

**Komatsu America Corp. | KAC**

# Benefits At A Glance



## Komatsu... using innovation and quality to move the world

Although Komatsu started marketing its products in the 1960s in the United States, our North American operations were established in 1970 with a fresh vision for the industry. Our goal was to become more than just a supplier of superior construction equipment. We made a commitment to become a trusted partner that could provide ongoing support to every customer.

**Today, Komatsu is the second-largest, fully-integrated manufacturer and supplier of construction equipment in the world**, from the smallest compact construction size to the largest mining size. Komatsu has established a reputation for quality and reliability that is second to none. We have built a network of manufacturing plants and parts distribution centers in North America with approximately 2,000 employees.

Our product line includes hydraulic excavators, wheel loaders, crawler dozers, off-highway trucks, motor graders, mobile crushers, skid steer loaders, compact track loaders and backhoe loaders. Komatsu provides a wide range of parts and service support for all its customers through a coast-to-coast distributor network. In addition, financing options are available through Komatsu Financial.

## Benefits Overview

Komatsu strives to offer a valuable benefits program designed to meet the individual needs of its employees. From health and welfare plans to retirement plans, our employees have the flexibility to choose the benefits that best fit their lifestyles.

Benefits for salaried, full-time employees (those who work more than 30 hours per week) are effective on date of hire. Some benefits are fully paid by the Company and some require employees to share in the cost. For most of the benefits where you make a contribution, the cost is deducted from each paycheck before federal, state, Social Security and Medicare taxes are determined — helping to lower your taxable income.

In addition, Komatsu offers resources to:

- stay healthy through wellness benefits and health care tools from top providers in the industry,
- achieve retirement and financial goals through our long-term savings plans and financial planning assistance,
- meet education goals through the tuition reimbursement program, and
- enjoy time away from work through vacation days and paid holidays.

**Komatsu**HR

**BUILT AROUND YOU**

The Benefits of Working for Komatsu

## Health & Welfare Benefits

### Medical

Employees have two medical plans to choose from:

- **Traditional PPO Plan**
- **High Deductible PPO Plan**

Plus, the plans provide the flexibility to use network providers and receive higher benefits, or choose non-network providers and pay a little more. The plans are administered by Blue Cross and Blue Shield.

### Dental

The dental plan is administered by Delta Dental and covers preventive, basic and major services, as well as orthodontia. You have options in the dental providers you use and the coverage you receive.

### Vision

The vision plan is administered by VSP and covers eye exams and eyeglasses or contact lenses every year.

### Flexible Spending Accounts (FSAs)

FSAs reduce your taxable income by allowing you to set aside up to \$5,000 annually pre-tax to use toward health care and/or dependent day care expenses.

### Life Insurance

There are three types of life coverage provided at no cost:

- **Basic life** equal to one times your annual salary
- **Basic accidental death and dismemberment (AD&D)** equal to two times your annual salary
- **Business travel accident (BTA)** coverage up to \$100,000

You may purchase additional insurance for you and/or your family:

- **Optional life** for yourself equal to an additional one to five times your annual salary
- **Dependent life** coverage for your spouse and/or eligible dependents up to \$50,000
- **Optional AD&D** coverage for yourself up to \$500,000 with coverage for your family members

### Disability

- **Short-term disability** — provided at no cost, and covers up to 26 weeks of leave due to an extended illness or injury.
- **Long-term disability** — provides additional disability insurance for leaves lasting beyond 26 weeks, and pays a monthly benefit equal to 60 percent of pre-disability earnings.

### Other Benefits

- Tuition Reimbursement
- Employee Assistance Plan provides personal services, reference tools and wellness benefits
- Long-term care coverage for yourself and/or family

## Long-term Savings Plans

### Komatsu 401(k)

You are eligible to contribute to the Komatsu 401(k) immediately upon hire. The plan offers several investment options.

Komatsu helps you save by matching dollar-for-dollar, up to 4 percent of your pay. The Company may also make a discretionary contribution into your account each year. Both Company contributions begin on the first day of the quarter following one year of service, and you are immediately vested once the contributions have been made.

### Target Benefit Plan

Starting on the first day of the quarter following one year of service, Komatsu makes contributions to your Target Benefit Plan each month. The plan determines your age-65 “target” benefit using your annual salary, age and other factors. Once the contributions go into your account, the plan works just like the 401(k) with the option of moving the money into any of the available investment options. Vesting occurs after three years of service.

## Retiree Benefits

You are eligible to retire from Komatsu with the following benefits once you attain age 55 and at least 10 consecutive years of service.

### Retiree Medical Spending Account (RMSA)

Upon reaching age 45, you will begin receiving annual contributions to your personal RMSA. The account grows with interest at a fixed rate (even after retirement). When you retire from Komatsu, you can access your RMSA to cover retiree medical care premiums, excluding group plans.

### Retiree Medical

Retiree medical insurance is offered to retirees and eligible dependents.

- **Pre-65 coverage** — available if you retire prior to age 65. The medical plan is identical to that offered to active employees.
- **Post-65 coverage** — available for Medicare-eligible retirees. Medicare Part A and B will be the primary insurance plan. The Komatsu Post-65 plan serves as supplemental coverage.

### Retiree Life

Retirement-eligible employees receive retiree life coverage equal to 75 percent of their final annual salaries at no cost.

*The information provided in this overview does not guarantee future benefits. It is also not intended to be all inclusive, but rather summarize the benefits available. If there are any conflicts between the information presented in this brochure and the legal plan documents that govern each benefit, the legal plan documents will govern. Komatsu reserves the right to change or terminate any or all benefits at its discretion. Nothing contained in these materials constitutes, or is intended to create, a promise of employment.*