

Sapphire Edge, Inc.
Annual Meeting of Members
March 30, 2026

AGENDA

1. Reports

- Board Chair, including the 2025 Actions of the Board of Directors
- Treasurer

2. Director Election

- Ron Rowe
- Rama Kolli
- Gretchen Twohig
- Chad Werner

3. Other Matters

- Approve the Minutes from the 2025 Annual Meeting
- Indemnification

4. Adjournment

Greetings,

Thank you for your participation in Sapphire Edge, Inc.'s Annual Meeting of Members.

Within this packet, you will find relevant reports.

This year's Annual Meeting will be held by phone. Instructions on how to participate are included in the documents that follow.

The reports of the Board Chair/President and Treasurer reports are being provided in writing and will not be orally presented at the meeting. Additionally, there will not be an open question and answer session as part of the meeting. If you have questions, they can be submitted to the following email address: Corporate_Secretary@nebraskablue.com and we will respond as soon as we can.

Please call the number on the back of your Blue Cross and Blue Shield of Nebraska ID card for questions you may have regarding your benefits.

We appreciate your cooperation and understanding.

Dial in Information for the Meeting:

Call in (audio only)

1- 402-819-3311

Phone Conference ID: 269 008 148#

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REPORTS

Actions of the Board of Directors, Officers and Employees

The Members are asked to accept the reports of the Board Chair and the Treasurer.

Annual Meeting of Members

Report of the Board Chair—Sapphire Edge, Inc.

March 2026

As the chair of the Sapphire Edge, Inc. (SEI) board of directors, it is my pleasure to present my report for this year's Annual Meeting of Members. SEI is a wholly owned subsidiary of Blue Cross and Blue Shield of Nebraska (BCBSNE).

2025 was a strong enrollment year for BCBSNE's Medicare Advantage (MA) plans. At year end, our statewide individual contract enrollment totaled 20,621 members. Our MA products are available in 76 of Nebraska's 93 counties.

The Centers for Medicare & Medicaid Services (CMS) awarded both of BCBSNE's Medicare Advantage PPO plans with a 3-star rating and our HMO plans with a 3.5-star rating.

In 2026, we will continue to focus on efficiently and effectively managing the administration of the MA program, including accurate risk scoring, promotion of cost-effective prescription drug adherence and improved patient outcomes.

Overview of actions of the SEI board of directors in 2025

The SEI board of directors met four times in 2025. The meetings focused on financial governance, quality of care for members, operations, CMS compliance and planning for future growth.

SEI board members are Rama Kolli, Ron Rowe, Gretchen Twohig and Chad Werner.

Respectfully,

Ron Rowe

Chair, SEI Board of Directors

Blue Cross and Blue Shield of Nebraska
Annual Meeting of Members
Report of the Treasurer, Sapphire Edge, Inc.
March 2026

As the treasurer and chief financial officer of Sapphire Edge, Inc. (SEI), it is my pleasure to present my report for this year's Annual Meeting of Members. During 2025 we concentrated on providing quality services for our members while investing in a long-term operating model.

2025 financial overview

- **Membership:** Increased nearly 13,000 over prior year due to a successful annual enrollment period in 2024.
- **Gross Margin:** Decreased by \$27.5 million compared to the prior year, due to increased membership and claims costs.
- **Medical Loss Ratio (MLR):** Increased to 113% from 110% in the prior year.
- **Administrative Expenses:** Increased \$7.8 million year over year due to expenses incurred to bring operations in-house.
- **Gain/Loss from Operations:** Loss from operations was (\$75.5) million.
- **Investment Income:** Increased slightly year over year.
- **Operating Margin:** -26% for the year.

We continued to make significant investments in the business in 2025, including beginning the development of a long-term operating model to strengthen the company's ability to deliver high quality products and services to our members in the years to come. We look forward to continuing to deliver on our mission of being champions of the health and well-being of our members and the communities we serve.

Sincerely,

Chad Werner
Treasurer and Chief Financial Officer
Sapphire Edge, Inc.

All financial information is unaudited and based on statutory accounting principles.

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ELECT INDIVIDUALS TO SERVE AS DIRECTORS

As a Member of the Sapphire Edge, Inc. Board of Directors, Ms. Gretchen Twohig has been chosen to represent the Board at this Annual Meeting of Members.

Four members of the Board of Directors have terms expiring in March 2026 and are standing for re-election. These Directors are, Ron Rowe, Rama Kolli, Gretchen Twohig, and Chad Werner

The Board of Directors recommends voting FOR all nominees to serve a one-year term expiring in March 2027.

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- Approve the Minutes from the 2025 Annual Meeting
- Indemnification

4. Adjournment

Other Matters

The Members are asked to approve the Minutes from the 2025 Sapphire Edge, Inc. Annual Meeting of Members and to approve a resolution indemnifying the Board of Directors, Officers and employees.

EXECUTIVE SUMMARY
ANNUAL MEETING OF MEMBERS
SAPPHIRE EDGE, INC.
MARCH 31, 2025

At its meeting on Monday, March 31, 2025, the Members of Sapphire Edge, Inc. took the following actions:

1. Received the Annual Report of the Board Chair and President and the Annual Report of the Treasurer. Approved the actions taken by the Board of Directors since the last Annual Meeting of Members.
2. Elected the slate of candidates for Directors consisting of Mr. Rama Kolli, Mr. Ron Rowe, Ms. Gretchen Twohig, Mr. Chad Werner and Ms. Joni Wheeler for one-year terms expiring in March 2026.
3. Approved the Minutes of the Annual Meeting of Members held on March 25, 2024 and approved an indemnification resolution.

MINUTES
ANNUAL MEETING OF MEMBERS
SAPPHIRE EDGE, INC.
MARCH 31, 2025

The Annual Meeting of Members of Sapphire Edge, Inc. (SEI or the Company) was held on Monday, March 31, 2025, at 4:30 p.m., via conference call. Mr. Ron Rowe, Board Chair, presided at the meeting. As Chair, Mr. Rowe was designated to be the Board's representative at the meeting.

Mr. Rowe welcomed participants to the annual meeting of members.

Mr. Cameron Arch advised the Company sent the Notice of Annual Meeting, which included instructions on how to obtain information on those standing for election and a proxy card to 19,952 Members: 1,256 Members returned written votes, and 1,185 Members voted for the slate of candidates for election to the Board of Directors. There were 0 Members present on the call. Board Members and Company Officers present on the call included: Mr. Rama Kolli, Ms. Gretchen Twohig, Mr. Jeff Russell, Mr. Ron Rowe, Mr. Chad Werner, Ms. Joni Wheeler and Ms. Kristi Wolff.

The meeting was called to order at 4:30 p.m., and Mr. Arch confirmed a quorum was present. The following business was conducted:

1. Report of the Board Chair and President and the Report of the Treasurer

Mr. Rowe, Board Chair and SEI President, stated the Report of the Chair and President includes significant actions taken by the Board of Directors at its 2024 meetings, is contained in the meeting materials and waived the reading of this report.

Mr. Werner, Treasurer, stated that the Treasurer's Report is contained in the meeting materials and waived the reading of this report.

Each report is attached as Attachment 1 and 2 respectively and made a part of these minutes.

There was no discussion. Whereupon,

It was moved and seconded that the Annual Report of the Board Chair and President including the actions taken by the Board of Directors since the last Annual Meeting of Members and the Report of the Treasurer are approved.

The motion passed unanimously.

2. Election of Directors

Mr. Arch confirmed there were no additional nominations received in accordance with the procedures required by the Company's Bylaws.

Mr. Rowe reported consistent with the policies and procedures set forth in the Company's Bylaws and with the approval of the Board of Directors, the following individuals are recommended to serve on the Board of Directors for terms ending in March 2026, subject to the limitations of the Bylaws: Mr. Rama Kolli, Mr. Ron Rowe, Ms. Gretchen Twohig, Ms. Joni Wheeler and Mr. Chad Werner.

There was no discussion. Whereupon,

It was moved and seconded to elect Mr. Rama Kolli, Mr. Ron Rowe, Ms. Gretchen Twohig, Mr. Chad Werner and Ms. Joni Wheeler to serve as Directors, each for a one-year term expiring March 2026.

The motion passed unanimously.

3. Business Items

Mr. Arch noted the Minutes of the Annual Meeting of Members held on March 25, 2024 have been reduced to writing, are on file and have been available for reading for the past 12 months.

Mr. Arch stated the resolution of indemnification of Directors, Officers, and employees was provided in the meeting materials. This indemnification is provided to the fullest extent of the law and in accordance with the Company's Articles of Incorporation. Whereupon,

It was moved and seconded to approve the Minutes of the 2024 Annual Meeting of Members and to approve the indemnification resolution.

The motion passed unanimously.

There being no further business to come before the Members, the meeting was adjourned at 4:39 p.m.

Respectfully submitted,

Cameron Arch,
Corporate Secretary

Annual Meeting of Members

Report of the Board Chair—Sapphire Edge, Inc.

March 2025

As the chair of the Sapphire Edge, Inc. (SEI) board of directors, it is my pleasure to present my report for this year's Annual Meeting of Members. SEI is a wholly owned subsidiary of Blue Cross and Blue Shield of Nebraska (BCBSNE).

2024 was a strong enrollment year for BCBSNE's Medicare Advantage (MA) plans. At year end, our statewide individual contract enrollment totaled 19,013 members. Our county footprint remained the same, with our MA products available in 76 out of 93 Nebraska counties.

The Centers for Medicare & Medicaid Services (CMS) awarded both of BCBSNE's Medicare Advantage PPO plans with a 4-star rating and our HMO plans with a 3.5-star rating. Medicare Star Ratings are issued by CMS annually and rate MA health plans on a scale of one to five stars, with five being the highest. Star ratings measure the experiences Medicare members have with their health plan and are based on more than 40 quality measures.

In 2025, we will continue to focus on efficiently and effectively managing the administration of the MA program, including accurate risk scoring, promotion of cost-effective prescription drug adherence and improved patient outcomes.

Overview of actions of the SEI board of directors in 2024

The SEI board of directors met four times in 2024. The meetings focused on financial governance, quality of care for members, operations, CMS compliance and planning for future growth.

SEI board members are Rama Kolli, Ron Rowe, Gretchen Twohig, Chad Werner and Joni Wheeler.

Respectfully,

Ron Rowe

Chair, SEI Board of Directors

Annual Meeting of Members

Report of the Treasurer—Sapphire Edge, Inc.

March 2025

As the treasurer and chief financial officer of Sapphire Edge, Inc. (SEI), it is my pleasure to present my report for this year's Annual Meeting of Members. In 2024, SEI entered its eighth year of operations. In 2024 we concentrated on providing quality services for our members while investing in growth for the future.

2024 financial overview on a direct basis

- **Direct Membership:** Increased by 8% over prior year due to a successful annual enrollment period in 2023.
- **Gross Margin:** Decreased by \$8.4 million compared to the prior year, due to higher-than-expected claim costs.
- **Medical Loss Ratio (MLR):** Increased to 110%, up 7.5% year over year.
- **Administrative Expenses:** Increased \$3.9 million year over year due to expenses incurred to bring operations in-house.
- **Gain/Loss from Operations:** Loss from operations of (\$28.4) million.
- **Investment Income:** Increased year over year due to favorable market conditions.
- **Operating Margin:** -27% for the year.
- **One-Time Charge:** The one-time charge for expenses related to bringing operations in-house was \$11.9 million. All financial numbers in the 2024 financial overview on a direct basis section above exclude this charge.

We made significant investments in the business in 2024. These investments led to a strong sales year, growing our membership to 20,000 at the beginning of 2025. We look forward to continuing to deliver on our mission of being champions for the health and well-being of our members and the communities we serve.

Respectfully,

Chad Werner
Treasurer and Chief Financial Officer

INDEMNIFICATION RESOLUTION

WHEREAS, to better enable Sapphire Edge, Inc. hereinafter called the Company, to secure and retain the services of competent Directors and Officers and in view of the responsibilities assumed by such Directors, Officers and Employees, it is deemed desirable, fair and proper that the Company should agree to indemnify, save harmless and reimburse such Directors, Officers and Employees by reason of such services and as herein provided, and it is the intention by the following Resolution that the indemnification will include amounts paid in settlement, notwithstanding that the defendant Director or Officer might have been liable for actions performed in the course of his or her duty had the suit been permitted to proceed to judgment.

NOW, THEREFORE, BE IT RESOLVED, that the Company does hereby agree to the fullest extent authorized by law to indemnify, save harmless and reimburse each Employee, Officer and Director of this Company from and against any liability, loss or expense which may be imposed upon him or her or reasonably incurred by him or her in connection with any action, suit or proceeding in which he or she may be involved or with which he or she may be threatened by reason of his or her being or having been a Director or Officer or Employee of this Company, at the time such liabilities or expenses are imposed upon or incurred by him or her, including without being limited to, attorneys' fees, court costs, judgments and reasonable compromise settlements by the provision of liability insurance or otherwise; provided, however, that such indemnification and reimbursement shall not cover liability or expenses imposed or incurred in connection with any matter as to which such Director or Officer or Employee was and has been finally adjudged in such action, suit, or proceeding to be liable by reason of his or her having been guilty of willful misconduct or fraud in the performance of his or her duty as such Director or Officer or Employee.

These indemnity provisions shall be separable, and if any portion thereof shall be finally adjudged to be invalid, or shall for any reason be inapplicable or ineffective, such invalidity, inapplicability or ineffectiveness shall not affect any other portion which can be given effect without the invalid, inapplicable or ineffective portion. The rights of indemnification and reimbursement hereby provided shall not be exclusive of other rights to which any Director or Officer or Employee may be entitled as a matter of law. As used in this paragraph, the terms "Director" "Officer" and "Employee" shall include their respective heirs, executors and administrators, and personal representatives.