



November 2023

Re: **Changes to the Smiths Group Incentive Savings Plan**

Changes to the Smiths Group Incentive Savings Plan

No action is needed on your part if you do not want to make changes to your account.

Smiths Group is committed to reviewing the Smiths Group Incentive Savings Plan (the “Plan”) every quarter to make sure it continues to help employees meet retirement and financial goals. As a result of a recent review and upcoming compliance changes, Smiths Group has decided to add Roth 401(k) options to the Plan and also simplify existing pre-tax options. These changes include:

- Pretax Contribution Election Consolidation
- Addition of Roth 401(k) Plan Contribution Election
- Addition of Roth In-Plan Conversion Feature

Pretax Contribution Election Consolidation

Effective **December 28, 2023**, Smiths Group will consolidate two of the contribution elections you are able to make in the Plan. The *Pretax Basic* and *Pretax Supplemental* elections will be combined into a single election called *Pretax*. The current match is not changing.

Your current Pretax contribution elections as of **December 25, 2023, at 4 p.m. ET**, will transfer on **December 28, 2023**. You will not be able to modify your contribution elections between **December 25, 2023, at 4 p.m. ET** and **December 27, 2023**. Please see the charts below:

Prior Contribution Election		New Contribution Election
Pretax Basic	⇒	Pretax
Pretax Supplemental	⇒	
After-tax	⇒	No change
Catch-up Contribution Pre-tax	⇒	No change

Refer to the chart below for examples:

Examples of Current Contribution Elections		Combined Contribution % in New Pretax Election
John contributes: 6% Pretax Basic 4% Pretax Supplemental	⇒	10% Pretax (You will only be matched for the first 6% contributed)

Addition of Roth Contribution Election

Smiths Group is pleased to announce the availability of a Roth 401(k) contribution option to the Smiths Group Incentive Savings Plan, effective **January 1, 2024**. With the addition of this new Roth 401(k) feature, you will have another choice for saving for retirement. Roth 401(k) contributions and withdrawals are taxed differently from your current plan contribution options.

With a Roth feature, you can designate all or a portion of your future deferral contributions as “Roth contributions.”

- Contributions are made on an after-tax basis and are included in current taxable income- you will pay the taxes each pay period.
- Earnings on are tax free if they are part of a “qualified distribution.” A qualified distribution is one that is taken at least five tax years from the year of your first Roth contribution and after you have attained age 59½ or if you become disabled or deceased.

You may contribute to both the pretax and Roth option so long as you do not exceed the total IRS contribution limit for that year.

Addition of Roth In-Plan Conversion Feature

If you currently have been making contributions either pretax or after-tax you may be interested in this option.

Effective **January 1, 2024**, the Roth 401(k) In-Plan Conversion feature will be added to the Smiths Group Incentive Savings Plan.

A Roth in-plan conversion allows you to move money assets you have saved in an eligible workplace retirement plan into a designated Roth account within that plan. The following are two types of in-plan conversions that are offered, provided that certain conditions are met, and conversions are allowed by your plan:

- A Roth 401(k) in-plan conversion allows for an available, rollover-eligible distribution from your workplace savings plan 401(k) and directly rolling it over to a Roth 401(k) account within the same plan. You will be responsible for paying the taxes in the year that you complete a Roth in-plan conversion. Examples of eligible assets may include your own contributions, contributions from your employer, or assets rolled in from a former employer.
- An expanded in-plan conversion allows for eligible vested plan balances to be rolled over to a designated Roth account within your workplace savings plan, even if those amounts are not currently available for withdrawal.

Because the conversion of non-Roth money to a Roth account within your plan is a complex decision, all transactions are conducted through our highly trained telephone representatives. If you wish to request a Roth In-Plan Conversion or simply speak with a representative about your options, please call 800-835-5095 to speak with a Fidelity representative. The representative will review your account with you and provide you with available options for completing a Roth in-plan conversion. You must call Fidelity to request a Roth in-plan conversion each time to you want to convert eligible contributions, this may not be done online.

Please reference the *Frequently Asked Questions* notice included in this mailing for important details and considerations about Roth 401(k) Contributions and Roth In-Plan Conversions.

Attend a Complimentary Workshop

Attend a complimentary workshop to learn more about Roth Contributions and Roth In-Plan Conversions.

Register for one of the events listed below through <https://netbenefits.fidelity.com/workshopregistration>.

Understanding Roth Contributions in Your Workplace Savings Plan*

In this workshop, you'll learn about the Roth contribution option, newly available January 2024 in your workplace savings plan.

Dates and times:

January 10th, 8:00 AM EST

January 23rd, 2:00 PM EST

Attend an Ask Fidelity Q&A on: What is a Roth In-Plan Conversion?*

Your retirement plan offers many ways to save for the future. Learn more about your options, including how to convert after-tax dollars to a Roth using an in-plan conversion.

Dates and times:

January 10th, 10:00 AM EST

January 23rd, 4:00 PM EST

*Fidelity does not provide legal or tax advice. The information herein is general in nature and should not be considered legal or tax advice. Consult an attorney or tax professional regarding your specific situation.

What Do I Need to Do?

You do not need to do anything. However, if you would like to request changes to your account based upon the changes described in this notice, log on to Fidelity NetBenefits® at www.netbenefits.com or to discuss a Roth 401(k) conversion contact Fidelity at 800-835-5095, Monday through Friday, between 8:30 a.m. and 8 p.m. ET to talk to a Fidelity representative.

Investing involves risk, including risk of loss.

A distribution from a Roth 401(k) is tax free and penalty free, provided that the five-year aging requirement has been satisfied and one of the following conditions is met: age 59½, disability, or death.

A distribution from a qualified retirement plan (other than an IRA) made to you after you separate from service with your employer may be penalty free if the separation occurred in or after the year you reached age 55. Note that while penalty free, earnings on Roth contributions are taxable if you are under age 59½ at the time of distribution.

Fidelity does not provide legal or tax advice. The information herein is general in nature and should not be considered legal or tax advice. Consult an attorney or tax professional regarding your specific situation.

Fidelity Brokerage Services LLC, Member NYSE, SIPC, 900 Salem Street, Smithfield, RI 02917

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