



To: Leidos, Inc. California Employees
From: Karen Kanjian, Director of Corporate Benefits
Date: December 21, 2021
Re: California Voluntary Disability Plan (CA VDP) Benefits - Year 2022

California State Disability Insurance (SDI)

Effective **January 1, 2022**, the State Disability Insurance (SDI) Plan tax rate **will decrease to 1.1%** and the taxable wage base **will increase to \$145,600** of an employee's annual earnings. The maximum annual deduction **will increase to \$1,601.60**. The SDI Plan maximum weekly benefit **will increase to \$1,540**.

Leidos, Inc. employees are covered by our self-insured California Voluntary Disability Plan (CA VDP), which is a state-approved replacement of the SDI Plan. Effective January 1, 2022, the following provisions will take effect for the CA VDP:

Contributions:

The **Leidos CA VDP** employee contribution rate mirrors the SDI employee contribution rate and **will decrease to 1.1%** of the taxable wage base **of the first \$145,600 of an employee's annual earnings**. This means Leidos CA VDP employees' **2022** maximum annual contribution **will increase to \$1,601.60**.

Maximum Benefit:

The Leidos CA VDP will provide:

1. Benefit Class 1 – The amount of weekly benefit a Benefit Class 1 Employee will receive (subject to Limitations and Exclusions) is 60% of the Employee's Current Weekly Wage subject to a maximum weekly benefit of \$1,540.00 and a minimum weekly benefit of \$50.
2. Benefit Class 2 - The amount of weekly benefit a Benefit Class 2 Employee will receive (subject to Limitations and Exclusions) is 70% of the Employee's Current Weekly Wage subject to a maximum weekly benefit of \$1,540.00 and a minimum weekly benefit of \$50.

Paid Family Leave Benefits will be paid the same amount as the maximum and minimum weekly Disability benefit under the Leidos CA VDP.

REGULATORY/LEGISLATIVE CHANGES IMPACTING VOLUNTARY PLANS –2022

- None

In accordance with the California Unemployment Insurance Code, employees who are participating in the Company's California Voluntary Disability Plan have the right to discontinue their coverage under this Plan by notifying the Company, in writing, of their decision **within ten (10) days** following the effective date of any amendment to the Plan.

QUESTIONS? If you have any questions about this Voluntary Plan benefit or your disability benefits in general, please contact Employee Services at 855-553-4367, option 3 or email ASKHR@leidos.com. Additionally, if you wish to enroll in or withdraw from the Voluntary Plan, please contact Employee Services no later than **January 11, 2022**.