aside for dependent care expenses.

We also offer a Health Savings Account, or HSA, that works with our OpenRoad medical plan for saving on eligible health care expenses.

Let's take a closer look at the similarities and differences between these accounts.



The slide is titled "Overview of Plans" and features the "D STREET" logo in the top left corner. It is divided into two columns. The left column is headed "Flexible Spending Accounts (FSA)" and includes logos for "wex" and "Discovery Benefits". The right column is headed "Health Savings Account (HSA)" and includes the "OPTUMBank" logo. At the bottom right of the slide is the "DENSO" logo with the tagline "Crafting the Core".

Flexible Spending Accounts (FSA)

- Two different plans:
 - **Health Care FSA** saves on eligible **health care** expenses such as medical, prescription, dental and vision
 - **Day Care FSA** saves on eligible **dependent care** expenses
- Contributions:
 - You determine the amount
 - Deducted from your paycheck before taxes and in equal amounts throughout the year
- Reimbursements:
 - Paid to you tax free for eligible expenses

Health Savings Account (HSA)

- One plan:
 - **HSA** saves on eligible **health care** expenses such as medical, prescription, dental and vision
- Contributions:
 - You determine the amount
 - Deducted from your paycheck before taxes and in equal amounts throughout the year
- Reimbursements:
 - Paid to you tax free for eligible expenses

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The Health Care FSA and HSA are similar in that they will both help reduce your tax liability while saving for eligible health care expenses such as medical, prescription, dental and vision. The Day Care FSA account also helps reduce your tax liability by saving for eligible day care and elderly care costs.

With each of these accounts, you determine the amount you would like to contribute and then contributions are deducted from your paycheck before taxes, and in equal amounts throughout the year. HSA participants can change their elections at any time.

Then, reimbursements are paid to you tax free for the eligible expenses that you incur.

Now, let's consider the differences between the plans.



Comparison of Plans: Plan Eligibility

	Health Care Flexible Spending Account (FSA)	Health Savings Account (HSA)
Plan Eligibility	<ul style="list-style-type: none"> Can be used with each of the DENSO medical plans offered You can use a Health Care FSA whether you are enrolled in a medical plan or not 	<p>All of the following requirements must be satisfied:</p> <ol style="list-style-type: none"> Enrolled in the OpenRoad medical plan in 2022 Not enrolled in a Health Care FSA in 2022 or have a rollover from 2021 Not enrolled in Medicare Not eligible to be claimed as a dependent on someone else's tax return Not covered by the following insurance/accounts: <ul style="list-style-type: none"> Spouse/domestic partner's non-Qualified High Deductible Health Plan You or your spouse's Health Care FSA TRICARE or TRICARE for Life You or your spouse's/domestic partner's Health Reimbursement Account (HRA) Any Veterans Affairs benefits used within previous three months National health care insurance provided by foreign countries while an expatriate

DENSO *Crafting the Core*

Eligibility requirements vary greatly between Health Care FSA and the HSA plans.

The Health Care FSA works with each of our medical plans offered and can also be used whether you are enrolled in a medical plan or not.

On the other hand, the HSA has many requirements that must be met in order to qualify. You must be enrolled in the OpenRoad medical plan in 2022, and you must NOT be enrolled in a Health Care FSA in 2022 or have a rollover from 2021. There are additional eligibility requirements that must be met.

If you're enrolled in the OpenRoad medical plan, you will need to select either the Health Care FSA OR the HSA plan. You can't have both a Health Care FSA and an HSA at the same time.

The full list of HSA eligibility requirements is also available in the 2022 Benefits Guide and online at [DENSOBenefits.com](https://www.densobenefits.com).

 Comparison of Plans: Plan Timing and Your Contributions			
	Health Care Flexible Spending Account (FSA)	Day Care Flexible Spending Account (FSA)	Health Savings Account (HSA)
Plan Timing and Your Contributions	<ul style="list-style-type: none"> • Plan Year- January 1 (or your enrollment date, whichever is later) – December 31, 2022 Your eligible expenses must be incurred during this plan year • Run Out Period- January 1 – March 31, 2023 Your deadline for filing claims incurred in the 2021 Plan Year for reimbursement is March 31, 2023 • Enrollment- Because FSAs are temporary, you have to re-enroll and elect your contribution amount every year 		<ul style="list-style-type: none"> • Start, stop or change your contribution amount at any time during the year • Contributions can be invested so your account can grow

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Let's take a look at Plan Timing considerations.

The Health Care FSA and Day Care FSA plans follow the benefits plan year, which begins on January 1st. The plan year for new hires begins on your actual benefits enrollment date. And the plan year ends on December 31, 2022, for everyone. Your eligible expenses MUST be incurred during this plan year.

The Health Care FSA and Day Care FSA plans both have a 3-month Run Out Period, which means that claims incurred during the 2022 Plan Year must be submitted for reimbursement by **March 31, 2023**.

Because the Health Care FSA and Day Care FSA plans are temporary accounts, you must re-enroll and elect your contribution amount every year. Then the contribution amounts are locked in for the plan year and can not be changed.

On the contrary, Health Savings Accounts are permanent, and owned by you. Therefore, you can start, stop or change your contribution amount at any time during the year. Your contributions can also be invested so your account can grow over time, helping you save for health care needs in the near future or even in retirement.



Comparison of Plans: Carryover and Portability

	Health Care Flexible Spending Account (FSA)	Day Care Flexible Spending Account (FSA)	Health Savings Account (HSA)
Carryover	<ul style="list-style-type: none"> April 1, 2023- Up to \$550 can be carried over in remaining, unused funds from the previous plan year into the 2023 plan year Unused funds exceeding \$500 from the 2022 plan year will be lost 	Not eligible for the carryover	Money left in your HSA account at the end of the year automatically rolls over to the following year
Portability	<ul style="list-style-type: none"> No portability and funds remaining in account may be forfeited if employment is terminated You may be able to elect COBRA if there's still a balance in your Health Care FSA account 		You own your account and keep it even if you leave the company or retire

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Now let's examine the Carryover rules for each plan.

On April 1, 2023, up to **\$550** can be carried over in remaining, unused funds in your Health Care FSA account from the previous 2022 plan year into the 2023 plan year. These rollover funds can then be used for eligible expenses incurred during the 2023 plan year.

Remember, if you carry over Health Care FSA funds into 2023, you will NOT be eligible for an HSA in 2023.

Any unused funds from the 2021 plan year that exceed \$500 are not eligible for rollover and will be lost.

The Day Care FSA plan is NOT eligible for the rollover, and so be sure to plan your day care expenses carefully.

On the contrary, money left in your HSA at the end of the year will automatically roll over to the following year. HSA funds are never in danger of being forfeited.

The portability of Flexible Spending Account plans and Health Savings Account plans also differs. If you leave the

company, you are NOT able to take your Flexible Spending Accounts with you and so any funds remaining in the account may be forfeited. However, you may be able to elect COBRA if there's still a balance in your Health Care FSA account.

On the other hand, your Health Savings Account is portable since you own the account. The HSA is yours to keep, even if you leave the company or retire.



Comparison of Plans: Contribution Limits and Company Contributions

	Health Care Flexible Spending Account (FSA)	Day Care Flexible Spending Account (FSA)	Health Savings Account (HSA)
2021 Annual Contribution Limits	\$2,750	\$5,000	<ul style="list-style-type: none"> • Associate Only Coverage- \$3,650 (includes \$500 company contribution) • Associate + 1 or Family Coverage- \$7,300 (includes \$1,000 company contribution) • Catch-up contribution of \$1,000 if you'll be age 55 or older by end of year 2022
Company Contributions	Not applicable		Eligible associates: <ul style="list-style-type: none"> • \$500 for individual • \$1,000 for family

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Annual Contribution Limits and Company Contributions are also different for each of the plans.

In 2022, you may contribute up to \$2,750 into your Health Care FSA account and up to \$5,000 into your Day Care FSA. If you have an HSA through the OpenRoad medical plan, you can contribute up to \$3,650 for associate only coverage and up to \$7,300 for Associate + 1 Coverage or for Family Coverage. You are also able to make a \$1,000 catch-up contribution if you'll be over the age of 55 by the end of 2021.

DENSO will contribute money to the Health Savings Accounts of eligible associates in 2022- \$500 for individual coverage and \$1,000 for family coverage.



Comparison of Plans: Eligible Expenses

	Health Care Flexible Spending Account (FSA)	Day Care Flexible Spending Account (FSA)	Health Savings Account (HSA)
Eligible Expenses	<p>Eligible Items:</p> <ul style="list-style-type: none"> • Medical • Prescription • Dental • Vision <p>To view and search a comprehensive FSA eligibility list, visit fsastore.com/fsa-eligibility-list.</p>	<p>Dependent care for:</p> <ul style="list-style-type: none"> • Eligible children up to age 13 • Disabled dependent of any age • Disabled spouse <p>Items not eligible:</p> <ul style="list-style-type: none"> • Food • Clothing • Overnight camp • Tuition 	<p>Eligible Items:</p> <ul style="list-style-type: none"> • Medical • Prescription • Dental • Vision <p>For a list of eligible health care expenses, visit irs.gov/forms-pubs/about-publication-502.</p>

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The Health Care FSA covers eligible medical, dental and vision expenses. Common eligible expenses for a Health Care FSA are prescriptions, hearing aids, orthopedic goods, doctor visits and dentist visits. To view and search a comprehensive FSA eligibility list, visit fsastore.com/fsa-eligibility-list.

The Day Care FSA covers childcare or adult dependent care while you and your spouse are at work or school. Services like adult day care and babysitting for children under age 13 are eligible, but not things like food, clothing, overnight camp or tuition. To use the money for adult dependent care, your loved one must live with you and depend on your support because they can't otherwise care for themselves.

You can use your HSA to pay for eligible medical, prescription, dental and vision expenses. For a list of eligible health care expenses, visit irs.gov/forms-pubs/about-publication-502 and refer to Publication 502. Be sure to keep your receipts for all qualified expenses.



Comparison of Plans: Reimbursement Methods

	Health Care Flexible Spending Account (FSA)	Day Care Flexible Spending Account (FSA)	Health Savings Account (HSA)
Reimbursement	<ul style="list-style-type: none"> Limited-use FSA debit card accepted: <ul style="list-style-type: none"> Pharmacies Day care providers only File a claim or set up direct payment to your provider to request reimbursement for other qualifying expenses The mobile app offers convenient, real-time access to your accounts in one spot. Check your balance and account activity, file claims and pay providers right from your phone. 		<ul style="list-style-type: none"> Optum Bank debit Mastercard®: <ul style="list-style-type: none"> Direct payment at a doctor's office, pharmacy or health care facility Pay bills from doctor's office or health care facility Pay providers with HSA checks Out-of-pocket medical expenses can be reimbursed: <ul style="list-style-type: none"> Withdraw funds from an ATM Electronic funds transfer from Optum Bank to your account at another bank Request a check sent by mail




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To use your FSA money, you'll get a special debit card that's linked to your accounts. You can use this card at the pharmacy to fill prescriptions. Any other health care expense claims such as doctor visits will need to be filed for reimbursement to your Flexible Spending Account. You can also use the debit card to pay day care providers.

The FSA mobile app offers convenient, real-time access to your accounts in one spot. You can check your balance and account activity, even file claims and pay providers right from your phone.

Access your HSA money with the Optum Bank debit Mastercard by using your debit card for direct payment at a doctor's office, pharmacy or any health care facility that accepts Mastercard. The card can also be used to pay a bill from a doctor's office or health care facility, provided they accept Mastercard.

You can reimburse yourself for out-of-pocket medical expenses using your debit card to withdraw funds at any ATM displaying the Mastercard brand name. You can also go to optumbank.com, sign in and select "Reimburse Myself" and then choose an electronic funds transfer from Optum Bank to your checking or savings account at another bank. Or you can request a check to be sent to you by mail.

Download the Optum Bank App to enjoy an easier way to manage your HSA. You can pay bills, view transactions, upload receipts and more.



Tax Savings Plans

Medical Plan	Health Care FSA	Day Care FSA	Health Savings Account
 ExpressWay	✓	✓	✗
 MainStreet	✓	✓	✗
 OpenRoad	✓	✓	✓

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This chart shows which tax savings plans you are eligible to participate in depending on which medical plan that you choose to enroll in.

Remember, you can't have a Health Savings Account and a Health Care FSA at the same time.

If you're using more than one account, you will have to sign up for each one separately, and you won't be able to transfer money between the accounts.



FSA and HSA Resources

Optum Bank

- Visit optumbank.com/resources
- View educational materials and videos, along with “Tips To Make The Most Of Your HSA”
- Call 1-800-791-9361

HSA Contributions

- Contributions can be started, stopped or changed at any time by logging into EmpowerMyRetirement.com

DENSOBenefits.com

- Username: DENSO
- View benefits details, news, forms, plan documents and other helpful information

DENSO Benefits Helpline

- Toll-free Phone: 1-855-311-2115
- Email: denso@benefitadvocates.net
- Live reps can answer questions about DENSO’s benefits, claims, Open Enrollment and more

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To learn more, visit **DENSOBenefits.com** to view informational videos and other resources.

You can also visit the Optum Bank online resource hub for educational materials and videos along with “Tips To Make The Most Of Your HSA” at **optumbank.com/resources**. You can also contact Optum Bank via the phone number listed.

HSA contributions can be started, stopped or changed at any time by logging into **EmpowerMyRetirement.com**.

You can also go online to DENSOBenefits.com or contact the DENSO Benefits Helpline by phone or email to have your questions answered.