# Save more, get more from the Zebra 401(k) Plan

**Important news about recent Plan changes**

# New Ways to Save and Manage Your Money

Saving and investing with the Zebra 401(k) Plan is one of the best ways to prepare for retirement. The Plan includes a variety of features that make it easy for you to contribute money from your paycheck, track your investments, minimize your taxes and build income for the future.

Zebra is making some important changes designed to give you more flexibility when saving and managing money in your 401(k).

## New Plan Features

- **Traditional after-tax contributions**, in addition to the before-tax and Roth after-tax contribution options currently available
- **ADDED FLEXIBILITY to manage your money** with in-plan conversions of before-tax and/or traditional after-tax contributions to Roth after-tax savings

Keep reading to learn more and see whether these new features are right for you.

## Traditional After-Tax Contributions

When you save on a traditional after-tax basis, your contributions don't reduce your taxable income the way before-tax contributions do. However, after-tax contributions are not taxed when you take a qualified withdrawal from the Plan (but any associated earnings are taxable upon distribution).

One big advantage of traditional after-tax contributions is that they let you save more! As you may know, the 2025 IRS limit for before-tax and Roth after-tax contributions combined is $23,500. However, now that we allow traditional after-tax contributions, the 2025 IRS limit for all combined employee and employer contributions (before-tax, Roth after-tax, traditional after-tax **and** Zebra's Company match) is $70,000. Additional limits may apply; see "Special Note for Highly Compensated Employees."

There are other important differences between contribution types. See "Comparing Contributions" on the next page for more details.

### Special Note for Highly Compensated Employees

**Each year, Zebra evaluates highly compensated status for all employees. If you fall within the top 20% in terms of total eligible compensation for that year, you will be deemed a highly compensated employee at Zebra. That means your 401(k) contributions for 2025 are limited to:**

- **No more than 4% of pay* for traditional after-tax contributions; and**
- **No more than 15% of pay* for before-tax and Roth after-tax contributions combined.**

***Pay is capped at the IRS annual compensation limit for 401(k) plans, which is $350,000 for 2025.**

# Comparing Contributions

| | Before-Tax | Roth After-Tax | NEW Traditional After-Tax |
|---|---|---|---|
| **Your Contributions** | You contribute dollars taken from your pay before taxes are calculated, which lowers your taxable income and reduces the taxes you pay. | You pay taxes before Roth contributions are taken from your pay, so they won't lower your current taxes. However, you don't pay taxes on Roth contributions **or** earnings when you take a qualified withdrawal. | You pay taxes before traditional after-tax contributions are taken from your pay, so they won't lower your current taxes. However, you don't pay taxes on traditional after-tax contributions when you take a qualified withdrawal (but taxes will be due on earnings). |
| **Contribution Method** | All contributions are made through convenient automatic payroll deductions. | | |
| **Contribution Limits** | You can contribute between 1% and 75%[1] of your pay across all three contribution types.<br>Subject to IRS limit of $23,500 (for 2025) for combined before-tax and Roth after-tax employee and employer contributions.<br>If you'll be age 50 or older by the end of the year, you can contribute an additional $7,500 (for 2025) in catch-up contributions between before-tax and Roth after-tax contributions. | | You can contribute between 1% and 75%[2] of your pay across all three contribution types.<br>Subject to IRS limit of $70,000 (for 2025) for all combined employee and employer contributions.<br>**Note:** Traditional after-tax contributions are not eligible for catch-up contributions. |
| **Company Matching Contributions** | Zebra matches 100% of 50% of the next 4% of pay you contribute on a before-tax and/or Roth after-tax basis. | | Traditional after-tax contributions are not eligible for Zebra matching dollars. |
| **Investment Funds** | The same fund lineup is available for all contributions you make to the Plan, regardless of type. | | |
| **Tax Treatment Upon Distribution**[3] | **Taxable:** Your contributions and investment earnings are both taxable. | **Taxable:** Your investment earnings are taxable only if part of a non-qualified distribution. | **Taxable:** Your investment earnings are taxable. |
| | **Not Taxable:** Does not apply. Your entire account balance is taxable. | **Not Taxable:** Your contributions are not taxable, and investment earnings are not taxable if part of a qualified distribution. | **Not Taxable:** Your contributions are not taxable. |

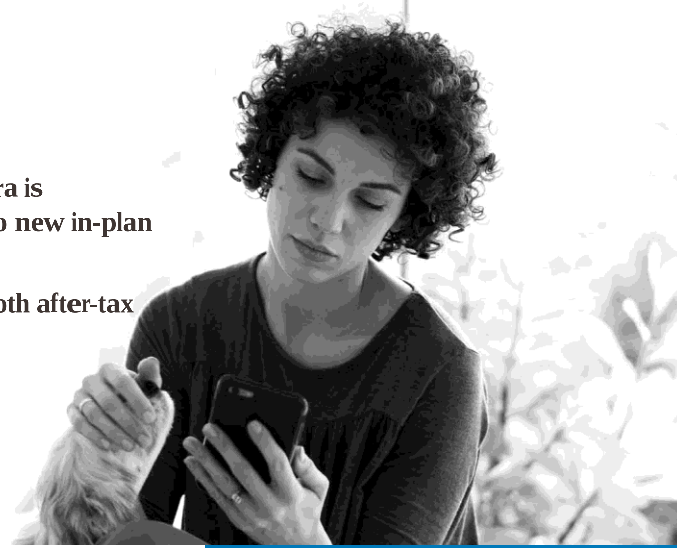
[1]Highly compensated employees can contribute between 1% and 15% of pay on a combined before-tax and Roth after-tax basis.
[2]Highly compensated employees can contribute between 1% and 4% of pay on a traditional after-tax basis.
[3]An additional 10% tax penalty may apply to any distribution taken before age 59½ or less than five years after your first Roth contribution.

# In-Plan Conversions

**In addition to the convenience of traditional after-tax contributions, Zebra is providing you with even more flexibility to manage your money with two new in-plan conversion options:**

- **Automatic in-plan conversion of traditional after-tax contributions to Roth after-tax**
- **In-plan conversion of before-tax contributions or traditional after-tax balances to Roth after-tax**

**These new features give you additional options to save more in the Plan today while also minimizing the taxes you may owe in the future.**



## Automatic In-Plan Conversion of Traditional After-Tax Contributions to Roth

With this feature, you can automatically convert money saved in the Plan on a traditional after-tax basis to Roth after-tax savings. This approach can allow you to save more money each year (remember, traditional after-tax savings have a higher IRS limit than Roth) AND withdraw more of your money (specifically, your investment earnings) tax-free in the future, provided your distribution is considered qualified. For your distribution to be qualified, you must be at least age 59½ and the conversion to Roth must have been made at least five years prior to your distribution.

If you select automatic in-plan after-tax conversions to Roth, your contributions will be converted on the same day you make the contribution. And any earnings on the money you convert will start growing tax-free immediately.

To take advantage of this feature, you must make a **one-time election** through your Vanguard account. This election applies to all subsequent traditional after-tax contributions, which will be automatically converted to Roth until you revoke this election. Keep in mind, Roth conversions cannot be undone later, meaning you cannot later decide to convert Roth contributions back to traditional after-tax or before-tax contributions.

## In-Plan Conversion of Before-Tax Contributions or Traditional After-Tax Plan Balances to Roth

This feature allows you to convert all or some of your savings to Roth after-tax savings in the Plan. With this option, you pay taxes today on the before-tax savings or on the market gains on traditional after-tax savings you convert. In the future, you can withdraw any money you convert tax-free, provided your distribution is considered qualified.

In general, a distribution of Roth savings is considered qualified if you are at least age 59½ and your initial Roth contribution was made at least five years prior to the distribution.

Converting your savings to Roth after-tax is typically considered a taxable event, which means some or all of the converted amount may be subject to federal, state and local taxes in the year that you convert your savings. And remember, any savings you convert to Roth after-tax cannot be undone later.

### Is a Roth In-Plan Conversion Right for You?

Tax-free income in retirement is a great advantage, but a Roth conversion is not for everyone. To decide whether a Roth conversion is right for you, you need to consider your current and future tax rates, among other factors.

A Roth in-plan conversion can make sense if you think you are in a lower tax bracket today than you will be when you take withdrawals in retirement. That way you would pay taxes at a lower rate today than you would later.

## Making Your One-Time Election

**To make a one-time election to automatically convert traditional after-tax contributions to Roth, you will need to:**

1. **Elect to make traditional after-tax contributions; and**
2. **Make a one-time election to have that money automatically converted to Roth.**

**To take action:**

- **Log in to your account at www.vanguard.com/retirementplans.**
- **Select Manage my money.**
- **To make after-tax contributions, select Change my paycheck deduction.**
- **To choose the automatic-conversion-to-Roth feature, select Manage Roth conversions. (Once you choose this feature, all future after-tax contributions will be converted automatically to Roth savings.)**

# Savings strategies: which features should you consider?

**Want to make sure you are getting the most from the Zebra 401(k) Plan's many features? Here are a few strategies to consider. Always consult with a tax advisor before making changes to your retirement savings strategy.**

| If you want to... | Consider... |
|---|---|
| Ensure you receive the full Zebra matching contribution... | Saving at least 6% of pay on a before-tax and/or Roth after-tax basis. |
| Save more annually in the Plan than you are currently permitted to... | Taking advantage of the new traditional after-tax contribution feature. The IRS allows you to save up to $70,000 for all combined employee and employer contributions in 2025. Additional limits apply to highly compensated employees. |
| Reduce the taxes you owe upon distribution by saving more on a Roth after-tax basis... | Automatically converting your traditional after-tax contributions to Roth after-tax savings by making a one-time election through your Vanguard account. |
| Save more annually but are considered a highly compensated employee who is not able to save up to the IRS annual limit of $23,500 for before-tax and/or Roth after-tax contributions... | Increasing your savings (up to an additional 4% of pay) by using traditional after-tax contributions. You will have the opportunity to immediately convert those contributions to Roth after-tax, if desired. |

## Need More Information?

- **Access your account information at www.vanguard.com/retirementplans.**
- **Contact a Vanguard Participant Services associate at 1-800-523-1188, Monday through Friday, 8:30 a.m. to 9 p.m. (ET).**

**And be sure to check out additional tools and resources from Vanguard, including:**

- **Roth in-plan conversion FAQs**
- **Roth contribution assessment tool**