

2020 SUMMARY OF MATERIAL MODIFICATIONS (SMM) FOR THE RR DONNELLEY FLEXIBLE BENEFITS PLAN

February 15, 2022

INTRODUCTION

The material that follows is a legally required notice of benefit plan changes. It describes changes to certain benefit programs (Programs) provided under the RR Donnelley Flexible Benefits Plan (the “Plan”). It applies to the following Programs:

- Health Care Spending Program
- Dependent Day Care Spending Program

The general rules related to each benefit Program are detailed in the Plan’s Summary Plan Description (SPD), and any notices (such as this one) that constitute a Summary of Material Modifications (SMM) to that SPD, including but not limited to the annual Benefits Enrollment Guides. If a capitalized term is not defined in this SMM, such term will have the definition set forth in the SPD. To make sure you have the most up-to-date information, keep this document with your SPD. You can also access the SPDs and SMMs at <http://myrrdbenefits.com>.

This SMM was prepared to highlight certain temporary changes to the terms of the Plan, for 2020 and 2021 on account of the COVID-19 pandemic, and is generally effective January 1, 2020. In particular, this SMM addresses important changes to the following SPD program booklets under the Plan:

- Flexible Spending Account Program Booklet

If there is any inconsistency between this SMM and the SPD, this SMM will control.

Nothing in this SMM, the SPD or its appendices should be interpreted as an employment contract. This SMM merely describes the material temporary changes to the coverages and benefits offered to eligible participants for 2020 and 2021 on account of the COVID-19 pandemic. R.R. Donnelley & Sons Company (RR Donnelley) reserves the right to amend, change, or terminate the Plan or its component programs, in whole or in part, at any time.

This SMM contains a summary in English to supplement the information provided in the SPD and its appendices. If you have difficulty understanding any part of this content, call the RR Donnelley Benefits Center at **1-877-RRD-4BEN (1-877-773-4236)**. RR Donnelley Benefits Center Representatives are available from 7 a.m. to 7 p.m. CT, Monday through Friday, except holidays.

SUMMARY OF MATERIAL MODIFICATIONS

On December 27, 2020, H.R. 133, the Consolidated Appropriations Act, 2021 (the “CAA”), was signed into law, which, among other things, provides employers discretion to amend their flexible benefits plans to address certain economic and health-related burdens faced by employees during the COVID-19 pandemic. The CAA permits, and the Plan has adopted, the following changes:

- For the Plan Years ending in 2020 and 2021, you can carry over unused funds remaining at the end of the Plan Year in a Health Care Flexible Spending Account (Health Care FSA) and/or a Dependent Day Care Flexible Spending Account (Dependent Day Care FSA) and use them for expenses incurred in the following Plan Year.
- For the 2021 Plan Year, you may make certain prospective, mid-year election changes to a Health Care FSA and/or a Dependent Day Care FSA.
- An employee who ceases participation in the Health Care Spending Program (i.e., the Health Care FSA) during calendar year 2020 or 2021 (for example, due to a termination of employment or mid-year election to cease contributions) may continue to receive reimbursements from unused benefits or contributions for eligible health care expenses incurred through the end of the Plan Year in which such participant ceased making contributions to the Health Care FSA.
- Participants in the Dependent Day Care Spending Program (i.e., the Dependent Day Care FSA) whose dependent child(ren) turned age 13 during the 2020 Plan Year may continue to use their funds remaining in their Dependent Day Care FSA for the child(ren)’s expenses through the end of such Plan Year during which the child turned age 13. In addition, if a Participant has unused amounts as of the last day of the 2020 Plan Year, the Participant may be reimbursed from the Dependent Day Care FSA from the remaining balance for eligible expenses incurred during the next Plan Year (i.e., the 2021 Plan Year) for the aged-out qualifying dependent, for any expense incurred prior to the child(ren)’s 14th birthday.

The following sections of the SMM explain these changes in more detail.

I. Extended Claims Period for Unused Amounts in Health Care FSAs and Dependent Day Care FSAs

If you have funds remaining in your Health Care FSA and/or a Dependent Day Care FSA on the last day of the 2020 Plan Year and/or 2021 Plan Year, you can carry over those funds to the next Plan Year and use them to reimburse new claims incurred during the new Plan Year (the “Extended Claims Period”).

The Extended Claims Period means that you now have more time to “use up” any funds left in your Health Care FSA and/or Dependent Day Care FSA at the end of the 2020 or 2021 Plan Years. Even though the 2020 or 2021 Plan Year has ended, you can incur Health Care Expenses and/or Dependent Day Care Expenses in the 2021 or 2022 Plan Years (for all 12 months of those

Plan Years) and have them reimbursed from any balance leftover from the 2020 or 2021 Plan Years.

Example. The 2020 Plan Year ended on December 31, 2020. Normally, under the “use it or lose it” rule, if you have any funds remaining in your Health Care FSA and/or Dependent Day Care FSA on December 31, 2020, those funds will be forfeited. However, under the CAA, the Extended Claims Period for the 2020 Plan Year now ends on December 31, 2021. This means you can incur claims for health care expenses and/or dependent day care expenses from January 1, 2021, through December 31, 2021, and have them reimbursed from your remaining 2020 Plan Year balances. Any amounts remaining in your Health Care FSA and/or Dependent Day Care FSA on December 31, 2021, will then be available for an additional Extended Claims Period from January 1, 2022, through December 31, 2022 (regardless of whether the funds were originally contributed during the 2020 Plan Year or 2021 Plan Year). Because the Extended Claims Period does not apply to the 2022 Plan Year, you will forfeit any funds remaining in your Health Care FSA and/or Dependent Day Care FSA on December 31, 2022.

II. Election Changes for Health Care FSAs and Dependent Day Care FSAs in 2021

As described in the SPD, the Internal Revenue Service (IRS) has rules that allow you to change your election for Plan benefits outside of the annual open enrollment period only if you experience certain changes in family, employment or health coverage status that meet the criteria to be a qualifying status change event. Any change you make must be allowed by law and be consistent with the event.

For the 2021 Plan Year, the CAA permits you to make certain prospective, mid-year election changes to a Health Care FSA and/or the Dependent Day Care FSA even if you have not experienced a change in family, employment, or health coverage status required under IRS rules. The following questions and answers explain how these election changes work.

Which new qualifying status change events has the Plan adopted?

In accordance with the CAA, the Plan has been amended to temporarily allow eligible employees and participants to make the following mid-year election changes to the Health Care FSA/or the Dependent Day Care FSA, for any reason, on a prospective basis during the 2021 Plan Year, as described below:

- Revoke an existing election to contribute to the Health Care FSA and/or the Dependent Day Care FSA;
- Make a new election to contribute to the Health Care FSA and/or the Dependent Day Care FSA;
- Increase an existing election for contributions to the Health Care FSA and/or the Dependent Day Care FSA; or
- Decrease an existing election for contributions to the Health Care FSA and/or the Dependent Day Care FSA.

If I make an election change, when is it effective?

Election changes affecting the Health Care FSA and/or the Dependent Day Care FSA due to a qualifying status change event generally become effective on the first day of the month after the later of: (1) the date you notify the Plan of the new election, or (2) the date of the qualifying status change event (Effective Date of Election Change). The CAA, however, has temporarily modified and expanded your ability to be reimbursed for eligible expenses incurred before and after your Effective Date of Election Change, as further described below.

If I revoke my Health Care FSA election (i.e., prospectively change my contribution to \$0), can I be reimbursed for health care expenses incurred after the Effective Date of Election Change for my revocation?

Yes. Unlike the usual rule, the law has now been changed for the 2021 Plan Year only to allow you to be reimbursed for any health care expenses incurred after the Effective Date of Election Change where a Health Care FSA election is revoked and reduced to \$0. Participants may continue to be reimbursed for health care expenses incurred after the Effective Date of Election Change for a revocation for the remainder of the Plan Year, even where a Health Care FSA election has been revoked and reduced to \$0. See Section III (“Post-Termination Reimbursements from Health Care FSAs”) for more information regarding the ability to continue using your Health Care FSA after the date your participation in the Health Care Spending Program would otherwise end due to an election change to revoke and reduce your contribution to \$0.

If I revoke my Dependent Day Care FSA election (i.e., prospectively change my contribution to \$0), can I be reimbursed for dependent day care expenses incurred after the Effective Date of Election Change for my revocation?

Yes. Participants may continue to be reimbursed for dependent day care expenses incurred after the Effective Date of Election Change for a revocation for the remainder of the Plan Year, even where a Dependent Day Care FSA election has been revoked. This is a permanent rule and is not limited to the 2021 Plan Year.

If I make a new election now to start contributing to the Health Care FSA and/or Dependent Day Care FSA (or to increase my current election(s)), can I be reimbursed for health care expenses and/or dependent day care expenses incurred prior to the Effective Date of Election Change with the money contributed through my new or increased election(s)?

Yes, under the circumstances described below. Normally, if you enroll in coverage mid-year or increase your elections because of a qualifying status change event, only expenses incurred after your Effective Date of Election Change can be reimbursed from the newly elected amounts. IRS Notice 2021-15 contains a temporary exception to this rule for the 2021 Plan Year. Under this exception, amounts contributed to the Health Care FSA and/or Dependent Day Care FSA after the revised election made in 2021 may be used for health care expenses and/or dependent day care expenses incurred at any point from January 1, 2021, through December 31, 2021. In other words, the SPD is modified (for the 2021 Plan Year) so that, for eligible employees who enroll mid-year or increase their elections due to a qualifying status change event, the Entry Date and Effective Date of Election Change is treated as January 1, 2021, rather than the usual Effective Date of Election Change.

Can I revoke my election retroactively and receive a refund of amounts already contributed to the Plan?

No. These qualifying status change events allow prospective elections only. Any amounts already contributed to your Health Care FSA and/or Dependent Day Care FSA remain in the account and must be used for expenses incurred during the Plan Year (or Extended Claims Period).

Are there limits on my ability to reduce my elections?

Yes. If you decrease your Health Care FSA or Dependent Day Care FSA contributions due to a qualifying status change event, you cannot reduce your contributions below the amount of any reimbursements you have already received as payments or reimbursement for the Plan Year.

III. Post-Termination Reimbursements from Health Care FSAs

Note: For purposes of this Section III, all references to the Plan refer only to the Health Care Spending Program component of the Plan.

Typically, if your employment is terminated or your participation in the Health Care Spending Program ends for other reasons, and you do not elect continuation coverage under the Consolidated Omnibus Budget Reconciliation Act of 1985 (COBRA), you may submit claims only for reimbursement of health care expenses incurred prior to the date your employment and/or participation in the Plan ended. Normally, you also are required to submit claims by the March 31 after the end of the Plan Year in which your employment and/or participation in the Plan ended (the “Runout Period”).

The CAA provides that, for a termination of employment and/or Plan participation in calendar years 2020 or 2021, you may continue to receive reimbursements from unused benefits or contributions for eligible health care expenses incurred through the end of the Plan Year in which you ceased participation, even if you do not elect COBRA coverage. In other words, you may submit claims for reimbursement of health care expenses incurred both before *and after* your termination date, through the end of the Plan Year in which your employment and/or Plan participation terminated, so long as you do so by the end of the Runout Period associated with that Plan Year.

The following questions and answers explain how these election changes work.

What if I terminate employment/Plan participation during 2021 and still have money left in my Health Care FSA?

You may continue to submit reimbursement requests for health care expenses that were incurred through the end of the 2021 Plan Year, whether such health care expenses were incurred before or after your termination date. Any funds remaining in your Health Care FSA after the close of the Runout Period will be forfeited.

What happens to my Health Care FSA if I terminate employment/Plan participation after calendar year 2021?

If you terminate employment or otherwise terminate Health Care FSA Plan participation/contributions in a calendar year after 2021 (for example, in 2022), you may submit claims only for reimbursement of health care expenses that were incurred prior to the termination date until the end of the applicable Runout Period. Any funds remaining in your Health Care FSA after the end of the Runout Period for the 2021 Plan Year will be forfeited.

In order to submit claims for health care expenses incurred after the date of termination, you must elect COBRA coverage. If you elect COBRA coverage and have any funds remaining in your Health Care FSA after the end of the Runout Period following the end of the Plan Year in which your employment and/or Plan participation terminated, those funds will be forfeited.

IV. Carry-Forward Rule for Aged-Out Dependents During 2020

Generally, reimbursement of qualifying dependent day care expenses are limited to dependent children under age 13. As described below, the CAA provides two types of relief for dependents who turned 13 during the 2020 Plan Year.

What are the temporary changes for eligibility for dependency for the Dependent Day Care FSA?

First, the CAA temporarily provides an extra year for children who “aged out” (turned 13) during the 2020 Plan Year (January 1, 2020, through December 31, 2020). The maximum age of coverage for a dependent for purposes of dependent day care expenses is now 13, rather than 12, for those in that circumstance.

Second, for dependents who turned 13 during the 2020 Plan Year, the CAA permits the increased age limit to apply to amounts available after the end of the 2020 Plan Year due to the Extended Claims Period. This means that during the 2021 Plan Year (January 1, 2021, through December 31, 2021), you may use funds remaining from the 2020 Plan Year to reimburse your child’s eligible expenses incurred during the 2021 Plan Year, prior to the date your child turns 14.

When are the aged-out dependent changes effective?

The Plan is amended effective January 1, 2020, to include these new dependent age exceptions, which will expire on December 31, 2021.

V. IRS Changes to Eligible Health Care Expenses

On March 26, 2021, the IRS issued Announcement 2021-07, which, among other things, provides that certain amounts paid for personal protective equipment to prevent the spread of COVID-19 are eligible to be reimbursed under Health Care FSAs and similar accounts such as Health Savings Accounts (HSAs).

On September 10, 2021, the IRS issued a reminder that the cost of home testing for COVID-19 is an eligible medical expense that can be paid or reimbursed under Health Care FSAs and similar accounts such as HSAs.

What new types of eligible health care expenses are reimbursable through the Health Care FSA?

Amounts paid for personal protective equipment, such as masks, hand sanitizer, and sanitizing wipes, for the primary purpose of preventing the spread of COVID-19 (COVID-19 PPE), are eligible health care expenses that may be reimbursed from the Health Care FSA. Amounts paid for home testing for COVID-19 may also be reimbursed from the Health Care FSA.

When are these changes effective?

The changes are effective for any eligible items purchased on or after January 1, 2020.

If I purchased COVID-19 PPE in 2020, are those expenses reimbursable?

Yes. Announcement 2021-07 is retroactive to January 1, 2020. You may submit COVID-19 PPE expenses as you do for any other eligible health care expenses. If you have a remaining balance in your Health Care FSA for the 2020 Plan Year, and your COVID-19 PPE expenses are properly documented and otherwise eligible, you will be reimbursed for those expenses.