Hospital Sisters
HEALTH SYSTEM

Your HSHS Retirement Program

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The HSHS retirement program provides a comprehensive retirement benefit designed to help you build financial resources for your future.

The HSHS Retirement Program has multiple elements that reflect both the HSHS commitment to make significant employer contributions to your retirement savings and the opportunity for you to meet your own savings goals.

The HSHS retirement program includes the:

- **HSHS Employer Contribution Retirement Plan (401(a))** consisting of HSHS employer contributions only. In this plan, HSHS contributes to your retirement savings whether or not you are able. Your participation/enrollment in the 401(a) is automatic. The HSHS employer contribution ranges from 3% to 7% of your eligible pay based on your years of service.
- **HSHS 403(b) Retirement Savings Plan (403(b) plan)** with matching contributions from HSHS. You can elect to contribute to your own retirement savings and HSHS will match 50¢ for every $1 you save on the first 4% of your eligible pay.

  In this guide, the 401(a) plan and the 403(b) plan collectively sometimes will be referred to as the "plans" or the HSHS retirement program. You direct how your accounts in the plans are invested by choosing from the investment options offered by Fidelity Investments, the recordkeeper and investment provider.

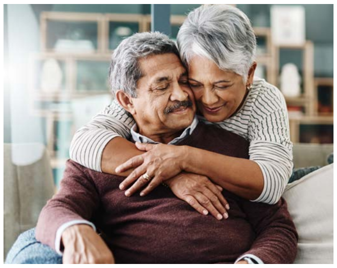
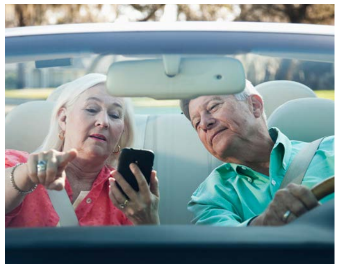
Review this guide to understand how the program works and how you can get the most out of it.

A word about eligibility:

Colleagues of HSHS and its participating affiliates are eligible for the HSHS retirement program as described in this guide. The following colleagues are not eligible:

- Colleagues who are members of a collective bargaining unit whose contract does not provide for membership in the HSHS 401(a) plan.
- Temporary or leased colleagues as classified by the Internal Revenue Service.

Medical residents are not eligible for 401(a) plan benefits. However, they can participate in the non-matching HSHS 403(b) Retirement Savings Plan.


HSHS Employer Contribution Retirement Plan (401(a) plan)

The HSHS Employer Contribution Retirement Plan (401(a) plan) is an important source of your overall retirement income, funded entirely by HSHS. It rewards your service with higher contributions as your years of service increase and forms the foundation of the retirement income you build. If eligible, you are automatically enrolled.

Your 401(a) plan account grows through:

- HSHS contributions of 3% to 7% of your eligible pay, depending on your years of service.
- Investment earnings.

You are fully vested (100%) in all contributions after three years of vesting service. HSHS service prior to becoming a participant in the 401(a) counts toward your contribution percentage and your vesting service.

The 401(a) plan: What's in it for you

- An account balance that can grow through contributions from HSHS and investment earnings (depending on performance of the investments you choose).
- Higher contributions over time to reward your service.
- A benefit you can take with you if you terminate employment with HSHS after three years of vesting service.

How HSHS contributions work

Annual contributions are a percentage of your eligible pay and is the amount HSHS adds to your account for each calendar year in which you are paid for at least 1,000 hours and actively employed on December 31. The following chart shows how contribution percentages for each year are determined based on your service as of December 31 of the plan year.

Years of service	Annual HSHS contribution
1 to 5 years	3% of annual pay
6 - 10 years	4% of annual pay
11 to 15 years	5% of annual pay
16-20 years	6% of annual pay
21 or more years	7% of annual pay

If you are a rehire: A word about your 401(a) plan benefit

If you terminate employment and are later rehired, you will retain credit towards vesting and your contribution percentage as long as your break in service is shorter than your prior years of service or five years.

Key terms:

Vesting:
You have a vested right, or ownership, in all contributions made to your 401(a) plan account and all related earnings after three years of vesting service. You get full credit for existing service when determining contributions and vesting.

Service:
You earn a year of service for both vesting and your contribution percentage for each calendar year you are paid for at least 1,000 hours. To receive the annual contribution, you must be actively employed by HSHS on December 31 of the plan year and have worked at least 1,000 hours during the plan year, unless you terminate with HSHS after reaching normal retirement age (65), die or become disabled (as defined by the plan).

Eligible pay:
The definition of eligible pay is the pay shown on your W-2 statement plus any pre-tax contributions you make for benefits, including the 403(b) Plan; subject to IRS limits, $345,000 in 2024.

HSHS 403(b) Retirement Savings Plan

The HSHS 403(b) plan gives you the opportunity to build on the foundation of your 401(a) plan benefit. It's an important source of your overall retirement income.

Your 403(b) plan account grows through:

- Your contributions: Up to 100% of your pay up to IRS limits ($23,000 in 2024 or $30,500 if age 50 or older).
- HSHS matching contributions: 50¢ for every dollar you contribute up to 4% of your pay (subject to IRS limits, $345,000 in 2024).
- Investment earnings.

You are always fully vested (100%) in all contributions.

Automatic enrollment 60 days after hire date

At HSHS, we believe that retirement saving is part of financial well-being — with active planning and investing at every stage in your career. To encourage early investing and simplify the 403(b) plan enrollment process, all eligible HSHS colleagues upon hire or rehire are enrolled automatically 60 days after their date of hire at a 4% of pay contribution level. And unless you choose otherwise, your contribution level will continue to increase by 1% each year until you are eventually contributing 8% of your pay.

These automatic contributions will be invested in the Target Retirement Funds based on your date of birth unless you choose different investment options.

You can increase, decrease or stop your contributions at any time.

How the match works

HSHS contributes 50¢ for every dollar you contribute on the first 4% of your eligible pay. Contributions that are made in each calendar year in which you are paid for at least 1,000 hours are matched, if you are actively employed on December 31 of that year. The maximum match you can receive in a calendar year is 2% of eligible pay. Colleagues terminating employment during the year due to death, disability or after reaching age 55 are also eligible to receive matching contributions.

Example:
Assume a $60,000 starting salary for each colleague during their first year of participation in the 403(b) plan.

See the difference the HSHS match can make? The chart below shows that colleagues A and B contribute enough to receive the maximum match ($1,200), while colleague C receives $300 less in HSHS matching contributions to his account.

	Colleague	Colleague contributions	HSHS match (50¢/$1 on first 4% eligible pay	Total 403(b) account contributions
A	Automatically enrolled at 4% of pay	$2,400	$1,200	$3,600*
B	Increases contribution level to 6% of pay	$3,600	$1,200	$4,800*
C	Decreases contribution level to 3% of pay	$1,200	$900	$2,700*

** Amounts do not reflect potential investment earnings.*

How and when you can receive your benefits from the plans

Your account from each plan may be distributed to you when you terminate employment with HSHS. To defer taxes and avoid penalties for early withdrawal, your account balance may be rolled over directly to an Individual Retirement Account (IRA) or another qualified employer plan that allows rollovers. You also may take an alternate form of payment available from Fidelity, such as installments.

Due to IRS rules regarding required minimum distributions, you may be required to take distributions beginning at age 72. As long as you are eligible and actively employed at HSHS, you can continue to participate in the plans, even past age 72, and you do not have to take a distribution.

If you are age 59½ or older, you can withdraw your employee contributions and any rollover contributions to the 403(b) plan while still working at HSHS. The 403(b) plan also offers you access to your money while you are still employed by HSHS through a loan. In some cases, you also may be eligible for a hardship withdrawal. For the 401(a) plan, however, loans or in-service withdrawals are not allowed.

Investment options for the plans

About Fidelity investments

Fidelity is the recordkeeper for both plans, the HSHS 401(a) plan and the HSHS 403(b) plan. As one of America's leading providers of workplace retirement plans, Fidelity Investments is committed to providing exceptional money management, world-class customer service and state-of-the-art technology.

Fidelity offers HSHS colleagues:

- Diversified choices among investment funds.
- Low administration and investment fees to help maximize potential return on investment.
- Both in-person support and 24/7 access to online self-service tools and resources.
- A proven track record of customer service.
- Solid administrative capabilities.

You also can:	
Use planning tools.	Go to www.NetBenefits.com/atwork, Fidelity's website.
Meet one-on-one with a workplace financial consultant.	Visit: http://Fidelity.com/schedule
Call for answers to your questions.	Call Fidelity at 800-343-0860.
Watch for additional resources such as on-site learning sessions and webinars.	

Fidelity INVESTMENTS

Investment options

Colleagues have a diverse mix of fund options to choose from, including index, equity, fixed income and target date funds. Go to www.NetBenefits.com/atwork, Fidelity's website, to view the current options.

Fidelity BrokerageLink®

Fidelity BrokerageLink® provides you with an opportunity to invest in a broad range of investment options beyond those offered directly through the plans. BrokerageLink includes investments beyond those in your plan's lineup. You should compare investments and share classes that are available in your plan's lineup with those available through BrokerageLink and determine the available investment and share class appropriate for your situation.

What are target retirement funds?

Target retirement funds offer a diversified investment approach based on the year nearest to your projected retirement date.

In these funds, your investment portfolio adjusts automatically to a more conservative mix as your retirement date nears, simplifying your investment decisions because you don't need to change funds or rebalance your account.

When you are first eligible to participate in the plans and are automatically enrolled, your contributions are invested in the Target Retirement Funds unless you choose different investment options.

How the plans work together

This example shows how the 401(a) plan and 403(b) plan work together to build retirement savings over time in five year increments up to 30 years of service.

For the example, assume an eligible colleague:

- Is hired on January 1, 2023, and continues to work at HSHS for 30 years.
- Has eligible starting pay of $55,000 (assuming a 2% pay increase each year).
- Begins contributing 4% annually to the 403(b) plan and, due to auto-escalation, the contribution level increases by 1% each year up to 8% of pay; receives full HSHS match on first 4% of eligible pay contributed.
- Earns 5% investment return annually on all contributions.

Years of service	Accumulation of your contributions to the 403(b) savings plan	Accumulation of employer provided contributions to the 403(b) savings plan and 401(a) plan	Total retirement savings balance
5	19,000	16,000	35,000
10	52,000	41,000	93,000
15	97,000	79,000	176,000
20	158,000	135,000	293,000
25	239,000	215,000	454,000
30	346,000	321,000	667,000

Keep in mind this is only an example. Your actual benefit will depend on many factors, including the amount you choose to contribute to your 403(b) plan account, future pay increases, your actual investment earnings and your years of service when you retire.

Social Security

As you can see, the HSHS retirement program is an important factor in planning for a comfortable retirement.

Social Security benefits will be another source of retirement income. Although changes in the Social Security program have been discussed for many years, the basic structure remains unchanged, and Social Security continues to be the largest source of income for people over age 65.

Please note that Social Security was designed as a safety net and not to completely replace your income. In fact, Social Security benefits will replace a lower percent of your income the higher your working income is. For example, for those age 66 today, Social Security benefits will replace about 56% of the income of someone earning $20,000, but only about 34% of the income of someone earning $70,000.

Who pays for Social Security

The amount of tax deducted from your pay is only half the actual tax for Social Security and Medicare. Your employer pays the other half of the tax. There is a limit on the level of pay taxed for Social Security, but there is no limit on the wages taxed for Medicare.

Benefits are not just for retirement

Although many of us think of Social Security only as a retirement benefit, it also pays other benefits if you have worked the required time in jobs covered by Social Security.

Social Security retirement benefits are payable to you and your eligible spouse as early as age 62. Benefits may also be payable to your children if they are under age 18 (or are age 18 if in high school) or to your disabled children of any age as long as they became disabled before age 22.

You, your spouse and eligible dependent children can receive monthly disability benefits if you become severely disabled more than six months before your normal retirement age (for reasons other than alcoholism or drug addiction).

If you die, Social Security pays benefits based on your earnings history to your surviving spouse and other dependents (including children and parents) if they are eligible for survivor's benefits.

How to obtain benefits

Social Security benefits do not start automatically. You have to apply for them. The recommended time to file for benefits is at least three months before you plan to retire or as soon as possible after disability or death occurs. **Your local Social Security office can answer questions or help you file for benefits**, or you can start the application process by calling the Social Security Administration's toll-free number, 800-772-1213, or visiting www.ssa.gov.

Things to do in advance

There are important things you can do before applying for benefits.

- You will need certain papers to become entitled to benefits. These may include certified copies of your birth certificate, marriage certificate or divorce decree. It is wise to have these items on hand ahead of time.
- If you lose your Social Security card, call your Social Security office and give them the information they request. They will arrange for you to receive a replacement card with the same number. You also may obtain the form for obtaining a new card online. **Do not apply for a new Social Security number.**

Remember, **you must apply for benefits before you can receive benefits**. If you think you are entitled to Social Security retirement, disability or survivor benefits, file an application.

Consider all of your potential retirement income and savings.

Your Social Security benefits and your personal savings can combine with your HSHS retirement program benefit to provide additional retirement income.

401(a) plan benefit
+
403(b) plan benefit
+
Social Security benefits
+
Personal savings

Take action for your future

You can never start too early or save too much to build the income you'll need for a financially secure future. Here are a few tips:

- Keep saving at least 4% in the 403(b) plan so you can take full advantage of the HSHS matching contributions.
- Diversify your investment mix using the investment options available through the 401(a) plan and the 403(b) plan.
- Review your financial plan and investment mix on a regular basis.

Before making financial decisions, it's a good idea to consult a trusted financial and/or tax advisor.

Other Important Information

Sponsor of the plans
Hospital Sisters Health System
P.O. Box 19456
Springfield, IL 62794-9456

Plan names and numbers
- Hospital Sisters Health System Employer Contribution Retirement Plan 010
- Hospital Sisters Health System Tax Deferred Annuity Program 002

Plan year
January 1 - December 31 for both the 401(a) and 403(b) plans.

Participating employers
Hospital Sisters Health System
Springfield, Ill.
HSHS St. John's Hospital
Springfield, Ill.
HSHS St. Mary's Hospital
Decatur, Ill.
HSHS St. Elizabeth's Hospital
Belleville, Ill.
HSHS St. Anthony's Memorial Hospital
Effingham, Ill.
HSHS St. Francis Hospital
Litchfield, Ill.
HSHS St. Joseph's Hospital
Breese, Ill.
HSHS St. Joseph's Hospital
Highland, Ill.
HSHS Holy Family Hospital
Greenville, Ill.
HSHS Good Shepherd Hospital
Shelbyville, Ill.
HSHS Medical Group, Inc.
Springfield, Ill.
Prairie Cardiovascular Consultants, Ltd.
Springfield, Ill.
Prairie Education & Research Cooperative
Springfield, Ill.
HSHS St. Vincent Hospital
Green Bay, Wis.
HSHS St. Mary's Hospital Medical Center
Green Bay, Wis.
HSHS St. Nicholas Hospital
Sheboygan, Wis.
HSHS Sacred Heart Hospital
Eau Claire, Wis.
HSHS St. Clare Memorial Hospital
Oconto Falls, Wis.
HSHS St. Joseph's Hospital
Chippewa Falls, Wis.

Administrator of the plans
Hospital Sisters Health System
P.O. Box 19456
Springfield, IL 62794-9456
(217) 523-4747

HSHS
Hospital Sisters Health System

Important restrictions and consequences

You may receive less than expected from the plans in the following situations:
- You are not vested in your 401(a) plan benefits if you terminate employment before you are credited with three years of vesting service. This means you will not be entitled to benefits from the 401(a) plan. You are always fully vested (100%) in all contributions in your 403(b) plan account.
- IRS rules may mandate the commencement of your plan benefits.
- You do not make an application for benefits.
- The plans may be amended or terminated at any time.
- Plan benefits are not insured by the Pension Benefit Guaranty Corporation.
- The plan administrator may correct any mistake concerning your plan benefits and its payment when the mistake is discovered.
- All or part of your benefits from the plans may be offset to recover overpayments made to you. The plans are required to recover overpayments.
- You fail to comply with the claims and appeals procedure, including its strict time limits.
- Benefits under the plans are paid only if the plan administrator decides in its discretion the applicant is entitled to benefits under the applicable plan.
- The value of your plan accounts may decrease due to market conditions or poor investment performance. This could cause the value of your accounts to decrease to less than the amount of the original contributions.
- Certain 401(a) plan and 403(b) plan fees will be charged against your respective accounts.

Amendment and termination authority
The company has the right to amend the 401(a) plan at any time, by action of its board of directors or by any person(s) authorized by the board. The company may terminate the plan at any time with respect to the employees of any or all of the participating employers.

The company and any participating employer may amend or terminate the 403(b) plan at any time.

Trustee
The custodian of the plans is Fidelity Management Trust Company, 245 Summer Street, Boston, MA 02210.

Qualified domestic relations order (QDRO) procedures
Fidelity does the qualification for qualified domestic relations orders (QDROs). If you submit a QDRO, which is an effort to divide retirement plan assets following a divorce, the applicable fee noted below will be charged after the initial processing of the QDRO.
- $300 per standard Fidelity web-generated order.
- $1,200 per modified Fidelity web-generated or custom order.
- $1,800 per order covering more than one plan.

Please keep in mind fees are subject to change. If any individual fees are deducted directly from your account, they will be reflected on your plan account statement.

If you have any questions please call 800-343-0860.

More about the plans
These plans are intended, designed and administered as a "church plan" as defined by federal tax law and ERISA (Employee Retirement Income Security Act of 1974). This means the plans are designed to benefit colleagues of church-sponsored entities and are administered by one or more individuals who are appointed to their position by a church-sponsored governance body. Because the plans are "church plans," certain federal laws do not apply, including, but not limited to, ERISA. For example, benefits under both plans are not insured by the Pension Benefit Guaranty Corporation.

This is only a summary of the Hospital Sisters Health System retirement program effective January 1, 2023. Details of all the benefits described in this summary are found in the official plan documents. The information here is subject to those official documents, which will control in the event of any conflict, difference or error. HSHS reserves the right to change or terminate any of the retirement program benefits in the future.

Securities are offered by Fidelity Investments, 900 Salem Street, Smithfield, RI 02917. Hospital Sisters Health System has selected Fidelity Investments as your retirement plan recordkeeper, but there are no other affiliations between Hospital Sisters Health System and Fidelity or its affiliates.

For questions regarding:	Contact:
Your HSHS 401(a) or 403(b) investments or funds	Fidelity at 800-343-0860
Other general questions	HSHS HR Service Center at 855-394-4747.