LABRADOR

2024-2025 Proxy Statement

Reader Intelligence Guide

A Resource for Effective Communications

◀ Table of Contents   Topic Table of Contents

At Labrador, we make corporate disclosures transparent to help instill trust in business.

The information and recommendations included in this intelligence guide should not be considered or taken as legal counsel or advice. Summaries of regulatory rules and regulations are provided as background information and should not be relied on for compliance purposes. Labrador strongly suggests collaborating with your legal team early and often on all investor and other stakeholder-focused communications.

For more information about our proxy, sustainability, and annual report services, visit https://www.labrador-company.com/. **You can read our thought pieces at** https://www.labrador-company.com/our-thoughts/.

Explore by Labrador

Search, benchmark and review Annual Reports, Sustainability Reports and Proxy Statements. Search text and parse graphics by subject, compare peer disclosure and extract sections across reports. View results on screen, or download reports in PDF format.

Learn more and sign up at www.labrador-company.com

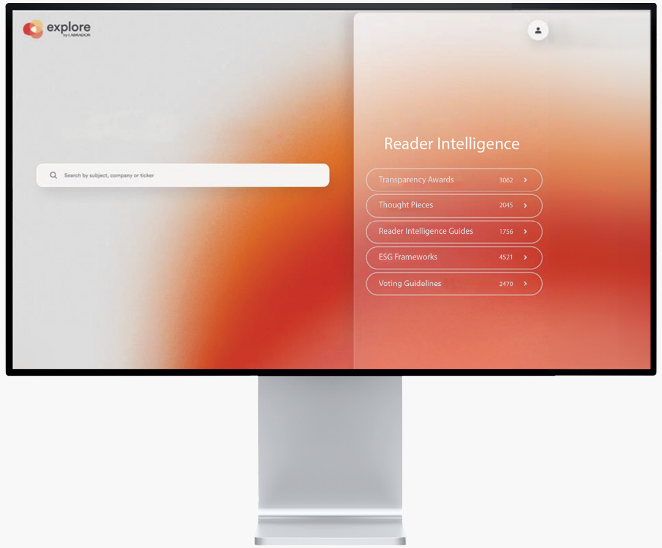


Table of Contents

Table of Contents Topic Table of Contents

How to Use the Reader Intelligence Guide

Labrador created the Reader Intelligence Guide to provide you, our valued client, with a robust resource of information as you develop your proxy disclosures. The information in this guide is for reference only to assist you in making informed decisions and proceed with confidence. Labrador's collective knowledge base is powered by our proven record of accomplishments, our diverse team of subject matter experts, and our strong industry partnerships, including with Workiva.

Our recommendations are guided by Labrador's mission to support transparency in corporate disclosures, which we champion through our annual Transparency Awards. As part of this process, an independent Transparency Scientific Committee approves objective and universal criteria that reflect the 5 Pillars of Transparency: Clarity, Accessibility, Precision, Comparability, and Availability.

The content in this guide is further informed by the following:

- Labrador's annual benchmarking of proxy statements.
- Thought leadership and voting guidelines from institutional investors, such as BlackRock, State Street Global Advisors, Vanguard, Fidelity and others.
- Priorities articulated by investor advocacy groups.
- Policies and guidelines issued by proxy advisory firms, ISS and Glass Lewis.
- Regulatory guidance and trends based on "beyond compliance" considerations.
- To the extent applicable, highly-regarded global ESG reporting frameworks and standards, as well as ESG raters and rankers.
- Labrador's knowledge of and expertise with proxy statement reporting best practices.

The beginning pages of this guide provide background information, including a summary of recent developments and an overview of interested stakeholders and benchmark findings.

The remaining pages provide, by proxy topic, insight into stakeholder expectations, current market best practices (including company examples), Labrador recommendations and "looking ahead" disclosure changes/trends.

Look for throughout this guide for proxy examples known to be created on the Workiva platform.

Look for Labrador Transparency Criteria throughout this guide for more on these criteria and how they relate to each topic.

◂ Table of Contents Topic Table of Contents

Stakeholder Expectations

The proxy trends we have seen over the last several years are driven by the concerns and interests of a wide variety of stakeholders. A few categories of stakeholders and their use of proxy statements are listed below.

STAKEHOLDERS	Shareholders, including Institutional Investors, Pension Funds and Investor Advocacy Groups	Regulatory Agencies	Proxy Advisory Firms	Rating Agencies	Employees (Current and Future; Part-Time and Contractors)	Non-governmental organizations (NGOs), including CDP, GRI, ISSB (SASB), etc.	Peers, including associations and partnerships
PRIMARY USE OF PROXY	• Information for voting decisions, including: — Board effectiveness (right board to oversee strategy/ deliver long-term shareholder value) and adoption of governance best practices — Pay and performance alignment — Audit concerns	• Compliance, transparency, consistency with other documents	• Alignment with best practices and norms that fit into each proxy advisory firm's voting guidelines	• Alignment with best practices and norms that fit into each agency's rating criteria	• May also be shareholders; may read for Board perspective on company and compensation	• Management of ESG risks and opportunities, especially around climate, human rights, human capital management, and diversity, equity and inclusion (financial materiality) • Ethics, integrity and transparency	• Benchmarking of governance, compensation, and increasingly ESG practices and oversight

◂ Table of Contents Topic Table of Contents

Benchmark at a Glance

The benchmarking data in this guide is based on our review of the 2024 proxy statements of the 100 companies set forth in the Appendix.

Summary of Findings

The following charts summarize our benchmark findings.

Publishing of Proxy Statements

49.0%
The company provides an interactive version with links to navigate to and from sections of the document, including table of contents

12.0%
Print version uses a two-column page layout

91.0%
Document is available in print PDF format on the Investor Relations webpage

89.0%
SEC EDGAR version uses a one-column page layout

5.0%
PDF is combined with the Annual Report

54.0%
The company files a courtesy PDF with the SEC

Overall Design of Proxy Statements

46.0%
Every page footer or header includes the company name, document title and year, and relevant section

Document Organization

51.0%
All core proposals (election of directors, say-on-pay and ratification of auditors) precede relevant disclosures

74.0%
"Election of Directors" proposal precedes relevant disclosures

17.0%
"Election of Directors" proposal is located right after the relevant disclosure (governance/ board)

74.0%
"Ratification of Auditors" proposal precedes relevant disclosures

15.0%
"Ratification of Auditors" proposal is located right after the relevant disclosure (audit information)

65.0%
"Say-on-Pay" proposal precedes relevant disclosures

18.0%
"Say-on-Pay" proposal is located right after the relevant disclosures (executive compensation or CD&A)

Covers and Introductory Pages

89.0%
The document includes a cover

36.0%
The document includes an introductory letter providing an overview of the board's priorities/ focus areas from either independent Board leadership or the full Board

74.0%
Second page of the document (inside front cover) includes substantive information

50.0%
Mission, vision or purpose of the company is presented within the introductory pages

99.0%
The document includes a table of contents

Company Overview and Performance Highlights

61.0%
Company overview section included

2.95 pages
Average number of pages of company overview section

37.7%
Summary of company strategy

86.9%
Business and financial highlights using graphics or other visual elements

54.1%
ESG highlights

39.3%
HCM information

Table of Contents Topic Table of Contents

Proxy Summaries

72.0%
Proxy summary or introductory pages include a table summarizing the proposals and the board's recommendation for each one

6.66 pages
Average number of pages of proxy summary

Board of Directors

42.0%
Proxy summary or introduction to election of directors proposal includes a board summary matrix, table, graphics or other visual elements that names all directors and includes, at a minimum: each director's primary occupation; age; independence; tenure; and committee membership

82.0%
Each director biography includes a photo and three separately presented attributes (such as tenure, age, independence, other public directorships and committee assignments)

Corporate Governance

57.0%
Proxy summaries include governance highlights

38.0%
Corporate Governance section includes a summary of key governance highlights, practices and/or policies (e.g., what we do/ don't do, best practices list or adoption timeline)

1.0%
Corporate Governance section includes a letter from the Nominating/Corporate Governance Committee or Chair

Sustainability and HCM

67.0%
The document includes an Sustainability/ESG section

3.39 pages
Average number of pages of Sustainability/ESG section

61.0%
The document includes a human capital highlights/summary section

Director Compensation

Director compensation location

45.0%
Stand-alone section

44.0%
Corporate Governance section

6.0%
Information about Directors section

5.0%
Compensation section

Executive Compensation

68.0%
CD&A includes summary/overview

4.74 pages
Average number of pages of Executive Summary/Overview

86.0%
CEO pay ratio and pay versus performance disclosures are included in the Table of Contents (or a separate Executive Compensation Table of Contents)

Shareholder Proposals

17.6%
Shareholder proposals are designed differently from the standard and other management proposals (out of 85 documents that included shareholder proposals)

Other Sections

Voting and general information is presented in Q&A format at the back of the proxy (except in a proxy contest)

56.0%
Related Person Transactions location:

54.0%
Corporate Governance section

37.0%
Stand-alone section

5.0%
Board Independence section

3.0%
Stock Ownership section

Covers and Introductory Pages

Front and Inside Front Covers

An image, logo, or other visual on the cover of the proxy statement, in concert with company branding, can create instant brand recognition. A connection can also be made visually between the proxy statement and a company's other disclosure documents. The inside front cover of the proxy is prime real estate and is increasingly used by companies to portray important aspects of a company's value propositions.

What to Think About

The cover makes the first impression and sets the tone for the rest of the document, so it should reflect the brand identity and personality. Readers should know who the company is, what the document is about, and be engaged by the cover to learn more. Since the proxy statement is structured as an annual meeting communication tool, we recommend the cover include the time and date of the annual meeting. There is no unified theme in cover design among the benchmark group, but we recommend considering the following:

- Visual Identity Guidelines for photography and graphics (e.g., Is there guidance for corporate reporting imagery? Should you showcase people?)
- Copy Guidelines for language and tone (e.g., Does the company have set language for discussing sustainability?)
- Other reporting documents (e.g., Are there key elements to include for consistency?)
- Corporate strategy and associated business priorities (e.g., Is it most important to telegraph product innovation, corporate rigor, transparency?)
- The reader perspective and easy navigation (e.g., What information will they be looking for upon receiving this document?)

As the inside front cover is positioned between the visual cover page and content in the proxy statement, it is important to consider messaging that is both transitional and complementary—while also light on text. With investor focus on "purpose," consider highlighting foundational components of the brand. such as the company's purpose, mission, and vision and values. Depending on strategic priorities, you might also consider highlighting the most exciting new developments, including markets, products, or services.

Labrador Transparency Award Criteria

- The cover includes the time and date of the annual meeting.

Looking Ahead

Companies continue to move to more stylized reporting documentation as part of a holistic reporting strategy that prioritizes both individual stakeholder needs and consistency across placements. As ESG disclosures become more rigorous and standardized, we expect acceleration of the following report cover and inside front cover trends:

- Visual brand storytelling through a combination of brand photography and graphics
- Increased showcase of environmental sustainability and human capital management themes
- Integration of corporate strategy and ESG priorities
- Increased emphasis on sustainable printing
- More navigation information, including information about what's included vs. available on the company site

◀ Table of Contents Topic Table of Contents

Benchmarking

20.0%
Cover includes the time and date of the annual meeting

19.0%
Mission, vision or purpose of the company is presented on the inside front cover

Other notable contents on the inside front cover:

22%
Letter from CEO/Chairman/Lead Independent Director

10%
Notice of Annual Meeting

9%
Company overview

9%
Business/financial highlights

8%
Table of Contents

5%
Strategy

3%
ESG information

2%
Quote from Chairman and CEO

1%
Awards & Recognition

1%
Shareholder engagement

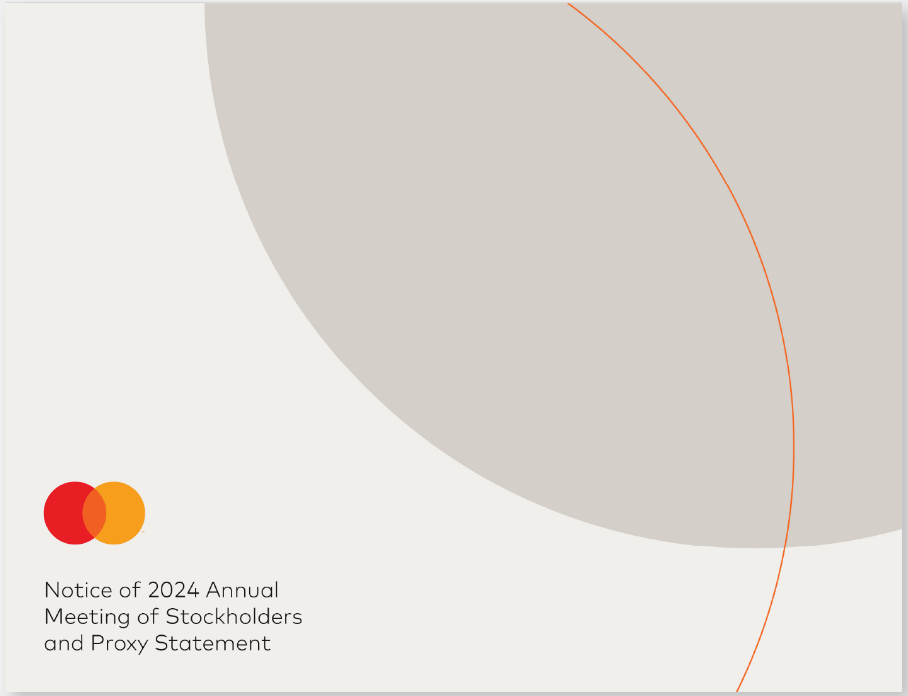
1%
Stockholder information

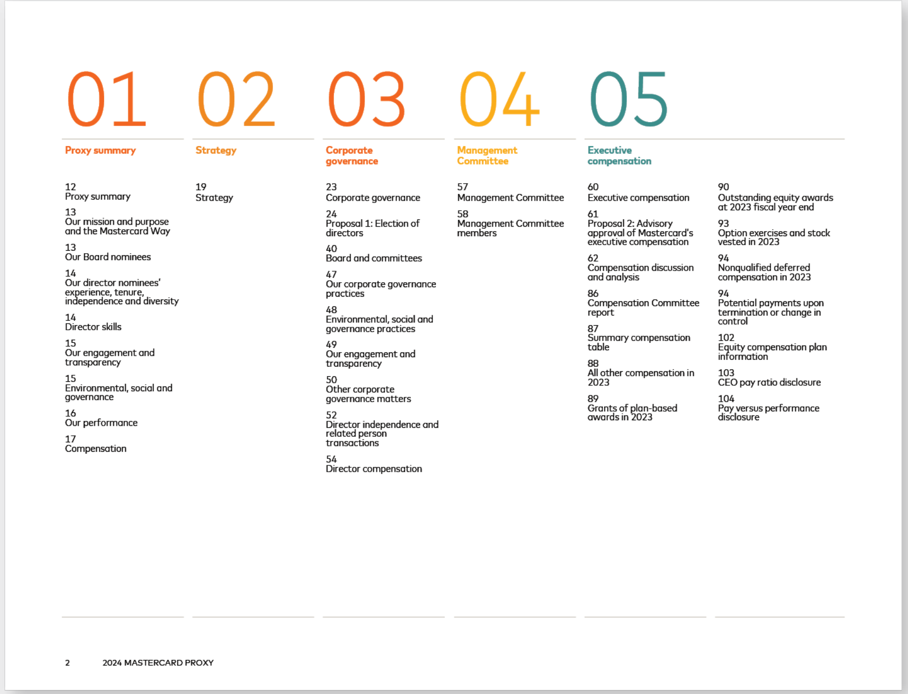
Table of Contents
Topic Table of Contents

Key Examples

Mastercard 2024 Proxy Statement

Clear, simple branding and TOC plus microsite for easy navigation





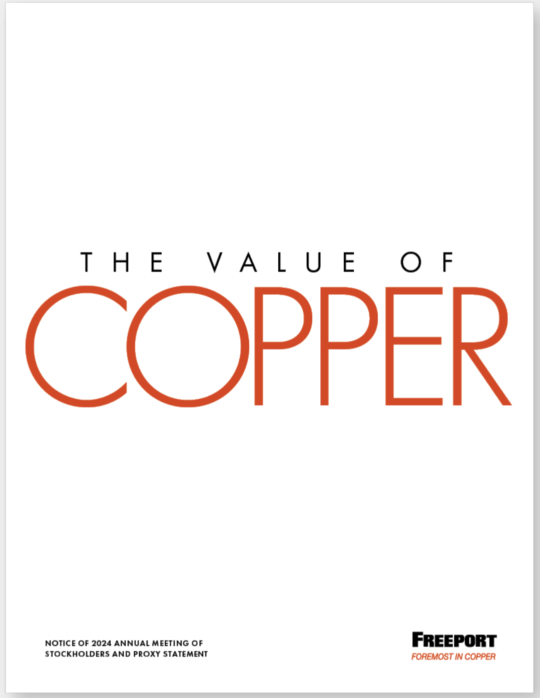
2 2024 MASTERCARD PROXY

◄ Table of Contents Topic Table of Contents

Key Examples

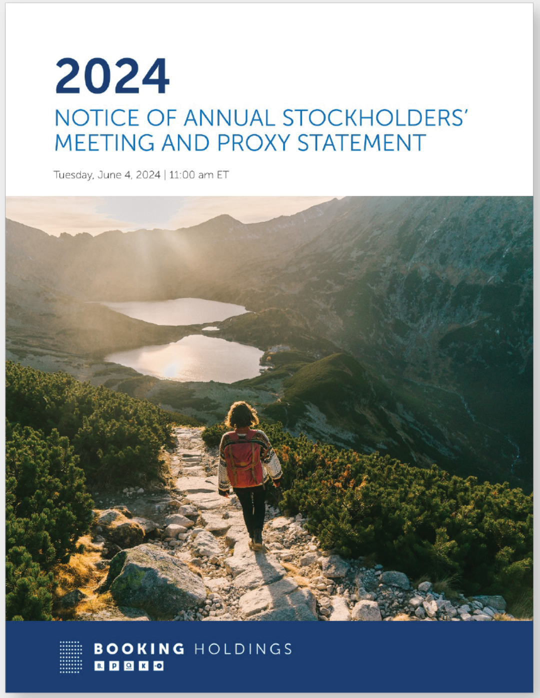
Freeport McMoRan 2024 Proxy Statement

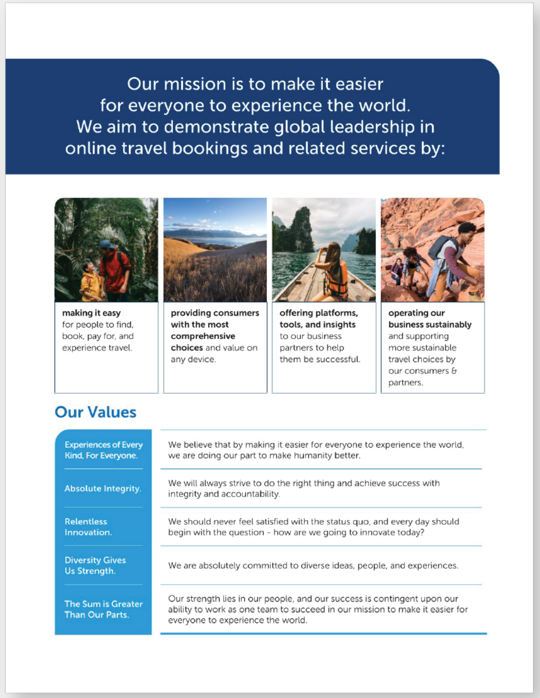
Branding-forward front cover, IFC anchors ESG and values in corporate purpose



Booking Holdings 2024 Proxy Statement

Cover includes date and time of meeting, IFC presents mission, strategy and values; both integrate corporate-related photography

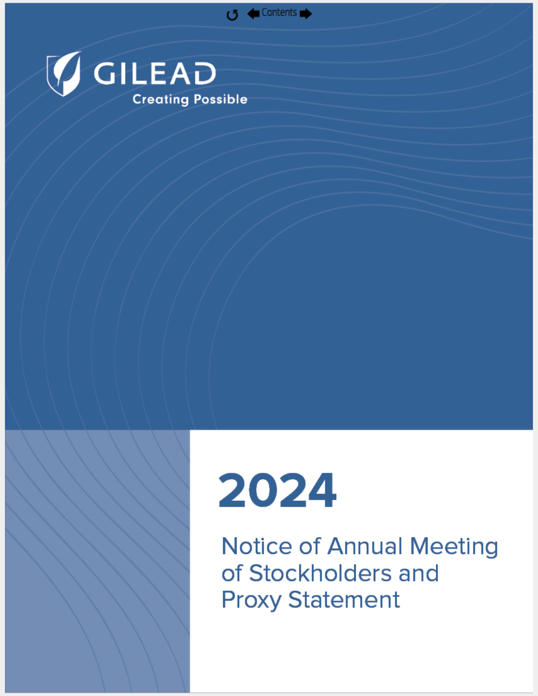




Key Examples

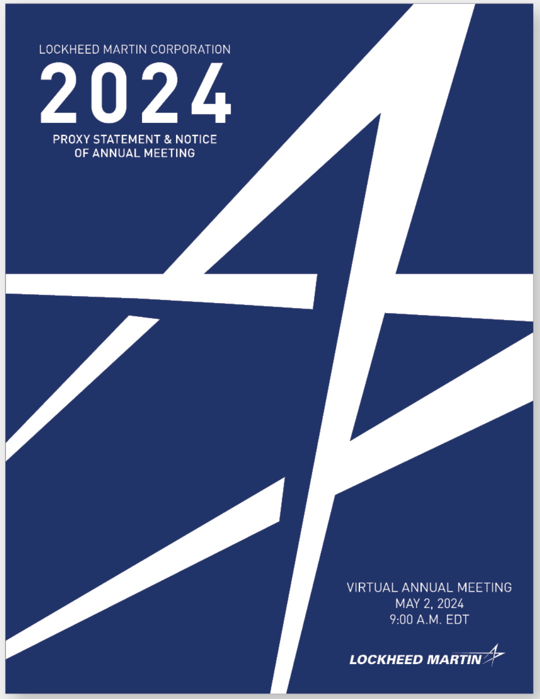
Gilead Sciences 2024 Proxy Statement

Company branded front cover, with Corporate Strategy and Strategic Priorities in addition to Mission, Vision and Values



Lockheed Martin 2024 Proxy Statement

Date and time of Annual Meeting on Front Cover, includes Notice of Meeting on IFC



Back and Inside Back Covers

The back cover of the report is a key piece of real estate for visual and contextual branding and messaging . There's an opportunity to highlight important company achievements, such as awards, or to provide the reader with additional reporting information and resources. Many companies also include the logo indicating use of recycled paper.

Benchmarking

40.0%
The inside back cover includes substantive information

31.0%
The back cover includes substantive information

17.0%
The back cover includes images/photos

Notable contents on the inside back cover:
(out of 40 documents that include substantive information)

10%
Shareholder information/corporate information helpful resources, links, and contacts

9%
Awards & Recognitions

7%
Appendix

6%
Information about the annual meeting, proxy statement availability

4%
Commonly used or defined terms

3%
Mission/vision/values/principles

2%
ESG/Sustainability/CSR

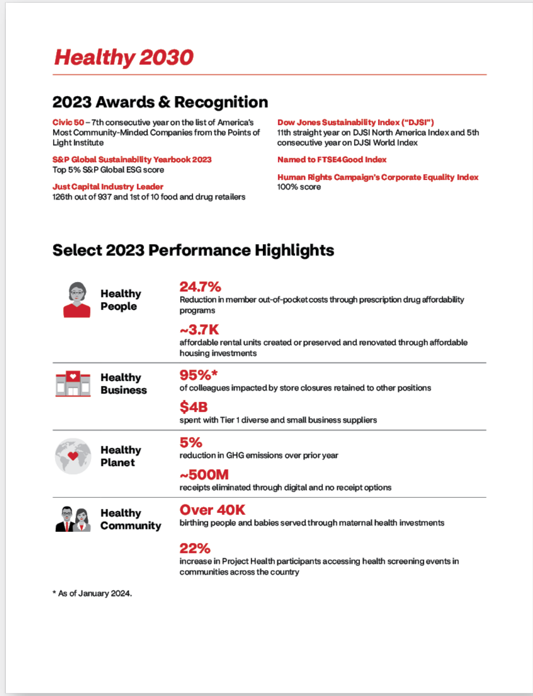
2%
Company overview

Table of Contents   Topic Table of Contents

Key Examples

CVS Health 2024 Proxy Statement

IBC includes awards and recognition as well as performance highlights; back cover includes purpose, strategy and values and notes eco printing



Healthy 2030

2023 Awards & Recognition

Civic 50 – 7th consecutive year on the list of America's Most Community-Minded Companies from the Points of Light Institute

S&P Global Sustainability Yearbook 2023
Top 5% S&P Global ESG score

Just Capital Industry Leader
126th out of 937 and 1st of 10 food and drug retailers

Dow Jones Sustainability Index ("DJSI")
11th straight year on DJSI North America Index and 5th consecutive year on DJSI World Index

Named to FTSE4Good Index

Human Rights Campaign's Corporate Equality Index
100% score

Select 2023 Performance Highlights

Healthy People
24.7% Reduction in member out-of-pocket costs through prescription drug affordability programs
~3.7K affordable rental units created or preserved and renovated through affordable housing investments

Healthy Business
95%* of colleagues impacted by store closures retained to other positions
$4B spent with Tier 1 diverse and small business suppliers

Healthy Planet
5% reduction in GHG emissions over prior year
~500M receipts eliminated through digital and no receipt options

Healthy Community
Over 40K birthing people and babies served through maternal health investments
22% increase in Project Health participants accessing health screening events in communities across the country

* As of January 2024.

Healthier happens together®

Our Purpose

Bringing our heart to every moment of your health™

Our Strategy

Our mission at CVS Health is to take on many of the country's most prevalent and pressing health care needs by understanding and acting on what consumers want and need — personalized, people-centered care that treats them like a human being, not a number.

Our Heart At Work Behaviors™

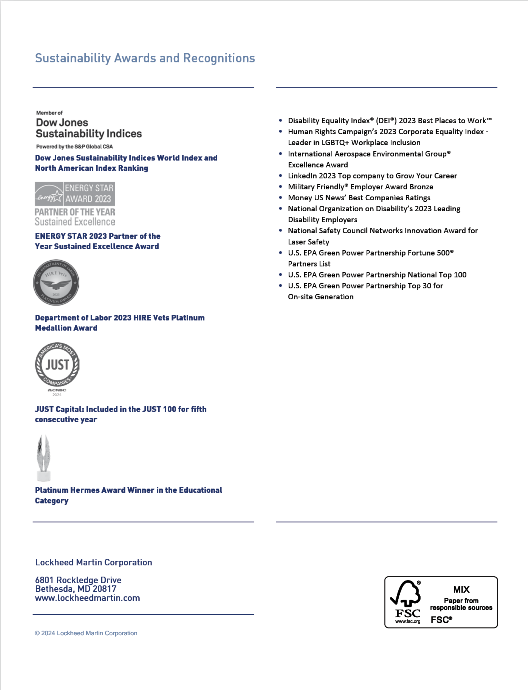
- Putting people first
- Rise to the challenge
- Join forces
- Create simplicity
- Inspire trust
- Champion safety and quality

CVS Health.

MIX Paper from responsible sources FSC® www.fsc.org

Lockheed Martin 2024 Proxy Statement

Sustainability awards and recognitions included on back cover



Sustainability Awards and Recognitions

Member of Dow Jones Sustainability Indices Powered by the S&P Global CSA

Dow Jones Sustainability Indices World Index and North American Index Ranking

ENERGY STAR AWARD 2023 PARTNER OF THE YEAR Sustained Excellence

ENERGY STAR 2023 Partner of the Year Sustained Excellence Award

Department of Labor 2023 HIRE Vets Platinum Medallion Award

America's Most JUST Companies CNBC 2024

JUST Capital: Included in the JUST 100 for fifth consecutive year

Platinum Hermes Award Winner in the Educational Category

- Disability Equality Index® (DEI®) 2023 Best Places to Work™
- Human Rights Campaign's 2023 Corporate Equality Index - Leader in LGBTQ+ Workplace Inclusion
- International Aerospace Environmental Group® Excellence Award
- LinkedIn 2023 Top company to Grow Your Career
- Military Friendly® Employer Award Bronze
- Money US News' Best Companies Ratings
- National Organization on Disability's 2023 Leading Disability Employers
- National Safety Council Networks Innovation Award for Laser Safety
- U.S. EPA Green Power Partnership Fortune 500® Partners List
- U.S. EPA Green Power Partnership National Top 100
- U.S. EPA Green Power Partnership Top 30 for On-site Generation

Lockheed Martin Corporation

6801 Rockledge Drive
Bethesda, MD 20817
www.lockheedmartin.com

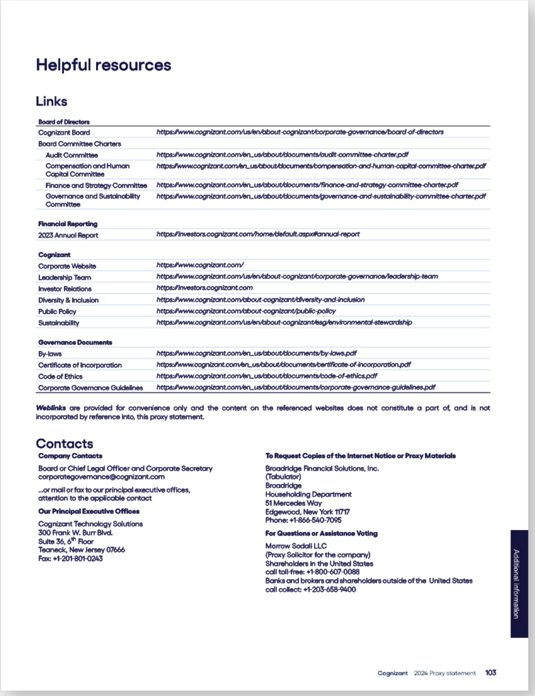
© 2024 Lockheed Martin Corporation

MIX Paper from responsible sources FSC® www.fsc.org

Key Examples

Cognizant 2024 Proxy Statement

Helpful resources and contacts included on IBC



Helpful resources

Links

Board of Directors	
Cognizant Board	*https://www.cognizant.com/us/en/about-cognizant/corporate-governance/board-of-directors*
Board Committee Charters	
Audit Committee	*https://www.cognizant.com/en_us/about/documents/audit-committee-charter.pdf*
Compensation and Human Capital Committee	*https://www.cognizant.com/en_us/about/documents/compensation-and-human-capital-committee-charter.pdf*
Finance and Strategy Committee	*https://www.cognizant.com/en_us/about/documents/finance-and-strategy-committee-charter.pdf*
Governance and Sustainability Committee	*https://www.cognizant.com/en_us/about/documents/governance-and-sustainability-committee-charter.pdf*
Financial Reporting	
2023 Annual Report	*https://investors.cognizant.com/home/default.aspx#annual-report*
Cognizant	
Corporate Website	*https://www.cognizant.com/*
Leadership Team	*https://www.cognizant.com/us/en/about-cognizant/corporate-governance/leadership-team*
Investor Relations	*https://investors.cognizant.com*
Diversity & Inclusion	*https://www.cognizant.com/about-cognizant/diversity-and-inclusion*
Public Policy	*https://www.cognizant.com/about-cognizant/public-policy*
Sustainability	*https://www.cognizant.com/us/en/about-cognizant/esg/environmental-stewardship*
Governance Documents	
By-laws	*https://www.cognizant.com/en_us/about/documents/by-laws.pdf*
Certificate of Incorporation	*https://www.cognizant.com/en_us/about/documents/certificate-of-incorporation.pdf*
Code of Ethics	*https://www.cognizant.com/en_us/about/documents/code-of-ethics.pdf*
Corporate Governance Guidelines	*https://www.cognizant.com/en_us/about/documents/corporate-governance-guidelines.pdf*

Weblinks are provided for convenience only and the content on the referenced websites does not constitute a part of, and is not incorporated by reference into, this proxy statement.

Contacts

Company Contacts

Board or Chief Legal Officer and Corporate Secretary
corporategovernance@cognizant.com

...or mail or fax to our principal executive offices, attention to the applicable contact

Our Principal Executive Offices

Cognizant Technology Solutions
300 Frank W. Burr Blvd.
Suite 36, 6th Floor
Teaneck, New Jersey 07666
Fax: +1-201-801-0243

To Request Copies of the Internet Notice or Proxy Materials

Broadridge Financial Solutions, Inc.
(Tabulator)
Broadridge
Householding Department
51 Mercedes Way
Edgewood, New York 11717
Phone: +1-866-540-7095

For Questions or Assistance Voting

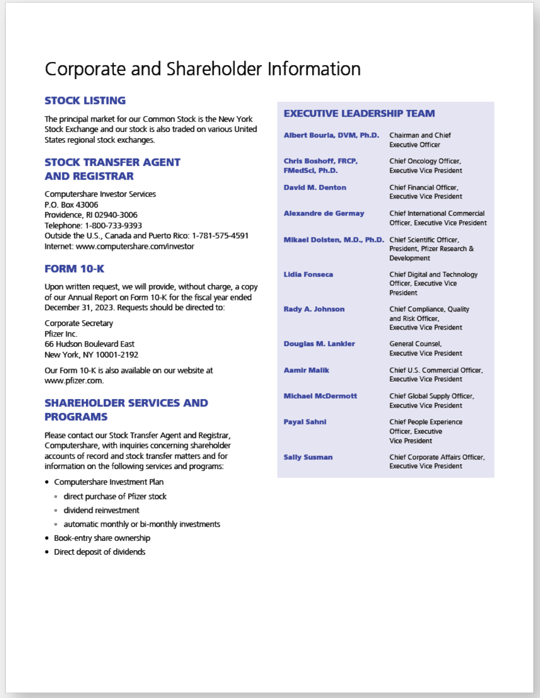
Morrow Sodali LLC
(Proxy Solicitor for the company)
Shareholders in the United States
call toll-free: +1-800-607-0088
Banks and brokers and shareholders outside of the United States
call collect: +1-203-658-9400

Additional information

Cognizant 2024 Proxy statement 103

Pfizer 2024 Proxy Statement

Corporate and Shareholder info on IBC; company logo and tagline on back cover



Corporate and Shareholder Information

STOCK LISTING

The principal market for our Common Stock is the New York Stock Exchange and our stock is also traded on various United States regional stock exchanges.

STOCK TRANSFER AGENT AND REGISTRAR

Computershare Investor Services
P.O. Box 43006
Providence, RI 02940-3006
Telephone: 1-800-733-9393
Outside the U.S., Canada and Puerto Rico: 1-781-575-4591
Internet: www.computershare.com/investor

FORM 10-K

Upon written request, we will provide, without charge, a copy of our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. Requests should be directed to:

Corporate Secretary
Pfizer Inc.
66 Hudson Boulevard East
New York, NY 10001-2192

Our Form 10-K is also available on our website at www.pfizer.com.

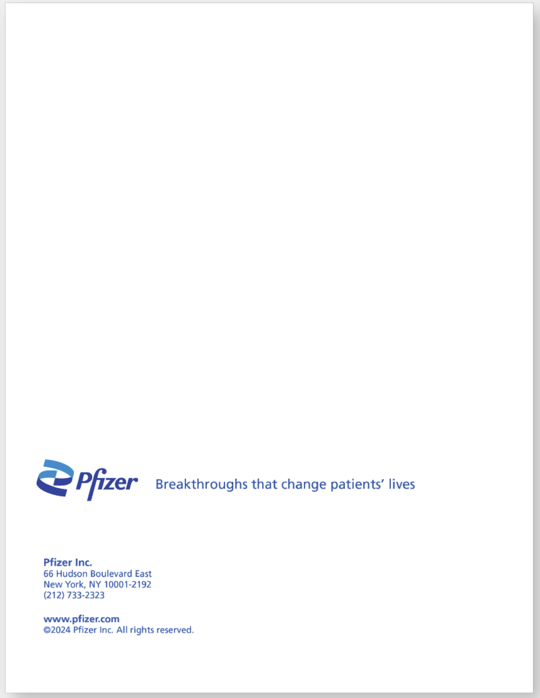
SHAREHOLDER SERVICES AND PROGRAMS

Please contact our Stock Transfer Agent and Registrar, Computershare, with inquiries concerning shareholder accounts of record and stock transfer matters and for information on the following services and programs:

- Computershare Investment Plan
  - direct purchase of Pfizer stock
  - dividend reinvestment
  - automatic monthly or bi-monthly investments
- Book-entry share ownership
- Direct deposit of dividends

EXECUTIVE LEADERSHIP TEAM

Albert Bourla, DVM, Ph.D.	Chairman and Chief Executive Officer
Chris Boshoff, FRCP, FMedSci, Ph.D.	Chief Oncology Officer, Executive Vice President
David M. Denton	Chief Financial Officer, Executive Vice President
Alexandre de Germay	Chief International Commercial Officer, Executive Vice President
Mikael Dolsten, M.D., Ph.D.	Chief Scientific Officer, President, Pfizer Research & Development
Lidia Fonseca	Chief Digital and Technology Officer, Executive Vice President
Rady A. Johnson	Chief Compliance, Quality and Risk Officer, Executive Vice President
Douglas M. Lankler	General Counsel, Executive Vice President
Aamir Malik	Chief U.S. Commercial Officer, Executive Vice President
Michael McDermott	Chief Global Supply Officer, Executive Vice President
Payal Sahni	Chief People Experience Officer, Executive Vice President
Sally Susman	Chief Corporate Affairs Officer, Executive Vice President



Pfizer Breakthroughs that change patients' lives

Pfizer Inc.
66 Hudson Boulevard East
New York, NY 10001-2192
(212) 733-2323

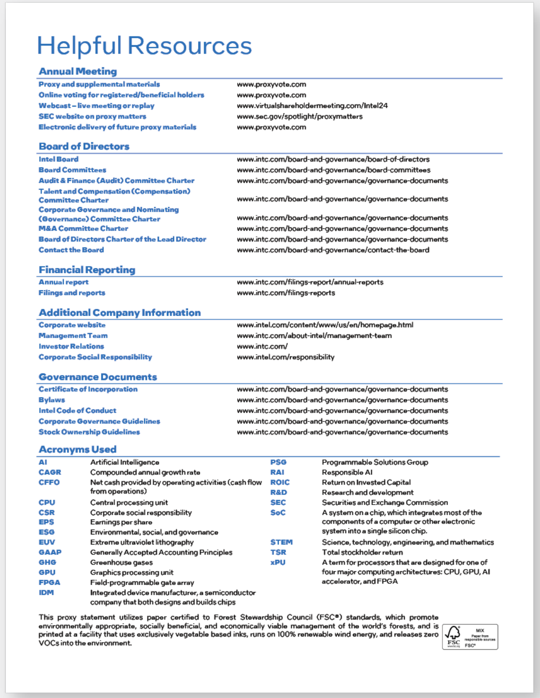
www.pfizer.com
©2024 Pfizer Inc. All rights reserved.

◄ Table of Contents   Topic Table of Contents

Key Examples

Intel 2024 Proxy Statement

Helpful resources, including acronyms used on IBC; use of corporate imagery on back cover



Accenture 2023 Proxy Statement

Awards & Recognition included on back cover

BlackRock 2024 Proxy Statement

Brand purpose & principles included on IBC

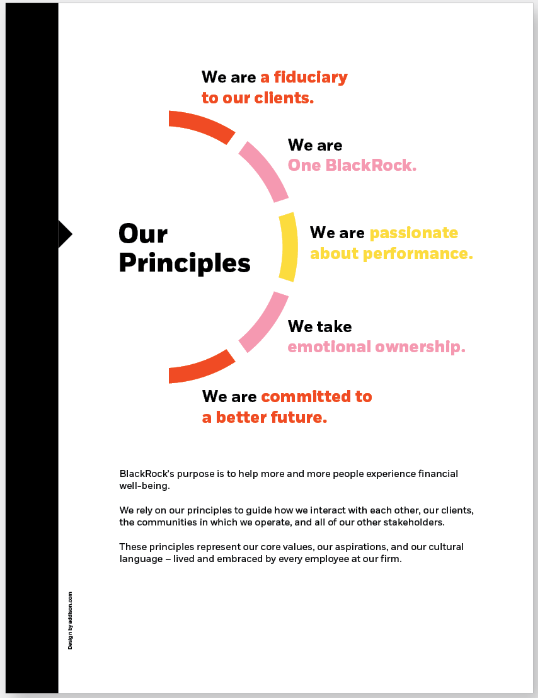


Table of Contents Topic Table of Contents

Notice

Despite the evolution of the proxy statement into a more engaging, reader-friendly document, the content of the Notice still remains almost entirely rules-driven. That said, the design of the Notice can steer readers' eyes to key information.

What to Think About

The Notice is one of the first pages readers flip to for meeting information, list of proposals to be voted on, record date, and—for many companies—the voting instructions.

We recommend a one-page, crisply designed Notice that presents all key information in a clear manner:

- **Meeting information**: Put meeting logistics. voting instructions, and proposal information front and center—with attention to font, color and use of recognizable icons
  - Consider including the board recommendation and page number for each proposal
  - QR codes are emerging as another voting method
- **Significant meeting developments**: Highlight any new format or instructions relating to the meeting, such as a virtual meeting or contested election
- **"About the Meeting" section**; Common to present the more detailed voting and general information related to the meeting (including how shareholders can submit questions at the meeting) in Q&A format at the back of the document.

Labrador Transparency Award Criteria

- The notice of annual meeting is formatted to highlight items to be voted on, voting methods and meeting logistics.
- Voting and general information is presented in Q&A format at the back of the proxy (except in a proxy contest).
- The company explains how shareholders can submit questions for the annual meeting.

Looking Ahead

Considerations for Virtual Meetings

While some companies have transitioned back to in-person meetings, many are staying virtual, with a subset having hybrid meetings. Companies are citing a number of rationales for keeping their meetings virtual, including greater shareholder access and participation, cost savings, efficiency gains, and reducing the carbon footprint.

Often companies include the rationale for holding a virtual meeting near the beginning of the document, with some devoting an entire page to the topic to demonstrate the increased access and participation opportunities.

Some stakeholders argue that virtual-only meetings may hinder investor participation and direct engagement with the board and management.

Accordingly, we recommend that companies clearly disclose instructions for shareholder participation in virtual meeting and continue to monitor any new developments (e.g., the Canadian Securities Administrators recently recommended that issuers consider holding hybrid meetings).

◀ Table of Contents   Topic Table of Contents

Benchmarking

68.0%
Notice of annual meeting is formatted to highlight items to be voted on, voting methods and meeting logistics

78.0%
Items to be voted on are in a table or other non-paragraph format

50.0%
Voting methods include icons (in person, phone, mail)

78.0%
Meeting Logistics are called out using an address format

16.0%
QR code provided to access voting options and information about the annual meeting

Key Examples

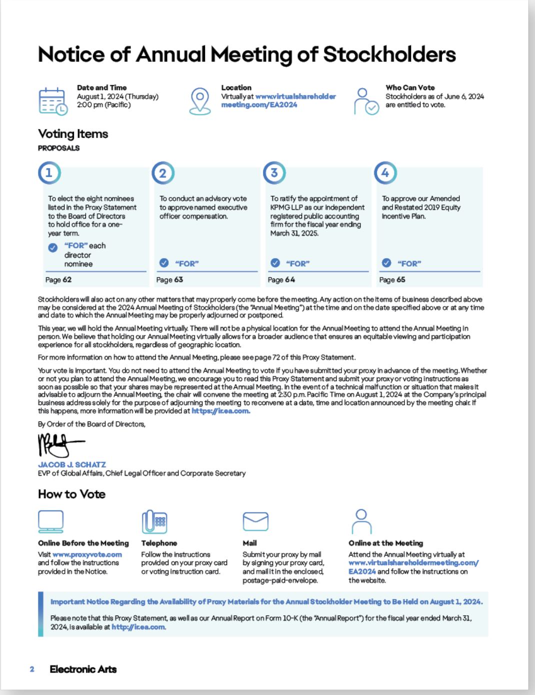
Aflac 2024 Proxy Statement

1 page; detailed with voting recommendations; QR code; 2 color

NOTICE OF 2024 ANNUAL MEETING OF SHAREHOLDERS

Electronic Arts 2024 Proxy Statement

1 page; detailed with voting recommendations; discusses benefits of virtual meeting; 1 color



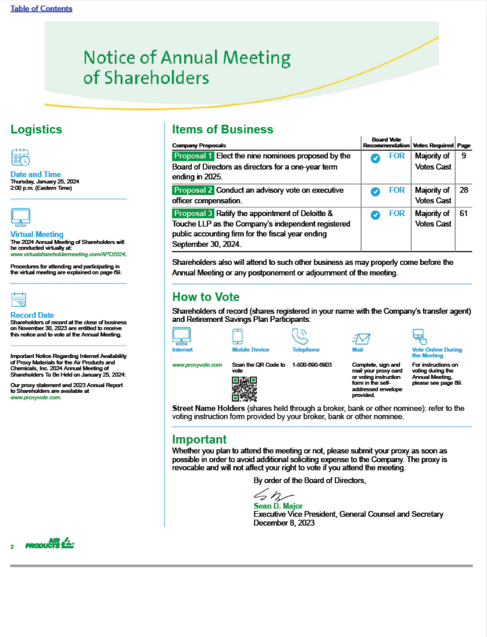
Notice of Annual Meeting of Stockholders

◂ Table of Contents   Topic Table of Contents

Key Examples

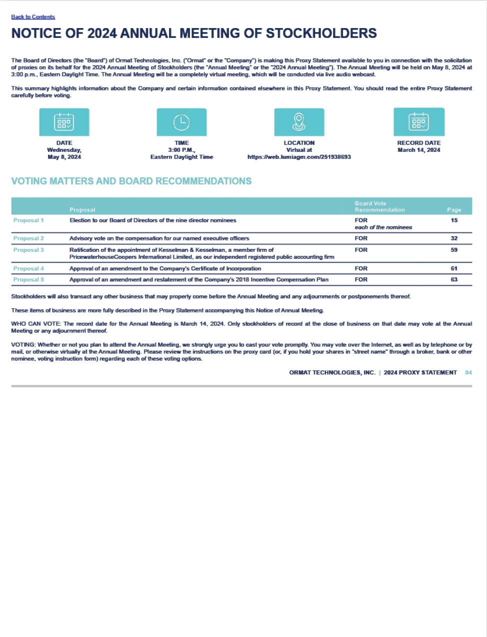
Air Products 2024 Proxy Statement

1 page; detailed with voting recommendations; QR code; cross-reference to attending/participating in meeting with the virtual meeting icon and link; 4-color



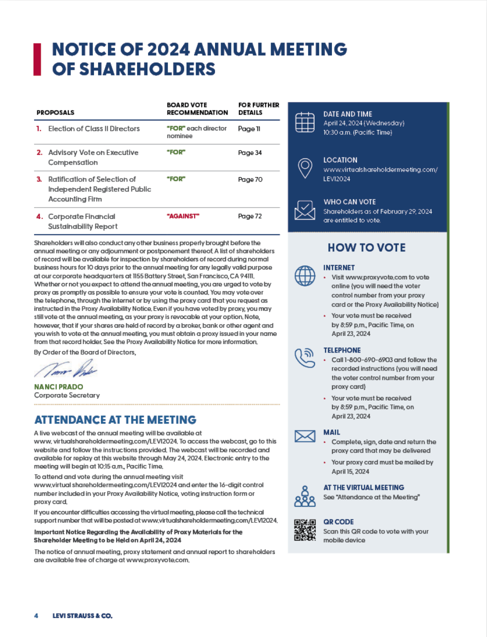
Ormat Technologies 2024 Proxy Statement

3 pages; detailed & visual, with picture of power plant at end (also includes detail for voting on Tel Aviv stock exchange)



Levi Strauss & Co. 2024 Proxy Statement

1 page; visually pleasing; QR code; dedicated section on attending virtually; 4-color



◂ Table of Contents Topic Table of Contents

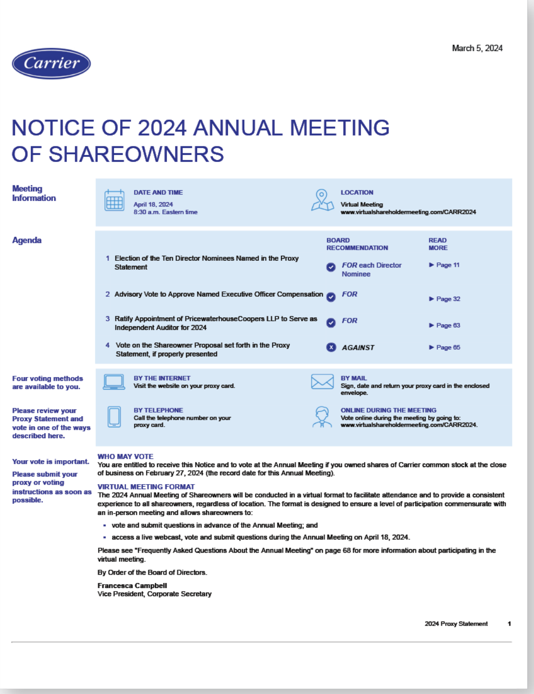
Key Examples

Carrier 2024 Proxy Statement

1 page; calls out ability to submit questions in advance and during meeting

Allstate 2024 Proxy Statement

1 page; followed by 1 page dedicated to rationale for continuing to hold virtual meetings including statistics on attendance and questions



March 5, 2024

Carrier

NOTICE OF 2024 ANNUAL MEETING OF SHAREOWNERS

Meeting Information

DATE AND TIME
April 18, 2024
8:30 a.m. Eastern time

LOCATION
Virtual Meeting
www.virtualshareholdermeeting.com/CARR2024

Agenda

	BOARD RECOMMENDATION	READ MORE
1 Election of the Ten Director Nominees Named in the Proxy Statement	*FOR* each Director Nominee	▶ Page 11
2 Advisory Vote to Approve Named Executive Officer Compensation	*FOR*	▶ Page 32
3 Ratify Appointment of PricewaterhouseCoopers LLP to Serve as Independent Auditor for 2024	*FOR*	▶ Page 63
4 Vote on the Shareowner Proposal set forth in the Proxy Statement, if properly presented	*AGAINST*	▶ Page 65

Four voting methods are available to you.

Please review your Proxy Statement and vote in one of the ways described here.

BY THE INTERNET
Visit the website on your proxy card.

BY MAIL
Sign, date and return your proxy card in the enclosed envelope.

BY TELEPHONE
Call the telephone number on your proxy card.

ONLINE DURING THE MEETING
Vote online during the meeting by going to: www.virtualshareholdermeeting.com/CARR2024.

Your vote is important.

Please submit your proxy or voting instructions as soon as possible.

WHO MAY VOTE
You are entitled to receive this Notice and to vote at the Annual Meeting if you owned shares of Carrier common stock at the close of business on February 27, 2024 (the record date for this Annual Meeting).

VIRTUAL MEETING FORMAT
The 2024 Annual Meeting of Shareowners will be conducted in a virtual format to facilitate attendance and to provide a consistent experience to all shareowners, regardless of location. The format is designed to ensure a level of participation commensurate with an in-person meeting and allows shareowners to:

- vote and submit questions in advance of the Annual Meeting; and
- access a live webcast, vote and submit questions during the Annual Meeting on April 18, 2024.

Please see "Frequently Asked Questions About the Annual Meeting" on page 68 for more information about participating in the virtual meeting.

By Order of the Board of Directors.

Francesca Campbell
Vice President, Corporate Secretary

2024 Proxy Statement 1

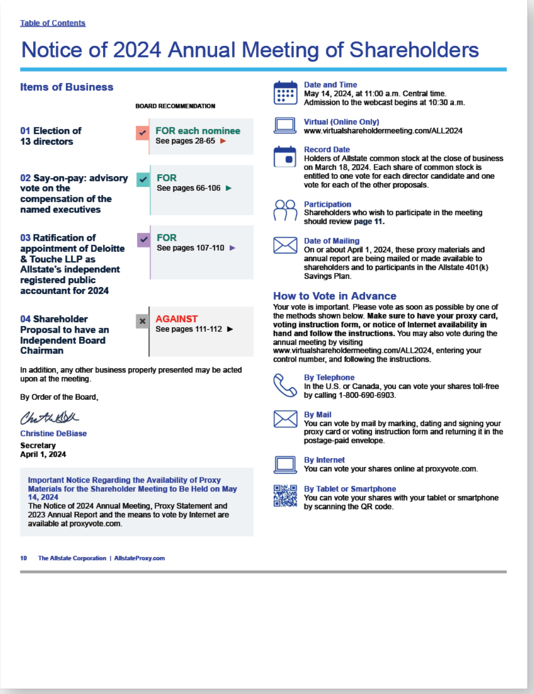


Table of Contents

Notice of 2024 Annual Meeting of Shareholders

Items of Business

	BOARD RECOMMENDATION
01 Election of 13 directors	FOR each nominee See pages 28-65 ▶
02 Say-on-pay: advisory vote on the compensation of the named executives	FOR See pages 66-106 ▶
03 Ratification of appointment of Deloitte & Touche LLP as Allstate's independent registered public accountant for 2024	FOR See pages 107-110 ▶
04 Shareholder Proposal to have an Independent Board Chairman	AGAINST See pages 111-112 ▶

In addition, any other business properly presented may be acted upon at the meeting.

By Order of the Board,

Christine DeBiase
Secretary
April 1, 2024

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on May 14, 2024
The Notice of 2024 Annual Meeting, Proxy Statement and 2023 Annual Report and the means to vote by Internet are available at proxyvote.com.

Date and Time
May 14, 2024, at 11:00 a.m. Central time.
Admission to the webcast begins at 10:30 a.m.

Virtual (Online Only)
www.virtualshareholdermeeting.com/ALL2024

Record Date
Holders of Allstate common stock at the close of business on March 18, 2024. Each share of common stock is entitled to one vote for each director candidate and one vote for each of the other proposals.

Participation
Shareholders who wish to participate in the meeting should review **page 11.**

Date of Mailing
On or about April 1, 2024, these proxy materials and annual report are being mailed or made available to shareholders and to participants in the Allstate 401(k) Savings Plan.

How to Vote in Advance
Your vote is important. Please vote as soon as possible by one of the methods shown below. **Make sure to have your proxy card, voting instruction form, or notice of Internet availability in hand and follow the instructions.** You may also vote during the annual meeting by visiting www.virtualshareholdermeeting.com/ALL2024, entering your control number, and following the instructions.

By Telephone
In the U.S. or Canada, you can vote your shares toll-free by calling 1-800-690-6903.

By Mail
You can vote by mail by marking, dating and signing your proxy card or voting instruction form and returning it in the postage-paid envelope.

By Internet
You can vote your shares online at proxyvote.com.

By Tablet or Smartphone
You can vote your shares with your tablet or smartphone by scanning the QR code.

10 The Allstate Corporation | AllstateProxy.com

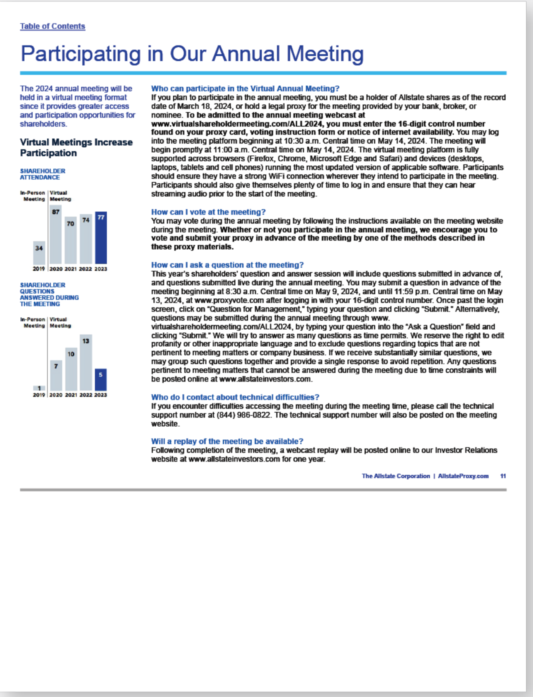


Table of Contents

Participating in Our Annual Meeting

The 2024 annual meeting will be held in a virtual meeting format since it provides greater access and participation opportunities for shareholders.

Virtual Meetings Increase Participation

SHAREHOLDER ATTENDANCE

In-Person Meeting 2019	Virtual Meeting 2020	2021	2022	2023
34	87	70	74	77

SHAREHOLDER QUESTIONS ANSWERED DURING THE MEETING

In-Person Meeting 2019	Virtual Meeting 2020	2021	2022	2023
1	7	10	13	5

Who can participate in the Virtual Annual Meeting?
If you plan to participate in the annual meeting, you must be a holder of Allstate shares as of the record date of March 18, 2024, or hold a legal proxy for the meeting provided by your bank, broker, or nominee. **To be admitted to the annual meeting webcast at www.virtualshareholdermeeting.com/ALL2024, you must enter the 16-digit control number found on your proxy card, voting instruction form or notice of internet availability.** You may log into the meeting platform beginning at 10:30 a.m. Central time on May 14, 2024. The meeting will begin promptly at 11:00 a.m. Central time on May 14, 2024. The virtual meeting platform is fully supported across browsers (Firefox, Chrome, Microsoft Edge and Safari) and devices (desktops, laptops, tablets and cell phones) running the most updated version of applicable software. Participants should ensure they have a strong WiFi connection wherever they intend to participate in the meeting. Participants should also give themselves plenty of time to log in and ensure that they can hear streaming audio prior to the start of the meeting.

How can I vote at the meeting?
You may vote during the annual meeting by following the instructions available on the meeting website during the meeting. **Whether or not you participate in the annual meeting, we encourage you to vote and submit your proxy in advance of the meeting by one of the methods described in these proxy materials.**

How can I ask a question at the meeting?
This year's shareholders' question and answer session will include questions submitted in advance of, and questions submitted live during the annual meeting. You may submit a question in advance of the meeting beginning at 8:30 a.m. Central time on May 9, 2024, and until 11:59 p.m. Central time on May 13, 2024, at www.proxyvote.com after logging in with your 16-digit control number. Once past the login screen, click on "Question for Management," typing your question and clicking "Submit." Alternatively, questions may be submitted during the annual meeting through www.virtualshareholdermeeting.com/ALL2024, by typing your question into the "Ask a Question" field and clicking "Submit." We will try to answer as many questions as time permits. We reserve the right to edit profanity or other inappropriate language and to exclude questions regarding topics that are not pertinent to meeting matters or company business. If we receive substantially similar questions, we may group such questions together and provide a single response to avoid repetition. Any questions pertinent to meeting matters that cannot be answered during the meeting due to time constraints will be posted online at www.allstateinvestors.com.

Who do I contact about technical difficulties?
If you encounter difficulties accessing the meeting during the meeting time, please call the technical support number at (844) 986-0822. The technical support number will also be posted on the meeting website.

Will a replay of the meeting be available?
Following completion of the meeting, a webcast replay will be posted online to our Investor Relations website at www.allstateinvestors.com for one year.

The Allstate Corporation | AllstateProxy.com 11

◂ Table of Contents   Topic Table of Contents

Table of Contents

Different stakeholder groups will have varying interests in each proxy section. With requests for additional content each year and the page counts of proxy statements increasing, the need for a useful Table of Contents (TOC) is greater than ever.

What to Think About

To allow readers to quickly find the information they are looking for, the TOC should be straightforward and navigable.

A user-friendly TOC fits on one page and has:

- Section heading titles that allow a reader to instinctually know where to find certain content
- Title hierarchy that allows the eyes to quickly scan without having to read each line
  - When a proxy is organized well, a TOC need not list headers that extend beyond two levels of title (within the section).
- Hyperlinks that take online readers directly to their desired sections

Choosing levels of title: Considerations in deciding how many levels of title to include within each proxy section:

- **One level of title** (such as Corporate Governance–Role of the Board)
  - Results in a less cluttered table of contents, particularly if kept to one page
  - May supplement with a callout box for frequently requested information or new proxy disclosures
- **Two levels of title** (such as Corporate Governance–Role of the Board–Oversight of ESG):
  - Allows reader to see most content topics
  - Hierarchy and groupings can convey how company views governance and compensation matters

"Frequently requested" or new information: Best practice for highlighting key information:

- Lists the most frequently visited sections of the proxy statement or a "what's new" box to explain new disclosures or developments
- Especially useful for TOCs with one level of title to highlight items not otherwise included

CD&A "mini-TOC": Due to the importance and density of CD&A, consider the following options:

- A supplemental "mini TOC" at the start of CD&A.
- Including an additional level of title under CD&A in the main TOC.

Labrador Transparency Award Criteria

- The table of contents is one-page and includes two levels of hierarchy.
- The core proposals (election of directors, say-on-pay and ratification of auditors) precede relevant disclosures.

◀ Table of Contents   Topic Table of Contents

Benchmarking

53.0%

TOC is one-page and includes two levels of hierarchy

10.0%

TOC includes a section on frequently visited or significant sections

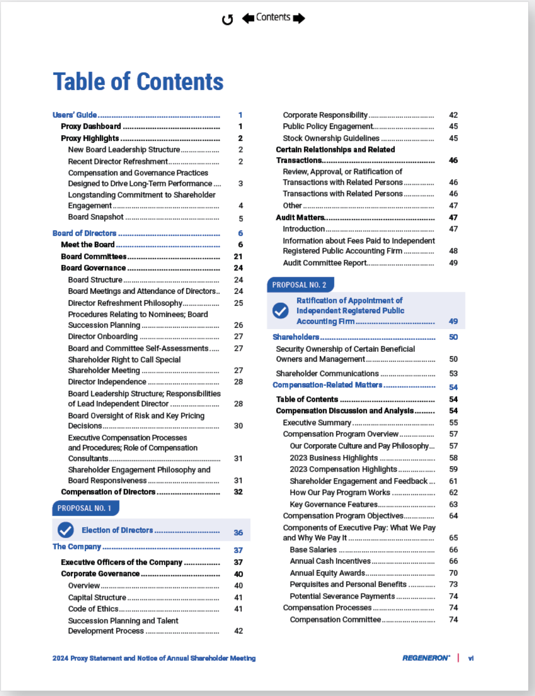
1.0%

Within the TOC, either a "what's new" box explains changes to the proxy, or "new" icons indicate new sections/ disclosure

Key Examples

Regeneron 2024 Proxy Statement

2 pages, 2 column with two levels of title under each section; color (different for shareholder proposal); very detailed and long headings; key info callout box



Contents

Table of Contents

Users' Guide ... 1
Proxy Dashboard ... 1
Proxy Highlights ... 2
New Board Leadership Structure ... 2
Recent Director Refreshment ... 2
Compensation and Governance Practices Designed to Drive Long-Term Performance ... 3
Longstanding Commitment to Shareholder Engagement ... 4
Board Snapshot ... 5
Board of Directors ... 6
Meet the Board ... 6
Board Committees ... 21
Board Governance ... 24
Board Structure ... 24
Board Meetings and Attendance of Directors ... 24
Director Refreshment Philosophy ... 25
Procedures Relating to Nominees; Board Succession Planning ... 26
Director Onboarding ... 27
Board and Committee Self-Assessments ... 27
Shareholder Right to Call Special Shareholder Meeting ... 27
Director Independence ... 28
Board Leadership Structure; Responsibilities of Lead Independent Director ... 28
Board Oversight of Risk and Key Pricing Decisions ... 30
Executive Compensation Processes and Procedures; Role of Compensation Consultants ... 31
Shareholder Engagement Philosophy and Board Responsiveness ... 31
Compensation of Directors ... 32
PROPOSAL NO. 1
Election of Directors ... 36
The Company ... 37
Executive Officers of the Company ... 37
Corporate Governance ... 40
Overview ... 40
Capital Structure ... 41
Code of Ethics ... 41
Succession Planning and Talent Development Process ... 42
Corporate Responsibility ... 42
Public Policy Engagement ... 45
Stock Ownership Guidelines ... 45
Certain Relationships and Related Transactions ... 46
Review, Approval, or Ratification of Transactions with Related Persons ... 46
Transactions with Related Persons ... 46
Other ... 47
Audit Matters ... 47
Introduction ... 47
Information about Fees Paid to Independent Registered Public Accounting Firm ... 48
Audit Committee Report ... 49
PROPOSAL NO. 2
Ratification of Appointment of Independent Registered Public Accounting Firm ... 49
Shareholders ... 50
Security Ownership of Certain Beneficial Owners and Management ... 50
Shareholder Communications ... 53
Compensation-Related Matters ... 54
Table of Contents ... 54
Compensation Discussion and Analysis ... 54
Executive Summary ... 55
Compensation Program Overview ... 57
Our Corporate Culture and Pay Philosophy ... 57
2023 Business Highlights ... 58
2023 Compensation Highlights ... 59
Shareholder Engagement and Feedback ... 61
How Our Pay Program Works ... 62
Key Governance Features ... 63
Compensation Program Objectives ... 64
Components of Executive Pay: What We Pay and Why We Pay It ... 65
Base Salaries ... 66
Annual Cash Incentives ... 66
Annual Equity Awards ... 70
Perquisites and Personal Benefits ... 73
Potential Severance Payments ... 74
Compensation Processes ... 74
Compensation Committee ... 74

2024 Proxy Statement and Notice of Annual Shareholder Meeting REGENERON | vi

Johnson & Johnson 2024 Proxy Statement

1 page, single column with index of frequently requested information (in alphabetical order)

Table of contents

5 A message from our Lead Director
6 Living into Our Credo
8 2024 Proxy Statement – summary
13 Board of Directors and corporate governance
✓ ITEM 1: Election of Directors
13 2024 Board nominees
14 Director nomination process and Board refreshment
16 Nominee skills, expertise and background
17 Board nominee biographies
24 Corporate governance
24 Corporate governance highlights
27 Board structure and operations
36 Oversight of our Company
44 Shareholder engagement
46 Related person transactions and Director independence
49 Director compensation
49 Fiscal 2024 non-employee Director compensation
49 Fiscal 2023 non-employee Director compensation
51 Director compensation policies and practices
51 Deferred fee plan for Directors
51 Additional arrangements
52 Stock ownership guidelines for non-employee Directors
52 Stock ownership information
52 Security ownership of certain beneficial owners, officers and directors
55 Compensation of executives
✓ ITEM 2: Advisory vote to approve named executive officer compensation
56 A message from our Compensation & Benefits Committee
57 Compensation Committee report
58 Compensation discussion and analysis
59 2023 Executive compensation summary
64 2023 Executive compensation
71 Compensation decisions for 2023 performance
73 NEO performance and compensation summaries
77 Executive compensation decision process
81 Additional information concerning executive compensation
84 Compensation policies and practices
85 Compensation decisions for 2022 performance
86 Reconciliation of non-GAAP performance measures
89 Executive compensation tables
89 Reconciliation of our CEO's 2023 total direct compensation to the 2023 summary compensation table
92 2023 Summary compensation table
98 2023 Grants of plan-based awards
102 2023 Outstanding equity awards at fiscal year-end
105 2023 Option exercises and stock vested
105 2023 Pension benefits
107 2023 Non-qualified deferred compensation
110 2023 Potential payments upon termination
113 Ratio of the annual total compensation of the median-paid employee to the CEO
114 Pay versus performance
122 Audit matters
122 Audit Committee report
✓ ITEM 3: Ratification of appointment of independent registered public accounting firm
124 Selection and engagement of audit firm
124 Audit and non-audit fees
125 Pre-approval of audit and non-audit services
✗ ITEMS 4-5: Shareholder proposals
130 Other information

Index of frequently requested information (alphabetical)

131 Annual Meeting attendance
85 Anti-pledging, hedging policy
124 Auditor fees
124 Auditor tenure
15 Board and Committees evaluation
27 Board leadership structure
30 Board meeting attendance
113 CEO pay ratio
73 CEO performance evaluation
78 Compensation consultant
59 Compensation summary
24 Corporate governance highlights
39 Cybersecurity
17 Director biographies
47 Director independence
25 Director overboarding policy
14 Director qualifications
42 Diversity, equity and inclusion
40 Environmental, social and governance
85 Exec. comp. recoupment policies
41 Human capital management
28 Lead Director duties and responsibilities
66 Long-term incentives
131 Notice and access
38 Patient safety and product quality
64 Pay for performance
79 Peer group comparisons
71 Perquisites
40 Political spending oversight
25 Proxy access
46 Related person transactions
36 Risk oversight
110 Severance benefits
44 Shareholder engagement
126 Shareholder proposals
Stock ownership requirements:
52 for non-employee Directors
84 for executive officers
130 Voting
Websites and resources
135 Helpful websites
26 Other corporate disclosures

2024 Proxy Statement 3

◀ Table of Contents   Topic Table of Contents

Key Examples

Air Products 2024 Proxy Statement

1 page, dual-column with one level of title, except CD&A which has two levels of title; hyperlinked' 4-color

Table of Contents

Table of Contents

Proxy Statement

We have provided you this Notice of Annual Meeting and proxy statement because the Board of Directors (the "Board") of Air Products and Chemicals, Inc. (the "Company" or "Air Products") is soliciting your proxy to vote at the Company's 2024 Annual Meeting of Shareholders to be held on January 25, 2024 (the "Annual Meeting"). This proxy statement contains information about the items to be voted on at the Annual Meeting and information about the Company. Instructions on how to access this proxy statement and our 2023 Annual Report to Shareholders (the "Annual Report") on the Internet or paper copies of this proxy statement and the Annual Report are first being sent to shareholders on or about December 8, 2023.

Levi Strauss & Co. 2024 Proxy Statement

1 page, dual-column, with one level of title under each main section; 3- color

TABLE OF CONTENTS

Letters from Leadership

As proxy statements evolved into a critical stakeholder communications tool, it has become common practice to include an introductory letter from the board of directors and/or executive leadership. Similar to the CEO letter that typically accompanies an annual report, proxy letters provide an opportunity to discuss company performance. But where the annual report correspondence tends to delve deep on financial performance, letters in proxy statements—particularly those from independent board members—focus on performance *accountability*, explaining how the company's governance and risk frameworks, as adopted and overseen by the board, support the company's strategy and creation of long-term value for shareholders and other stakeholders.

What to Think About

Proxy letters, which usually come from board leadership (or, in some cases, the full board of directors), are an opportunity to demonstrate that the priorities of the company's board are aligned with stakeholder interests. Where the required disclosures in the proxy focus on board policies and practices, letters can summarize what the board actually *did*.

Investors have shared, albeit informally, that they read communications from the board. While face-to-face dialogue may be the ideal form of dialogue with directors, a letter in the board's "voice" can also demonstrate engagement on critical issues. A carefully drafted letter provides a personal perspective on the company's initiatives to create shareholder value.

- **Number of letters and author(s):** Companies typically have one or two letters, with a variety of options on the authors of those letters:
  - ***Single letter/single author:*** In companies with a combined Chair & CEO, it is most common to have a single letter from that individual. Sometimes you will see a letter only from an independent chair or lead independent director, particularly where there has been a recent CEO transition or other significant issue where it is important to hear from independent Board leadership
  - ***Single letter/multiple authors:*** Having multiple authors, such as a joint letter from the Chair & CEO and the lead independent director, or the full board, shows a unified voice and allows a single letter to cover both company performance and governance/ compensation matters.
  - ***Multiple letters:*** It is becoming increasingly common to see two letters, one from the CEO and one from the lead independent director, independent chair, or all independent directors.

This structure allows for a deeper dive on relevant topics, and can better demonstrate that the board owns its responsibility for overseeing the company's business and strategy and setting the appropriate tone at the top, is committed to governance best practices, and considers feedback from shareholders and other stakeholders in its decision-making.

- **Key messages:** One of the most important purposes of the letter is to demonstrate Board engagement and effectiveness. Specific topics to address include:
  - ***Board composition:*** Investors seek assurances that the board is continually evaluating its composition for effectiveness, including consideration of diversity and skill sets to reflect the company's strategic needs
  - ***Board oversight:*** Letters should address the board's primary oversight areas, including strategy, risk,

sustainability, and executive compensation. Many leading companies also demonstrate an awareness of the global, social, and geopolitical environment, and the related impacts on performance

- ***Long-term value creation:*** Board leadership should underscore its commitment to long-term value creation for shareholders.

  In addition, with heightened investor interest around "stakeholder capitalism," the letter should posit that a company's commitment to sustainability-related priorities helps support long-term value creation.

- ***Other topics:*** Companies should also include a discussion of other relevant topics, including:

— Management or board leadership succession

— Shareholder engagement and responsiveness, particularly on executive compensation following a low SOP vote

— Significant governance developments

- ***Design elements:*** Successful letters leverage design to convey key messages:

  - ***Headings:*** Detailed headings allow the reader to glean the content of the letter at a quick glance

  - ***Callout boxes and other infographics:*** Highly-visual design elements in the body or margins of the letter help highlight important themes from the letter, information about the company or developments over the last year.

- ***Overall tone:*** Effective letters are balanced in tone, articulating what is going well and celebrating achievements, but also realistic about challenges the company faces. Readers should come away with a sense that the board is being transparent, is holding itself accountable, is listening to stakeholder feedback, and remains focused on delivering shareholder value.

Labrador Transparency Award Criteria

- The document includes an introductory letter providing an overview of the Board's priorities/ focus areas from either independent Board leadership or the full Board.

Looking Ahead

With the movement toward integrated reporting, we expect that two letters delivered annually will become the norm: an annual report style CEO letter providing performance highlights and a director letter summarizing board activities.

In light of the universal proxy card rules, the letter from leadership in the proxy statement will become even more important as boards convey their robust nomination and refreshment program, the governance practices that make them effective, and the diversity and other characteristics of their nominated slate.

Benchmarking Introductory Letter

64.0%
The document includes an introductory letter

Photo

47.0%
There is a photo of the author of the letter

4.0%
There is a photo of the full board with the letter

Content/Topics Discussed in the Letter(s)

44.0%
Strategy

27.0%
ESG information

16.0%
Business highlights

8.0%
Shareholder engagement

7.0%
Human capital management

6.0%
Leadership changes/ succession

5.0%
Board highlights

5.0%
Mission, vision, values, purpose

5.0%
Risk oversight, other board oversight

3.0%
Innovation

3.0%
Retiring directors

3.0%
Compensation highlights

Author

Some companies include two leadership letters.

10.0%
Includes a letter from CEO only

31.0%
Includes a letter from CEO and Chairman (same person)

25.0%
Includes a letter from the Lead Independent Director

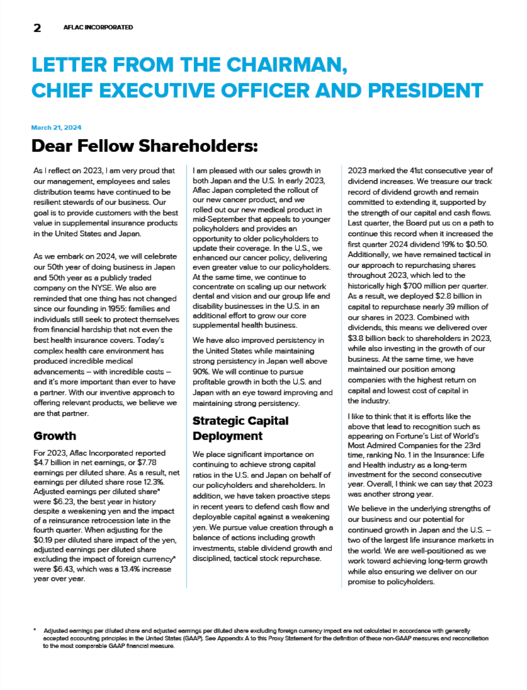
20.0%
Includes a letter from CEO/Chairman and Lead Independent Director

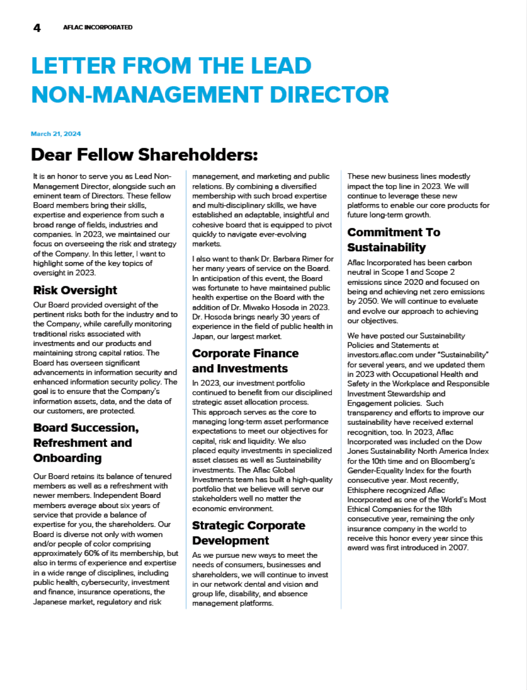
7.0%
Includes a letter from the entire Board of Directors (or all independent directors)

Key Examples

Aflac 2024 Proxy Statement

Separate letters (Chair/CEO & LID); good division of topics between letters; quote & pictures

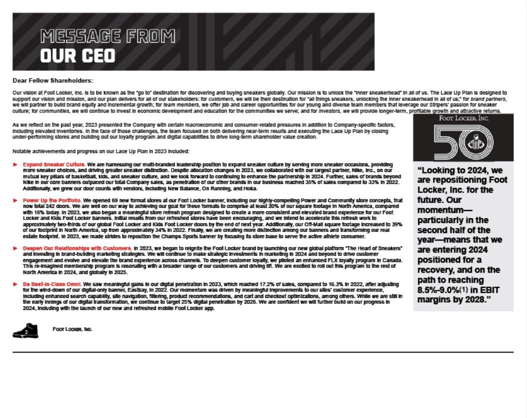




Key Examples

Foot Locker 2024 Proxy Statement

Separate letters (CEO & Indep Chair); strong branding; focus on executing and oversight of strategy

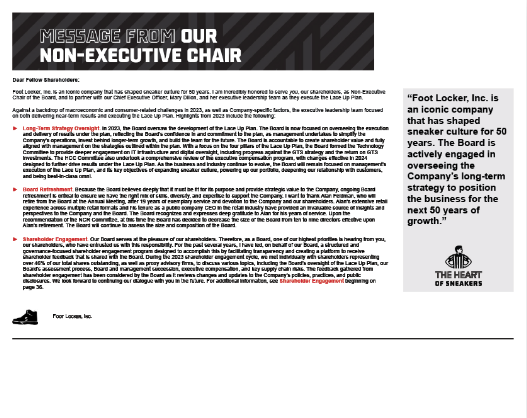

MESSAGE FROM OUR CEO

Dear Fellow Shareholders:

"Looking to 2024, we are repositioning Foot Locker, Inc. for the future. Our momentum—particularly in the second half of the year—means that we are entering 2024 positioned for a recovery, and on the path to reaching 8.5%-9.0%(1) in EBIT margins by 2028."


MARY N. DILLON (she/her/hers)
President and Chief Executive Officer

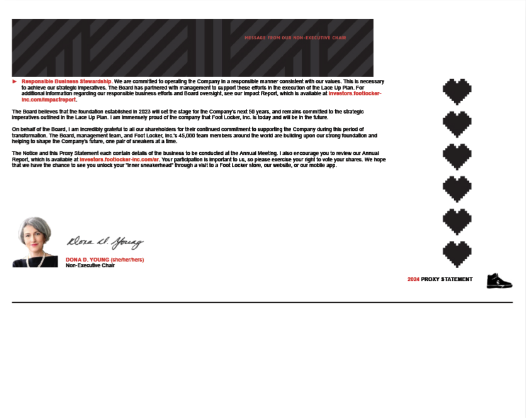
2024 PROXY STATEMENT


MESSAGE FROM OUR NON-EXECUTIVE CHAIR

Dear Fellow Shareholders:

"Foot Locker, Inc. is an iconic company that has shaped sneaker culture for 50 years. The Board is actively engaged in overseeing the Company's long-term strategy to position the business for the next 50 years of growth."

THE HEART OF SNEAKERS


DONA D. YOUNG (she/her/hers)
Non-Executive Chair

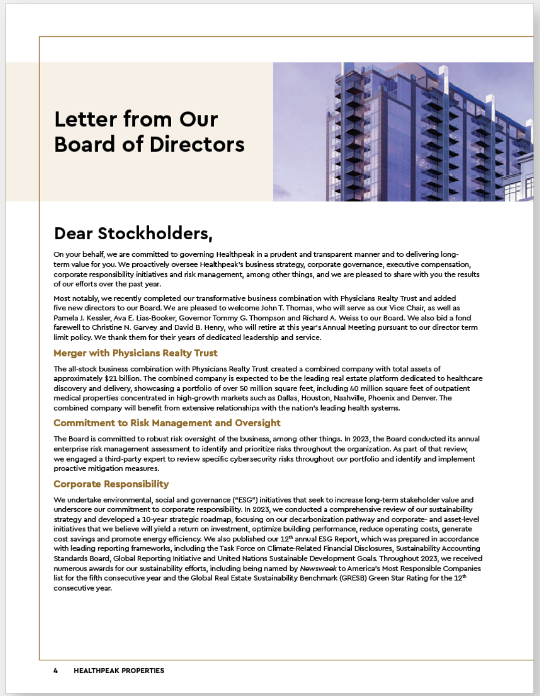
2024 PROXY STATEMENT

◄ Table of Contents Topic Table of Contents

Key Examples

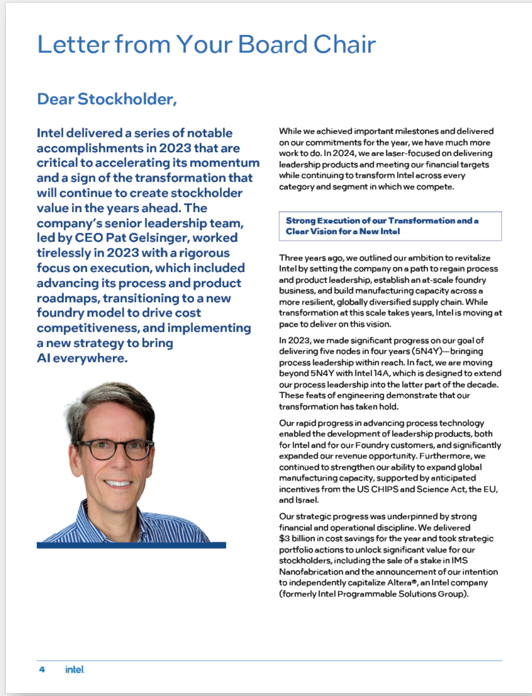
Healthpeak Properties 2024 Proxy Statement

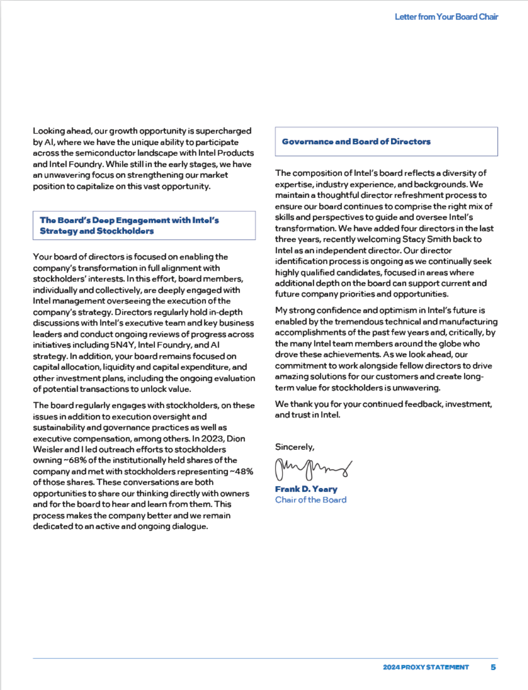
Single letter from full Board with section on Corporate Responsibility; pictures of each director



Intel 2024 Proxy Statement

Single letter from independent Chair highlighting deep engagement of Board and commitment to governance



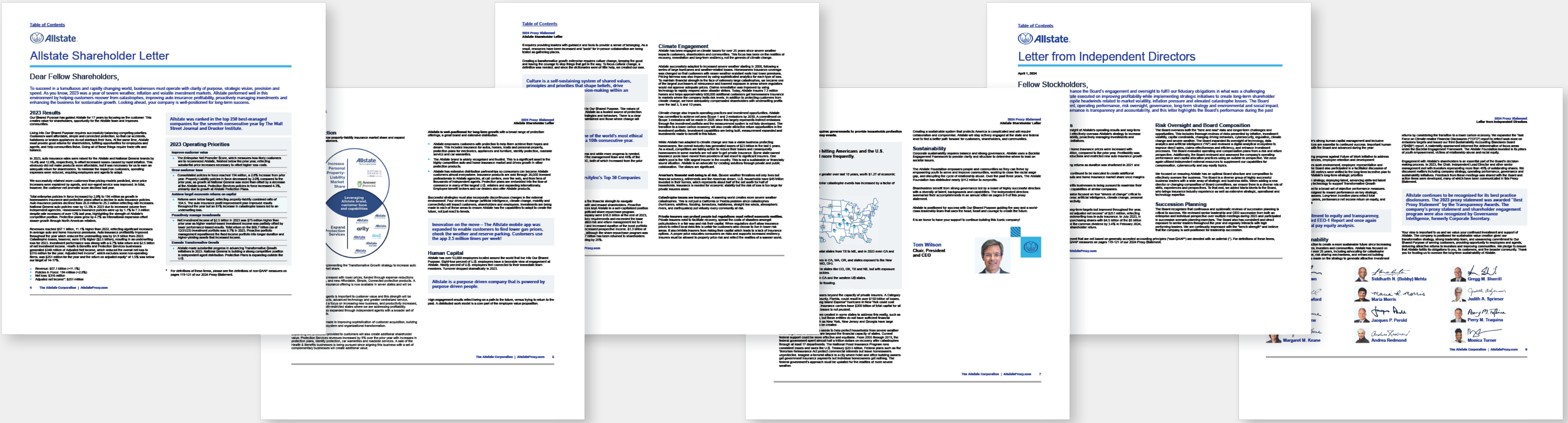


◀ Table of Contents   Topic Table of Contents

Key Examples

Allstate 2024 Proxy Statement

Separate letters (Chair/CEO & Indep Directors); includes infographics in Chair/CEO letter; good use of heading and callouts in director letter



◄ Table of Contents   Topic Table of Contents

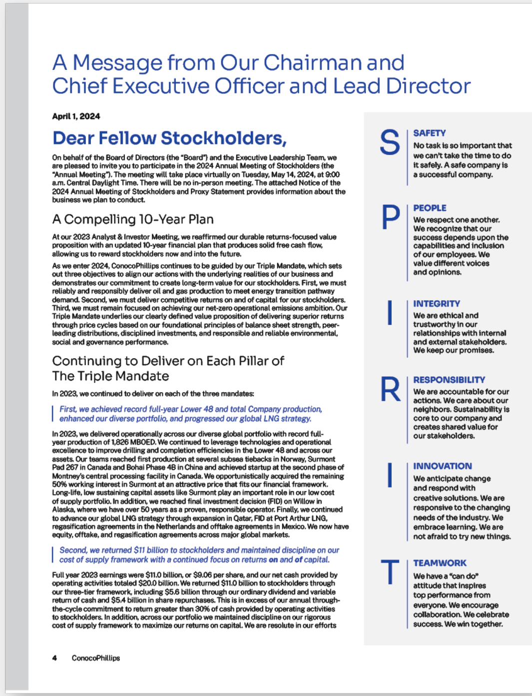
Key Examples

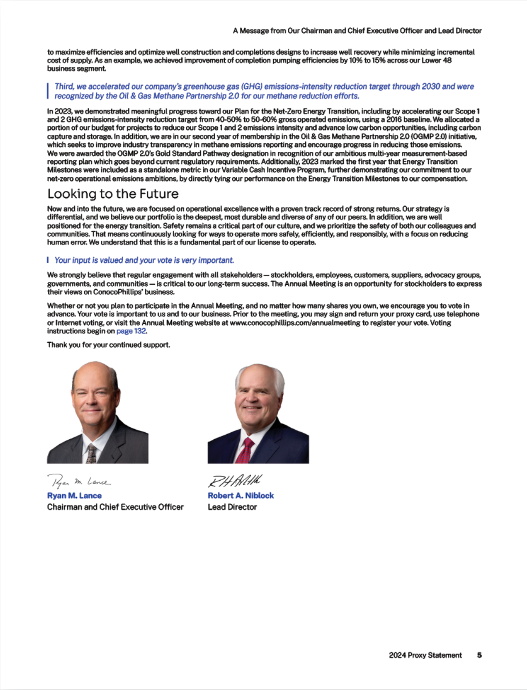
Levi Strauss & Co. 2024 Proxy Statement

Single letter from independent Chair discussing CEO transition

ConocoPhillips 2024 Proxy Statement

Joint letter from Chair/CEO & LID; two pages with descriptive headings and highlighting the company's SPIRIT values





Bank of America 2024 Proxy Statement

Separate letters (Chair/CEO & LID) on one page and appear side-by-side

◀ Table of Contents   Topic Table of Contents

Key Examples

Robinhood 2024 Proxy Statement

Single letter from Chair/CEO; clean presentation with pull quote

EastGroup Properties 2024 Proxy Statement

Joint letter from CEO & Indep Chair; one page with pictures and short, descriptive headings; sections on shareholder engagement and sustainability

◂ Table of Contents Topic Table of Contents

Company Overview and Performance Highlights

Before say-on-pay, the presentation of selected financial metrics and an accompanying narrative were found almost exclusively in glossy annual report wraps and investor decks. As companies began to explain compensation paid to executives and demonstrate pay alignment with performance, a summary of performance became necessary to include in proxies. Today, an overview of the company (similar to an "about us" webpage or introductory slide), key strategic initiatives, and financial highlights are common proxy disclosures. Company performance is also a key factor for investors when voting for directors. The Board's oversight of strategy (including overseeing management's execution) and risk management, adherence to the company's purpose, and focus on generating long-term shareholder value are evaluated by investors in making voting decisions.

Not all investors voting on proposals are as knowledgeable about the company as one might expect. Many large asset managers rely on proxy advisors who may have an industry focus, but do not "follow" the company and may not understand the nuances in the business model or strategy. Some institutional investors have their own voting guidelines and decision-makers, but even in these situations there is not always a sharing of knowledge across groups. Retail investors and other stakeholder groups may have even less knowledge of the company's operations. Accordingly, providing a brief overview at the outset of the proxy statement gives the reader useful context about the company when considering the proposals that follow.

We note that the discussion of company performance for increasingly includes ESG and HCM highlights. *See ESG and HCM section of this guide for more information.*

Table of Contents Topic Table of Contents

What to Think About

- **What to Include:** The proxy's performance highlights section often includes:
  - Company's mission, vision, purpose or values (if not included on inside front cover)
  - Clear articulation of strategic priorities
  - Performance on metrics critical to strategy and shareholder return
  - Operational and financial highlights—both quantitative and qualitative—that demonstrate advancement in key strategic initiatives and/or explain factors contributing to operational results
  - How "value" is defined and generated for shareholders and the company's other stakeholders
- **Key Considerations:** In terms of the company's business performance, the selection of highlights should include a level of detail sufficient to quickly grasp the "story" of how the company performed during the year against its strategic goals. The presentation should include both financial and operational achievements, as well as any extraordinary events—which may range from leadership transitions to a significant acquisition to the consequences of a global pandemic.
- Remember also that performance highlights may be viewed in the context of executive compensation. Readers will expect to see performance metrics used in the compensation incentive programs, as well as a summary of performance datapoints and factors deemed important to the compensation committee in making its decisions.
- **Use of Infographics:** The company overview should be highly visual, using graphics or other visual elements to highlight strategy and business and financial highlights. While graphics can be used to demonstrate performance, particularly year-over-year comparisons, narrative text is almost always needed to provide context.
- **Where to Include:** The company overview often appears as a standalone section immediately preceding, or at the outset of, the proxy summary.

Labrador Transparency Award Criteria

- The mission, vision or purpose of the company is presented within the introductory pages.
- The document includes a company overview section using graphics or other visual elements.
- An overview of the company's strategy is presented within the introductory pages.
- The company overview section includes business and financial highlights.

Benchmarking

Company Overview/Performance Highlights

Company overview includes:

24.0%
Overview of strategy

69.0%
Business and financial highlights

27.0%
Mission, vision or purpose of the company

Financial highlights graphic include:

49.0%
A graphics depicting revenue or sales

23.0%
A graphic highlighting company TSR

20.0%
A graphic highlighting net income

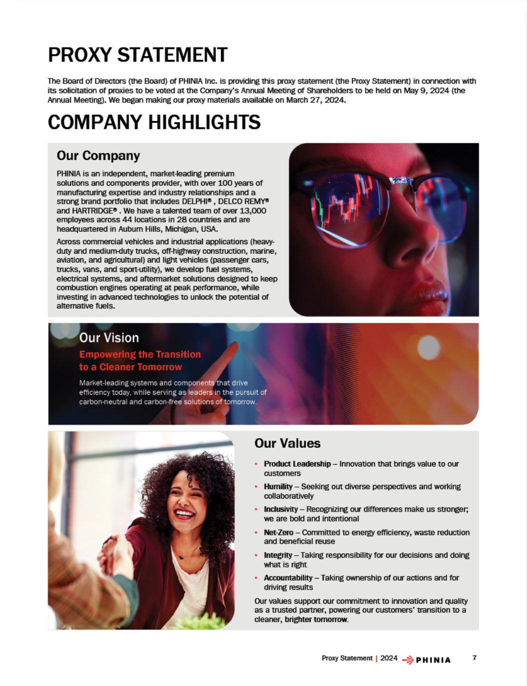
21.0%
A graphic highlighting relative company TSR

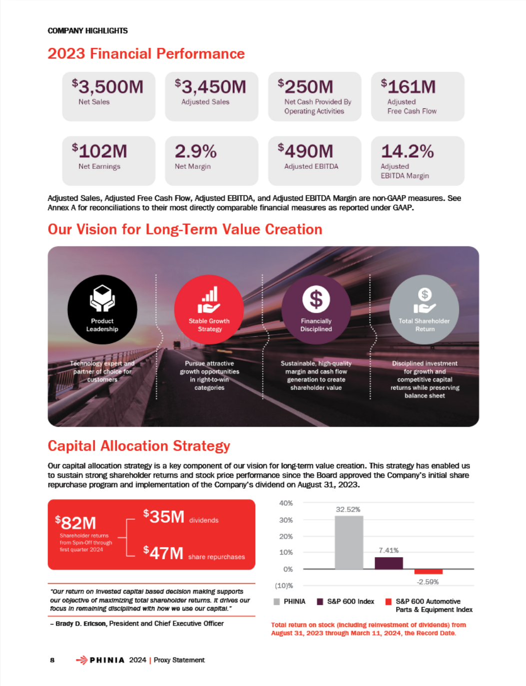
◀ Table of Contents Topic Table of Contents

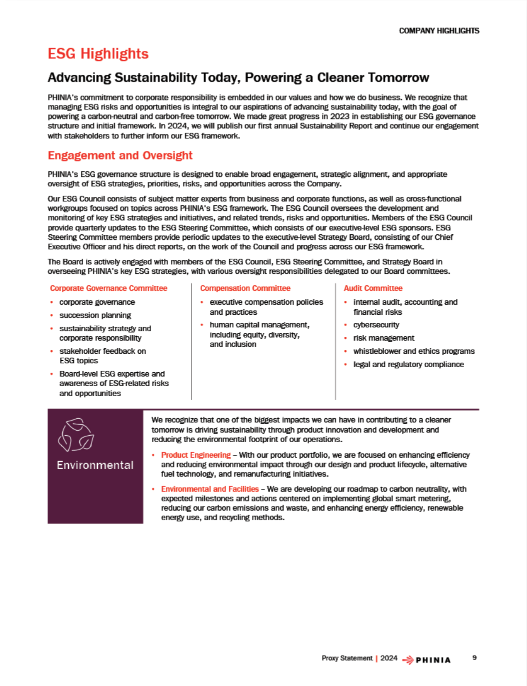
Key Examples

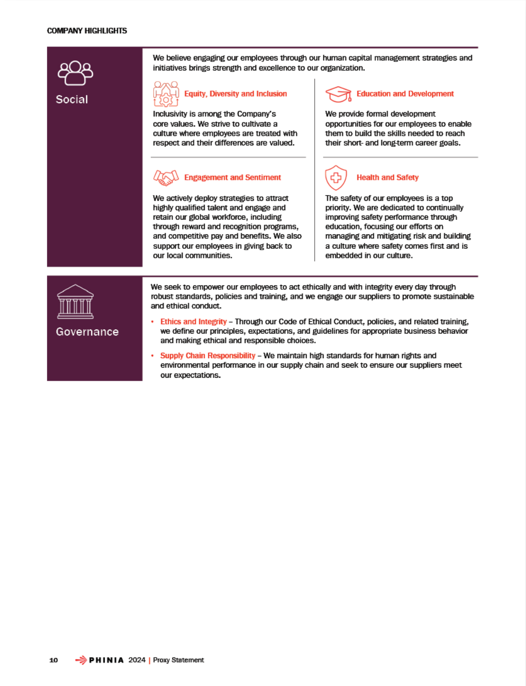
Phinia 2024 Proxy Statement

Highly visual; tight but still includes strategy and ESG







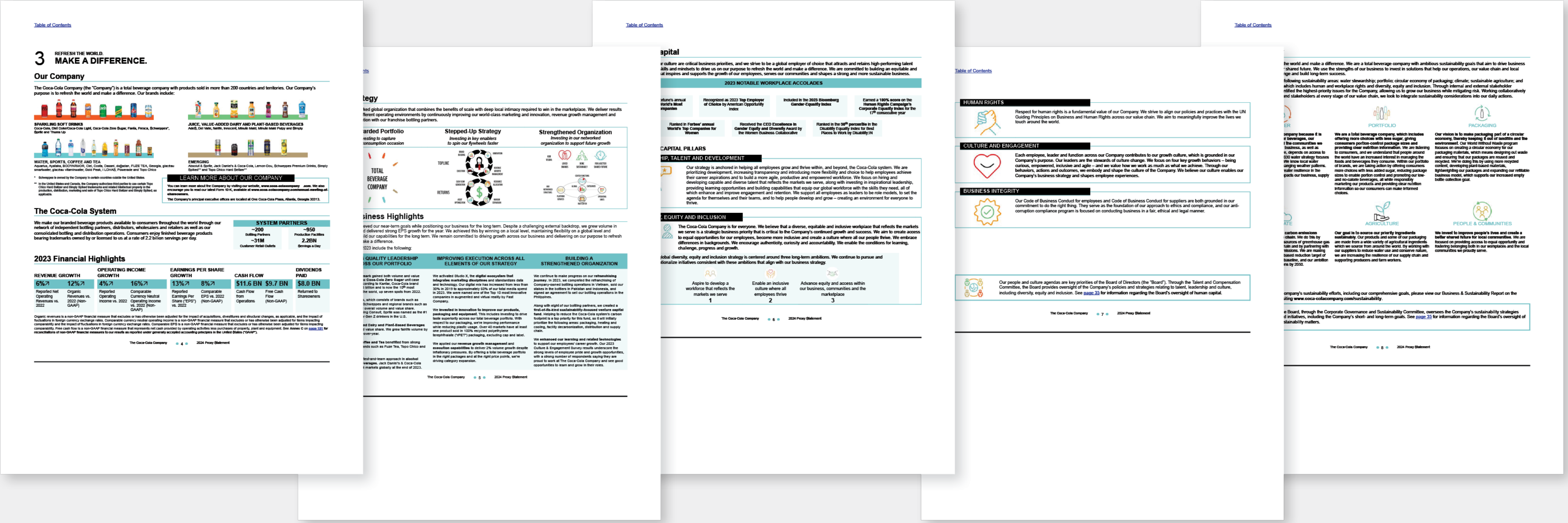


◀ Table of Contents   Topic Table of Contents

Key Examples

The Coca-Cola Company 2024 Proxy Statement

Visual overview includes strategy, approach to human capital and ESG



◀ Table of Contents   Topic Table of Contents

Key Examples

United Therapeutics 2024 Proxy Statement

2 page with Q&A format

About United Therapeutics

Our company was founded over 27 years ago with the challenge of finding a way to cure or treat a rare, life-threatening illness suffered by our CEO's daughter. That mission continues today, has grown to encompass a variety of rare diseases, and drives everything that we do. Early on, we developed a roadmap to success based on five strategic objectives:

- Develop the best medicines possible from our intellectual property
- Conduct the most insightful clinical trials of our medicines
- Achieve superior communication and awareness of our products among physicians
- Grow our business to be in the top quintile of our peers
- Achieve our goals by doing the right thing and using the highest ethical standards

Our Commitment to Corporate Social Responsibility

PATIENT-CENTRIC APPROACH

The parents of a child with pulmonary arterial hypertension founded United Therapeutics, so we take our **commitment to patients** personally. Through our relentless pursuit of life-changing therapies, medical devices, and transplantation technologies, and our patient support and assistance programs, we are striving to improve the lives of patients with pulmonary hypertension and other life-threatening diseases.

ENVIRONMENTAL STEWARDSHIP

We take **sustainability** seriously, and we believe that reducing our carbon footprint is a responsibility shared by all. Through our focus on constructing **site net zero energy and LEED-certified buildings**, we are taking a leadership role in driving the use of sustainable technologies forward.

OUR PEOPLE

We could not have achieved the best year in our company's history without attracting, supporting, and retaining our diverse, hard-working, team-playing employees we call **"Unitherians"**. We have a company-wide minimum **living salary**, on-site subsidized child care, and a suite of health and wellness benefits to take care of our Unitherians holistically. Our Board and management teams lead our diversity, equity, and inclusion efforts and initiatives.

AWARDS AND RECOGNITION

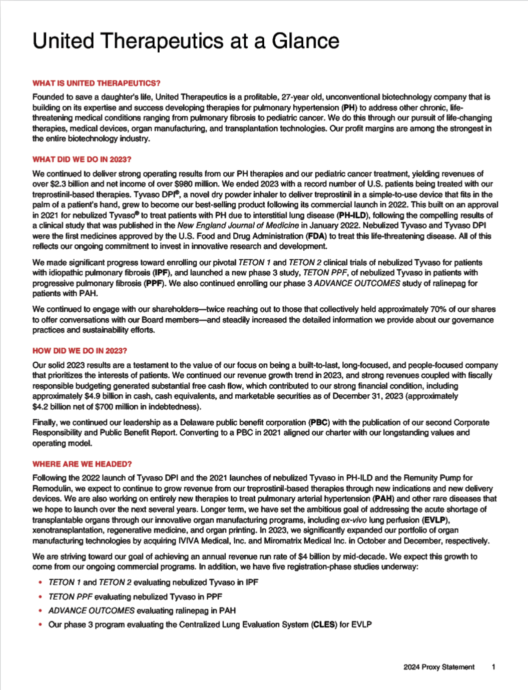
Newsweek Magazine's America's Most Responsible Companies 2024

AMERICA'S MOST RESPONSIBLE COMPANIES 2024 Newsweek statista

Great Places to Work Certified by Fortune Magazine

Great Place To Work® Certified MAY 2023-MAY 2024 USA

Proxy materials or a Notice of Internet Availability are being distributed to shareholders on or about April 29, 2024.



United Therapeutics at a Glance

WHAT IS UNITED THERAPEUTICS?

Founded to save a daughter's life, United Therapeutics is a profitable, 27-year old, unconventional biotechnology company that is building on its expertise and success developing therapies for pulmonary hypertension (**PH**) to address other chronic, life-threatening medical conditions ranging from pulmonary fibrosis to pediatric cancer. We do this through our pursuit of life-changing therapies, medical devices, organ manufacturing, and transplantation technologies. Our profit margins are among the strongest in the entire biotechnology industry.

WHAT DID WE DO IN 2023?

We continued to deliver strong operating results from our PH therapies and our pediatric cancer treatment, yielding revenues of over $2.3 billion and net income of over $980 million. We ended 2023 with a record number of U.S. patients being treated with our treprostinil-based therapies. Tyvaso DPI®, a novel dry powder inhaler to deliver treprostinil in a simple-to-use device that fits in the palm of a patient's hand, grew to become our best-selling product following its commercial launch in 2022. This built on an approval in 2021 for nebulized Tyvaso® to treat patients with PH due to interstitial lung disease (**PH-ILD**), following the compelling results of a clinical study that was published in the *New England Journal of Medicine* in January 2022. Nebulized Tyvaso and Tyvaso DPI were the first medicines approved by the U.S. Food and Drug Administration (**FDA**) to treat this life-threatening disease. All of this reflects our ongoing commitment to invest in innovative research and development.

We made significant progress toward enrolling our pivotal *TETON 1* and *TETON 2* clinical trials of nebulized Tyvaso for patients with idiopathic pulmonary fibrosis (**IPF**), and launched a new phase 3 study, *TETON PPF*, of nebulized Tyvaso in patients with progressive pulmonary fibrosis (**PPF**). We also continued enrolling our phase 3 *ADVANCE OUTCOMES* study of ralinepag for patients with PAH.

We continued to engage with our shareholders—twice reaching out to those that collectively held approximately 70% of our shares to offer conversations with our Board members—and steadily increased the detailed information we provide about our governance practices and sustainability efforts.

HOW DID WE DO IN 2023?

Our solid 2023 results are a testament to the value of our focus on being a built-to-last, long-focused, and people-focused company that prioritizes the interests of patients. We continued our revenue growth trend in 2023, and strong revenues coupled with fiscally responsible budgeting generated substantial free cash flow, which contributed to our strong financial condition, including approximately $4.9 billion in cash, cash equivalents, and marketable securities as of December 31, 2023 (approximately $4.2 billion net of $700 million in indebtedness).

Finally, we continued our leadership as a Delaware public benefit corporation (**PBC**) with the publication of our second Corporate Responsibility and Public Benefit Report. Converting to a PBC in 2021 aligned our charter with our longstanding values and operating model.

WHERE ARE WE HEADED?

Following the 2022 launch of Tyvaso DPI and the 2021 launches of nebulized Tyvaso in PH-ILD and the Remunity Pump for Remodulin, we expect to continue to grow revenue from our treprostinil-based therapies through new indications and new delivery devices. We are also working on entirely new therapies to treat pulmonary arterial hypertension (**PAH**) and other rare diseases that we hope to launch over the next several years. Longer term, we have set the ambitious goal of addressing the acute shortage of transplantable organs through our innovative organ manufacturing programs, including *ex-vivo* lung perfusion (**EVLP**), xenotransplantation, regenerative medicine, and organ printing. In 2023, we significantly expanded our portfolio of organ manufacturing technologies by acquiring IVIVA Medical, Inc. and Miromatrix Medical Inc. in October and December, respectively.

We are striving toward our goal of achieving an annual revenue run rate of $4 billion by mid-decade. We expect this growth to come from our ongoing commercial programs. In addition, we have five registration-phase studies underway:

- *TETON 1* and *TETON 2* evaluating nebulized Tyvaso in IPF
- *TETON PPF* evaluating nebulized Tyvaso in PPF
- *ADVANCE OUTCOMES* evaluating ralinepag in PAH
- Our phase 3 program evaluating the Centralized Lung Evaluation System (**CLES**) for EVLP

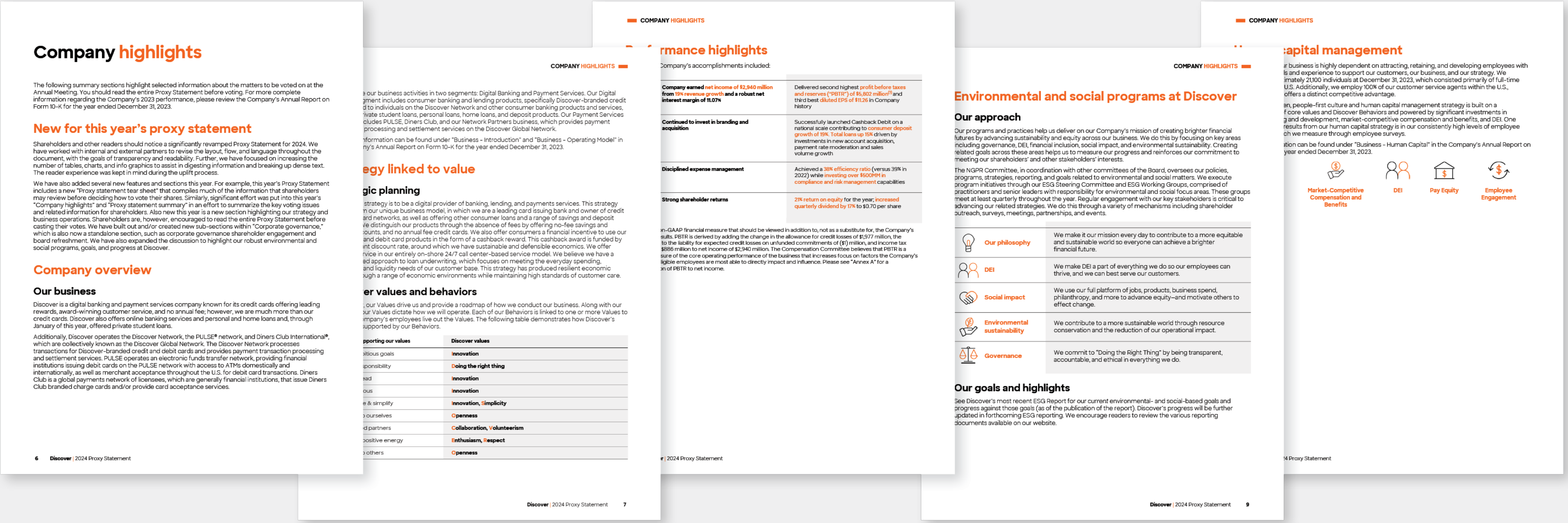
2024 Proxy Statement 1

◄ Table of Contents   Topic Table of Contents

Key Examples

Discover Financial Services 2024 Proxy Statement

Includes New for this year section



◀ Table of Contents Topic Table of Contents

Key Examples

Leidos 2024 Proxy Statement

Visual overview with strategy; links highlights to pay

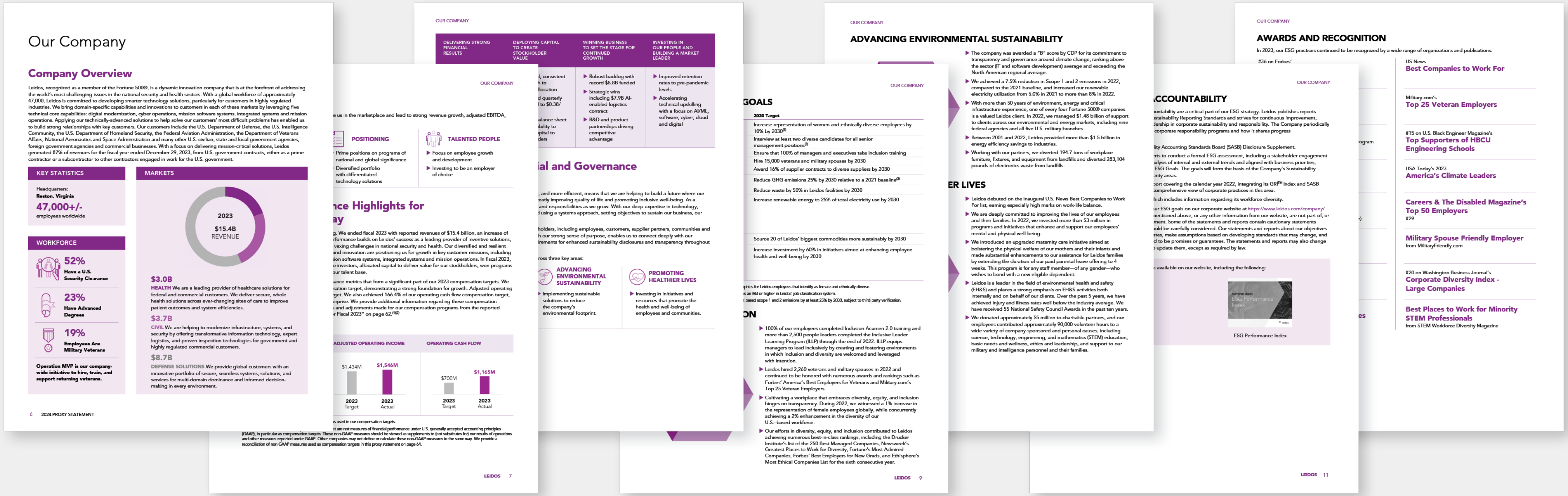


Table of Contents Topic Table of Contents

Proxy Summaries

Proxy summaries consolidate the most pertinent information in the body of the proxy so readers know what they can expect to see. Typically, a proxy summary includes an overview of the proposals up for vote at the annual meeting, the board's recommendations for each proposal, and background information to support those recommendations, such as an overview of the board of directors and the executive compensation program.

What to Think About

Ideally, the proxy summary provides an overview of key topics so readers can decide what issues to explore in more detail. The proxy summary should include enough information to frame the company's messages, but leave more complicated, nuanced discussions and data to the applicable proxy section. It is helpful to provide appropriate cross-references (or internal links in electronic proxies) so readers trust that information is not being buried.

Labrador Transparency Award Criteria

- The proxy summary or introductory pages include a table listing the proposals, together with the board's recommendations for each one.

The key question is how best to use the prime real estate in the opening pages of the document, and the answer is likely to be different for each company. Remembering that the proxy summary is an opportunity to make a good first impression, companies should consider including:

- A tabular summary of the annual meeting proposals, along with the board's recommendations
- Business and performance highlights, if not included in a separate section at the beginning of the proxy
- A snapshot of the board, including a high-level overview of skills, experience, and diversity
- A list of governance best practices and, if applicable, recent enhancements
- Highlights from the most recent stockholder engagements, especially if there were contentious issues during the year

An overview of the compensation program that shows the NEOs' target pay mix and indicates how much is performance-based

- A preview of significant executive compensation decisions (including changes to the program) and incentive plan payout results, and a brief explanation of any one-off situations related to leadership transitions or special awards
- A graphic that demonstrates how pay is aligned with shareholder value creation
- ESG or sustainability highlights, if not included in a separate section of the proxy

* We note that the umbrella term "proxy summary" (or similar name variation) may include all of the introductory pages of the proxy.

◂ Table of Contents Topic Table of Contents

Benchmarking

Proxy Summary

83.0%
Document includes a proxy summary section

Board of Directors

84.0%
Includes overview of directors (name, occupation, age, independence, tenure and committees)

84.0%
Includes demographic of directors

10.0%
Includes skills matrix

57.0%
Includes governance highlights

Compensation

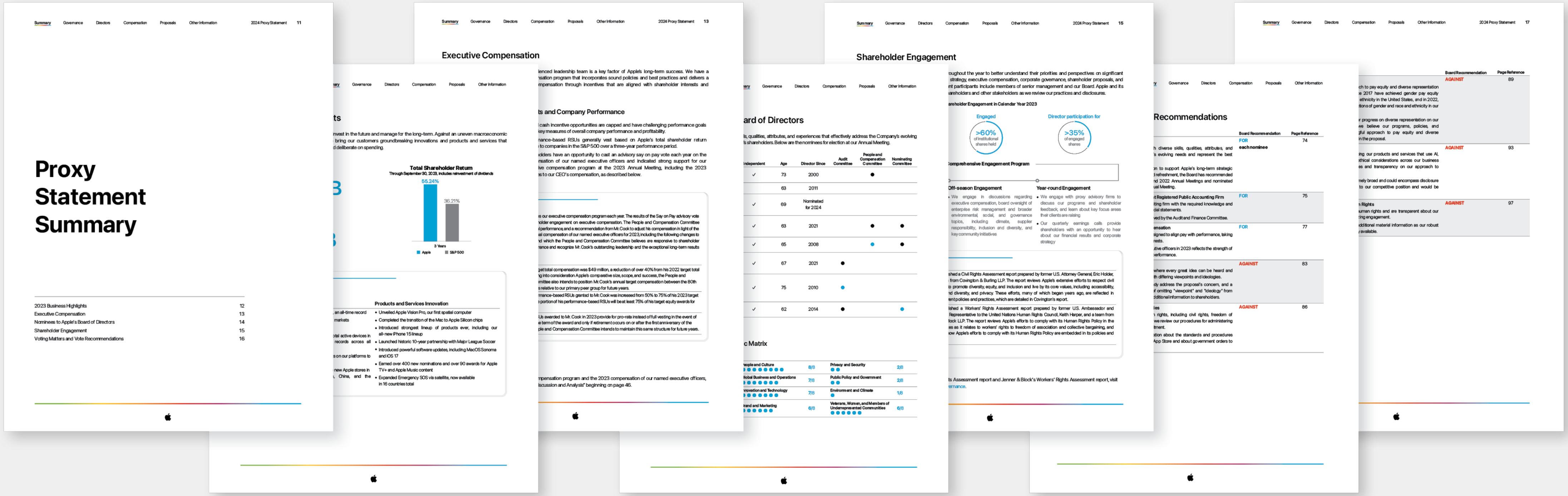
54.0%
Proxy summary (or CD&A summary section) includes components of compensation

37.0%
Includes summary of key compensation practices

Key Examples

Apple Inc. 2024 Proxy Statement

Simple, uncluttered presentation of business highlights, compensation changes, nominees and skills, shareholder engagement, and voting recommendations

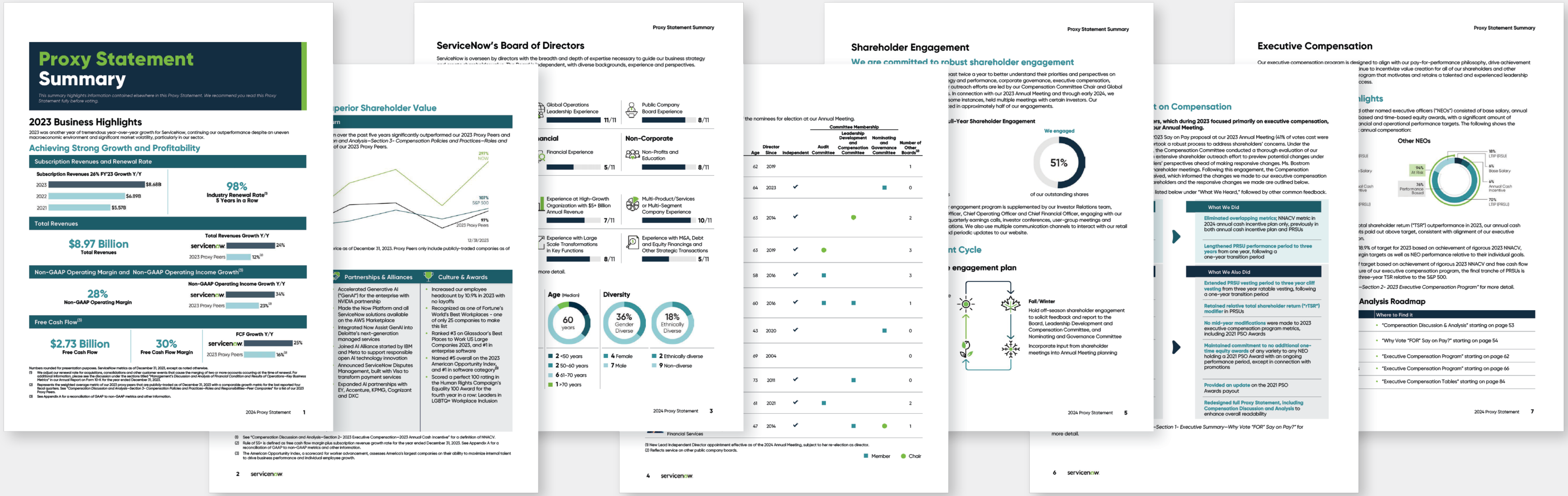


◀ Table of Contents   Topic Table of Contents

Key Examples

ServiceNow 2024 Proxy Statement

Uses bold graphics; covers key topics, including shareholder engagement following lower than usual SOP vote; provides a comprehensive voting roadmap



◀ Table of Contents   Topic Table of Contents

Key Examples

Hubbell Incorporated 2024 Proxy Statement

Comprehensive proxy summary, including HCM highlights, recognitions, and incentive plan design

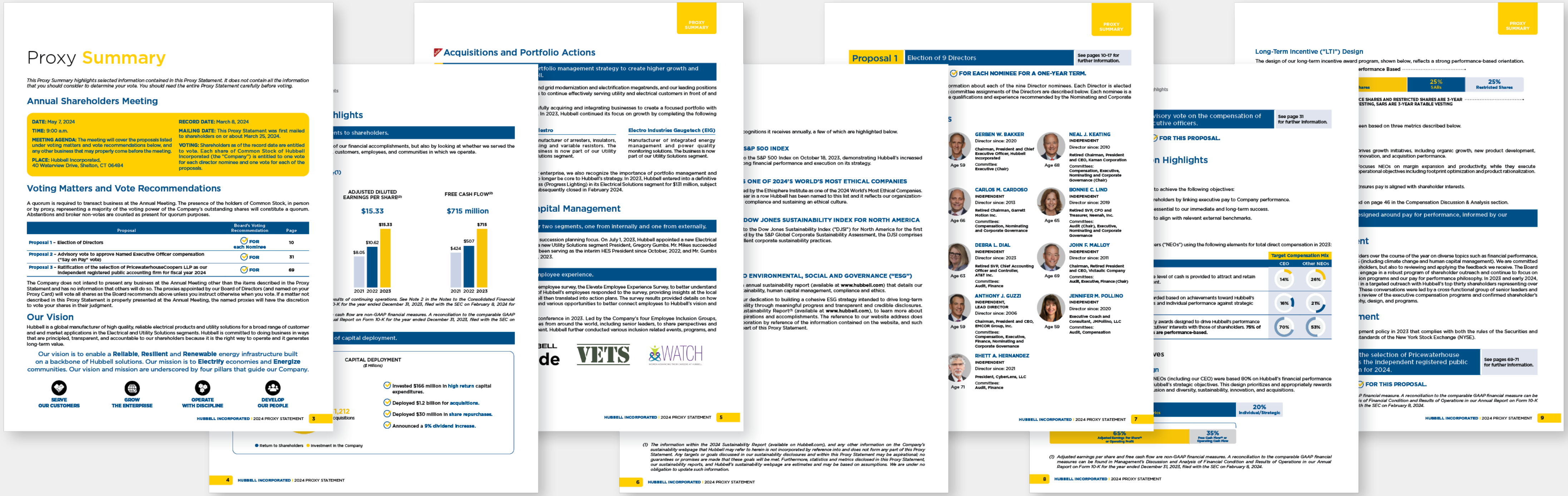


Table of Contents   Topic Table of Contents

Key Examples

KBR 2024 Proxy Statement

Proxy summary includes business and financial highlights, sustainability highlights, unique governance highlights, and compensation highlights with a specific pay mix graphic for each NEO

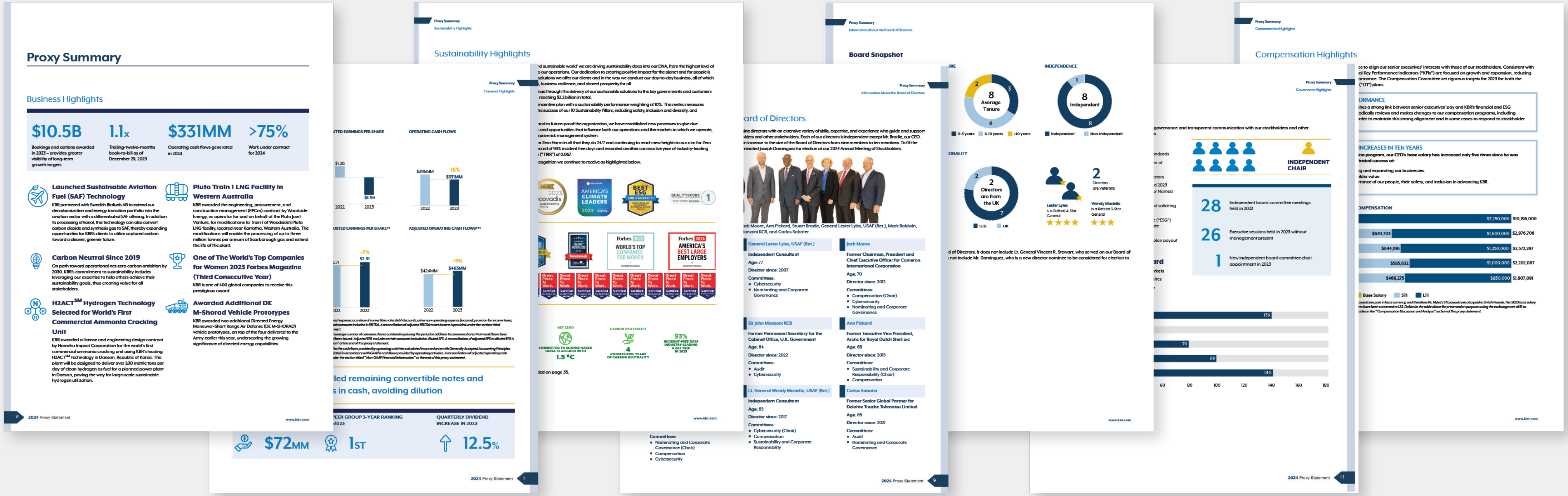
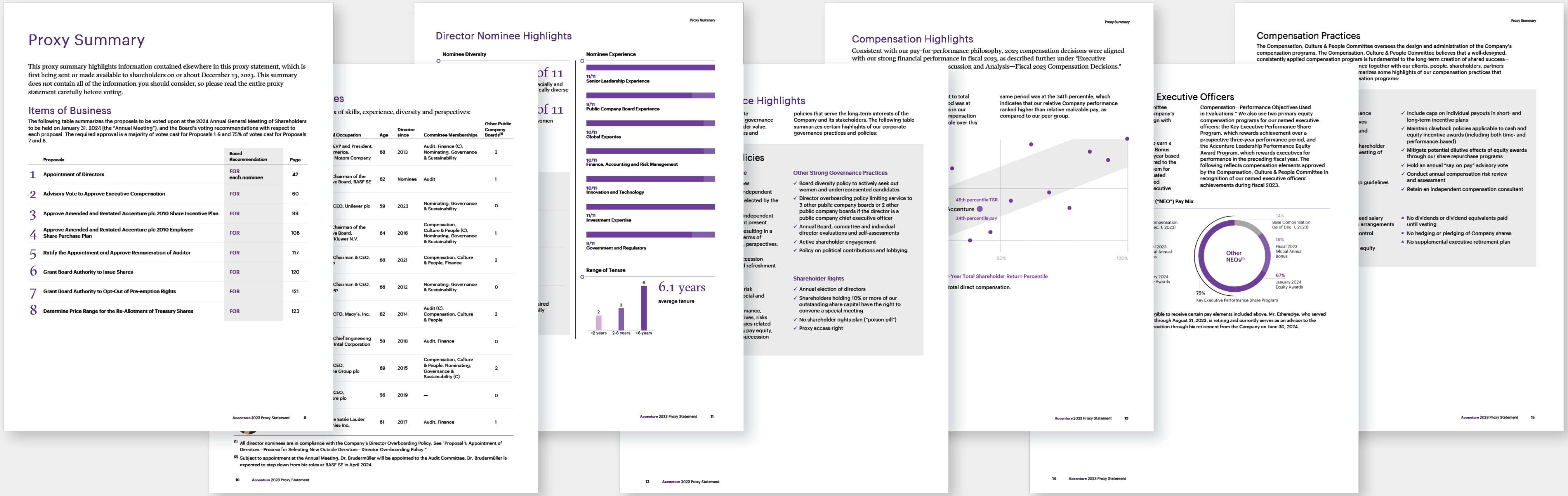


Table of Contents Topic Table of Contents

Key Examples

Accenture 2023 Proxy Statement

Simple presentation that includes voting matters, information about the nominees, governance highlights, and compensation highlights, including a graphic showing the pay for performance alignment

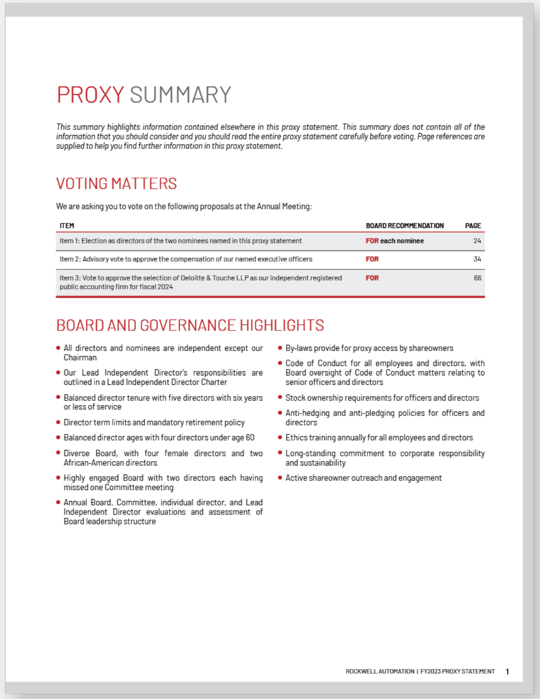


◂ Table of Contents   Topic Table of Contents

Key Examples

Rockwell Automation 2024 Proxy Statement

Focuses on the basics: voting matters; governance highlights; board composition, skills, and diversity; and executive compensation elements and pay mix



PROXY SUMMARY

This summary highlights information contained elsewhere in this proxy statement. This summary does not contain all of the information that you should consider and you should read the entire proxy statement carefully before voting. Page references are supplied to help you find further information in this proxy statement.

VOTING MATTERS

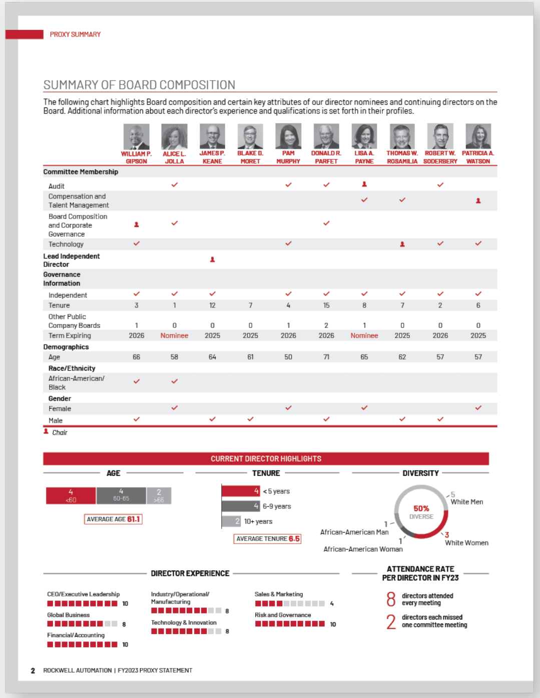
We are asking you to vote on the following proposals at the Annual Meeting:

ITEM	BOARD RECOMMENDATION	PAGE
Item 1: Election as directors of the two nominees named in this proxy statement	FOR each nominee	24
Item 2: Advisory vote to approve the compensation of our named executive officers	FOR	34
Item 3: Vote to approve the selection of Deloitte & Touche LLP as our independent registered public accounting firm for fiscal 2024	FOR	66

BOARD AND GOVERNANCE HIGHLIGHTS

- All directors and nominees are independent except our Chairman
- Our Lead Independent Director's responsibilities are outlined in a Lead Independent Director Charter
- Balanced director tenure with five directors with six years or less of service
- Director term limits and mandatory retirement policy
- Balanced director ages with four directors under age 60
- Diverse Board, with four female directors and two African-American directors
- Highly engaged Board with two directors each having missed one Committee meeting
- Annual Board, Committee, individual director, and Lead Independent Director evaluations and assessment of Board leadership structure
- By-laws provide for proxy access by shareowners
- Code of Conduct for all employees and directors, with Board oversight of Code of Conduct matters relating to senior officers and directors
- Stock ownership requirements for officers and directors
- Anti-hedging and anti-pledging policies for officers and directors
- Ethics training annually for all employees and directors
- Long-standing commitment to corporate responsibility and sustainability
- Active shareowner outreach and engagement

ROCKWELL AUTOMATION | FY2023 PROXY STATEMENT 1



PROXY SUMMARY

SUMMARY OF BOARD COMPOSITION

The following chart highlights Board composition and certain key attributes of our director nominees and continuing directors on the Board. Additional information about each director's experience and qualifications is set forth in their profiles.

	WILLIAM P. GIPSON	ALICE L. JOLLA	JAMES P. KEANE	BLAKE D. MORET	PAM MURPHY	DONALD R. PARFET	LISA A. PAYNE	THOMAS W. ROSAMILIA	ROBERT W. SODERBERY	PATRICIA A. WATSON
Committee Membership										
Audit		✓			✓	✓	Chair		✓	
Compensation and Talent Management							✓	✓		Chair
Board Composition and Corporate Governance	Chair	✓				✓				
Technology	✓				✓			Chair	✓	✓
Lead Independent Director			Chair							
Governance Information										
Independent	✓	✓	✓		✓	✓	✓	✓	✓	✓
Tenure	3	1	12	7	4	15	8	7	2	6
Other Public Company Boards	1	0	0	0	1	2	1	0	0	0
Term Expiring	2026	Nominee	2025	2025	2026	2026	Nominee	2025	2026	2025
Demographics										
Age	66	58	64	61	50	71	65	62	57	57
Race/Ethnicity										
African-American/ Black	✓	✓								
Gender										
Female		✓			✓		✓			✓
Male	✓		✓	✓		✓		✓	✓	

Chair

CURRENT DIRECTOR HIGHLIGHTS

AGE

4 <60 | 4 60-65 | 2 >66

AVERAGE AGE 61.1

TENURE

4 < 5 years
4 6-9 years
2 10+ years

AVERAGE TENURE 6.5

DIVERSITY

50% DIVERSE
5 White Men
3 White Women
1 African-American Man
1 African-American Woman

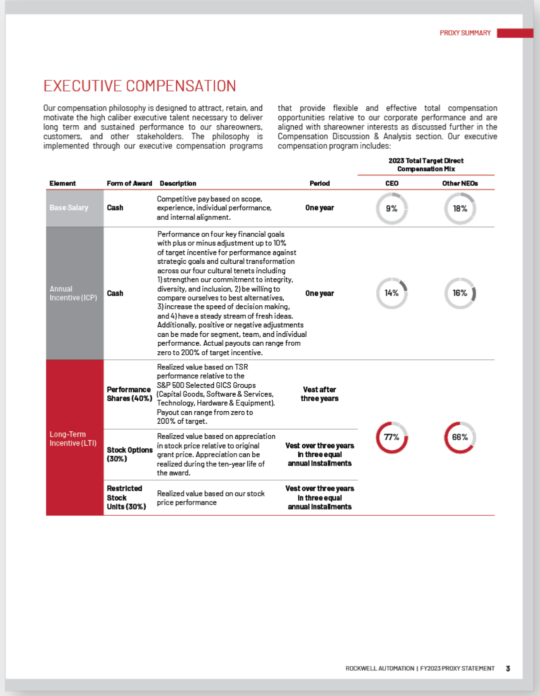
DIRECTOR EXPERIENCE

CEO/Executive Leadership 10
Global Business 8
Financial/Accounting 10
Industry/Operational/ Manufacturing 8
Technology & Innovation 8
Sales & Marketing 4
Risk and Governance 10

ATTENDANCE RATE PER DIRECTOR IN FY23

8 directors attended every meeting
2 directors each missed one committee meeting

2 ROCKWELL AUTOMATION | FY2023 PROXY STATEMENT



PROXY SUMMARY

EXECUTIVE COMPENSATION

Our compensation philosophy is designed to attract, retain, and motivate the high caliber executive talent necessary to deliver long term and sustained performance to our shareowners, customers, and other stakeholders. The philosophy is implemented through our executive compensation programs that provide flexible and effective total compensation opportunities relative to our corporate performance and are aligned with shareowner interests as discussed further in the Compensation Discussion & Analysis section. Our executive compensation program includes:

Element	Form of Award	Description	Period	2023 Total Target Direct Compensation Mix: CEO	2023 Total Target Direct Compensation Mix: Other NEOs
Base Salary	Cash	Competitive pay based on scope, experience, individual performance, and internal alignment.	One year	9%	18%
Annual Incentive (ICP)	Cash	Performance on four key financial goals with plus or minus adjustment up to 10% of target incentive for performance against strategic goals and cultural transformation across our four cultural tenets including 1) strengthen our commitment to integrity, diversity, and inclusion, 2) be willing to compare ourselves to best alternatives, 3) increase the speed of decision making, and 4) have a steady stream of fresh ideas. Additionally, positive or negative adjustments can be made for segment, team, and individual performance. Actual payouts can range from zero to 200% of target incentive.	One year	14%	16%
Long-Term Incentive (LTI)	Performance Shares (40%)	Realized value based on TSR performance relative to the S&P 500 Selected GICS Groups (Capital Goods, Software & Services, Technology, Hardware & Equipment). Payout can range from zero to 200% of target.	Vest after three years	77%	66%
	Stock Options (30%)	Realized value based on appreciation in stock price relative to original grant price. Appreciation can be realized during the ten-year life of the award.	Vest over three years in three equal annual installments		
	Restricted Stock Units (30%)	Realized value based on our stock price performance	Vest over three years in three equal annual installments		

ROCKWELL AUTOMATION | FY2023 PROXY STATEMENT 3

Board of Directors

This section includes:

◂ Table of Contents   Topic Table of Contents

Approach to Board of Directors

Board disclosures should focus on information that a shareholder needs to make an informed voting decision. The presentation should demonstrate a thoughtful approach to a "balanced" Board in terms of mix of experience, background and individual attributes, as well as ongoing composition reviews and Board evaluations. Top of mind for most shareholders is whether the directors have the appropriate skillset to oversee the company's strategy and drive shareholder value creation.

Investor Perspective: Board of Directors

BlackRock (U.S., 1/25)	In order to help investors understand a company's approach to board composition, we ask boards to disclose, in a manner consistent with local laws: **How candidates for board positions are identified** . . . **How directors' professional characteristics,** which may include domain expertise such as finance or technology, and sector-or market-specific experience, **are complementary and link to the company's long-term strategy** [and] **How diversity, including professional and personal characteristics, is considered in board composition, given the company's long-term strategy and business model**.
State Street (Global, 3/24)	We view board quality as a measure of director independence, director succession planning, board diversity, evaluations and refreshment, and company governance practices. . . We also believe the **right mix of skills, independence, diversity, and qualifications** among directors provides boards with the **knowledge and direct experience to manage risks and operating structures that are often complex and industry-specific**. We believe **effective board oversight of a company's long-term business strategy necessitates a diversity of perspectives, especially in terms of gender, race and ethnicity**. We may withhold votes from directors if overall average board tenure is excessive. In assessing excessive tenure, **we consider factors such as the preponderance of long tenured directors, board refreshment practices, and classified board structures**. Boards should also have a regular evaluation process in place to **assess the effectiveness of the board and the skills of board members to address issues, such as emerging risks, changes to corporate strategy, and diversification of operations and geographic footprint**.

Table of Contents Topic Table of Contents

Investor Perspective: Board of Directors

Vanguard (U.S., 2/24)	The funds believe that the **appropriate mix of skills, experience, and characteristics is unique to each board and should reflect expertise related to the company's strategy and material risks from a variety of vantage points**. Boards should take action to reflect a **board composition that is appropriately representative**, relative to their markets and to the needs of their long-term strategies. Disclosure of directors' **personal characteristics (such as race and ethnicity)** should occur on a self-identified basis and may occur on an **aggregate level or individual director level**. Disclosure of **skills and experience at the director level is expected**. Companies should provide disclosure regarding their process for evaluating the composition and effectiveness of their board on a regular basis, the **identification of gaps and opportunities to be addressed through board refreshment and evolution**, and a **robust nomination (and re-nomination) process** to ensure the right mix of skills, experience, perspective, and personal characteristics into the future.
ISS (U.S. 1/25)	Companies should ensure that directors add value to the board through their specific skills and expertise and by having sufficient time and commitment to serve effectively. Boards should be of a size appropriate to accommodate diversity, expertise, and independence, while ensuring active and collaborative participation by all members. **Boards should be sufficiently diverse to ensure consideration of a wide range of perspectives**.
Glass Lewis (U.S. 2025)	Because company disclosure is critical when measuring the mix of diverse attributes and skills of directors, Glass Lewis assesses the quality of such disclosure in companies' proxy statements. Accordingly, we reflect how a company's proxy statement presents: (i) the **board's current percentage of racial/ethnic diversity**; (ii) whether the board's **definition of diversity explicitly includes gender and/or race/ethnicity**; (iii) whether the board has adopted a policy requiring women and minorities to be included in the initial pool of candidates when selecting new director nominees (aka "**Rooney Rule**"); and (iv) **board skills disclosure**. Such ratings will help inform our assessment of a company's overall governance and may be a contributing factor in our recommendations when additional board-related concerns have been identified. At companies in the Russell 1000 index that have not provided any disclosure in any of the above categories, we will generally recommend voting against the chair of the nominating and/or governance committee. Further, when companies in the Russell 1000 **index have not provided any disclosure of individual or aggregate racial/ethnic minority board demographic information, we will generally recommend voting against the chair of the nominating and/or governance committee**.

◂ Table of Contents Topic Table of Contents

Director Nominee "List"

The SEC requires companies to provide a variety of details about their directors and board nominees, including each individual's name, age, tenure (if already a director), and principal occupation, as well as experience, qualifications, and attributes that make that person qualified to serve. Over the past decade, as proxy summaries have become common, many companies have incorporated a director list that includes many of these details into that section. These lists are helpful to show some of the key attributes of the incumbent directors and nominees in one place. Companies often supplement their lists with aggregated demographics to provide a board "snapshot."

What to Think About

A director "list" addresses investor interest in assessing the composition of the board as a whole to ensure an appropriate balance of skills, expertise, and personal characteristics. This information, in a condensed easy-to-read format, supplements the detailed board biographies that provide more insight into the individual nominees. While most companies include a director list in the proxy summary, others opt to use a list as a prelude to the biographies.

Labrador Transparency Award Criteria

- The proxy summary or the introduction to the election of directors proposal includes a board summary matrix, table, graphics, or other visual elements that names all directors and includes, at a minimum: each director's primary occupation; age; independence; tenure; and committee membership(s).

In the past, director lists typically were just that--lists, generally in a table format. However, many proxies now offer a more dynamic view of the board, including photos and graphics.

The level of detail provided for each director varies by company, although name, primary occupation, tenure, committee memberships, age, and independence are consistent data points. Some companies also include the number of other directorships, key skills, and meeting attendance rates. Often this summarized information requires only one page.

As a general recommendation, Labrador favors a clean, easily digestible director overview—avoiding clutter, especially where more detail is found on nearby pages.

◀ Table of Contents   Topic Table of Contents

Benchmarking

Director Nominee List

42.0%

The proxy summary or the introduction to the election of directors proposal includes a board summary matrix, table, graphics, or other visual elements that names all directors and includes, at a minimum: each director's primary occupation; age; independence; tenure; and committee membership(s)

Key Examples

Raytheon 2024 Proxy Statement

Combines nominee list with skills matrix


PROXY SUMMARY | GOVERNANCE AND BOARD OVERVIEW

Governance and Board Overview

BOARD NOMINEES

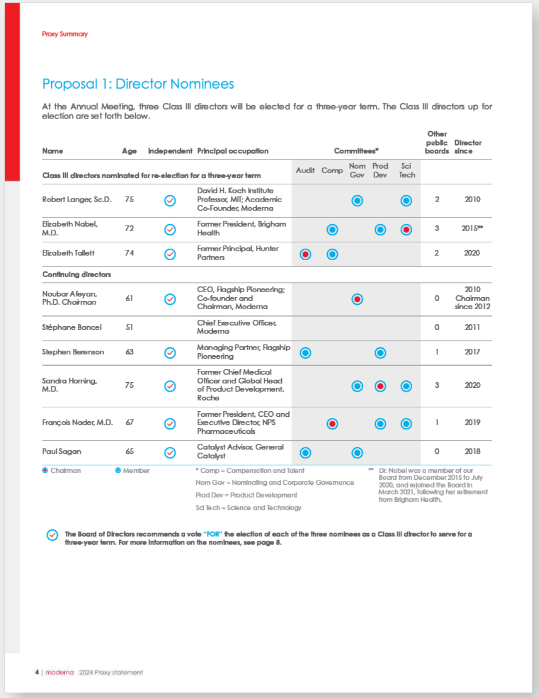
			Skills and Expertise									Diversity		
	Director Since	Other Public Boards	Financial	Government	International	Experience in Industry	Risk Management/ Oversight	Senior Leadership	Environmental, Social and Governance (ESG)	Technology/ Cybersecurity	Manufacturing, Operations and Supply Chain	White	Black/African American	Gender
Tracy A. Atkinson Retired Executive Vice President & Chief Administrative Officer, State Street Corporation	2020	3	■				■	■	■			■		Women
Christopher T. Calio President & Chief Operating Officer, RTX Corporation	2023	0	■		■	■	■	■	■		■	■		Men
Leanne G. Caret Retired Executive Vice President, The Boeing Company and Former CEO, Boeing Defense, Space and Security	2023	1	■			■	■	■	■		■	■		Women
Bernard A. Harris, Jr. Chief Executive Officer and Managing Partner, Vesalius Ventures, Inc.	2021	1		■		■	■	■	■	■			■	Men
Gregory J. Hayes Chairman & Chief Executive Officer, RTX Corporation	2014	1	■		■	■	■	■	■		■	■		Men
George R. Oliver Chairman & Chief Executive Officer, Johnson Controls International plc	2020	1	■		■	■	■	■	■	■	■	■		Men
Robert K. (Kelly) Ortberg Retired Chairman, President & Chief Executive Officer, Rockwell Collins, Inc.	2020	1	■		■	■	■	■	■	■	■	■		Men
Ellen M. Pawlikowski General, U.S. Air Force (Retired) and Former Commander, Air Force Materiel Command	2020	1		■	■	■	■	■	■	■	■	■		Women
Denise L. Ramos Retired Chief Executive Officer & President, ITT Inc.	2018	2	■		■	■	■	■	■		■	■		Women
Fredric G. Reynolds Retired Executive Vice President & Chief Financial Officer, CBS Corporation	2016	1	■		■		■	■	■			■		Men
Brian C. Rogers Retired Chairman, T. Rowe Price Group, Inc.	2016	1	■				■	■	■			■		Men
James A. Winnefeld, Jr. Admiral, U.S. Navy (Retired) and Former Vice Chairman of the Joint Chiefs of Staff	2020	1		■	■	■	■	■	■	■		■		Men
Robert O. Work Retired Deputy Secretary of Defense, U.S. Department of Defense	2020	0		■	■	■	■	■	■	■		■		Men

● Women
● Men

RTX 2024 PROXY STATEMENT 7

Moderna 2024 Proxy Statement

Standard format


Proxy Summary

Proposal 1: Director Nominees

At the Annual Meeting, three Class III directors will be elected for a three-year term. The Class III directors up for election are set forth below.

Name	Age	Independent	Principal occupation	Committees* Audit	Comp	Nom Gov	Prod Dev	Sci Tech	Other public boards	Director since
Class III directors nominated for re-election for a three-year term										
Robert Langer, Sc.D.	75	✓	David H. Koch Institute Professor, MIT; Academic Co-Founder, Moderna			Member		Member	2	2010
Elizabeth Nabel, M.D.	72	✓	Former President, Brigham Health		Member		Member	Chairman	3	2015**
Elizabeth Tallett	74	✓	Former Principal, Hunter Partners	Chairman	Member				2	2020
Continuing directors										
Noubar Afeyan, Ph.D. *Chairman*	61	✓	CEO, Flagship Pioneering; Co-founder and Chairman, Moderna			Chairman			0	2010 Chairman since 2012
Stéphane Bancel	51		Chief Executive Officer, Moderna						0	2011
Stephen Berenson	63	✓	Managing Partner, Flagship Pioneering	Member			Member		1	2017
Sandra Horning, M.D.	75	✓	Former Chief Medical Officer and Global Head of Product Development, Roche			Member	Chairman	Member	3	2020
François Nader, M.D.	67	✓	Former President, CEO and Executive Director, NPS Pharmaceuticals		Chairman		Member	Member	1	2019
Paul Sagan	65	✓	Catalyst Advisor, General Catalyst	Member		Member			0	2018

● Chairman ● Member

* Comp = Compensation and Talent
Nom Gov = Nominating and Corporate Governance
Prod Dev = Product Development
Sci Tech = Science and Technology

** Dr. Nabel was a member of our Board from December 2015 to July 2020, and rejoined the Board in March 2021, following her retirement from Brigham Health.

✓ **The Board of Directors recommends a vote "FOR" the election of each of the three nominees as a Class III director to serve for a three-year term. For more information on the nominees, see page 8.**

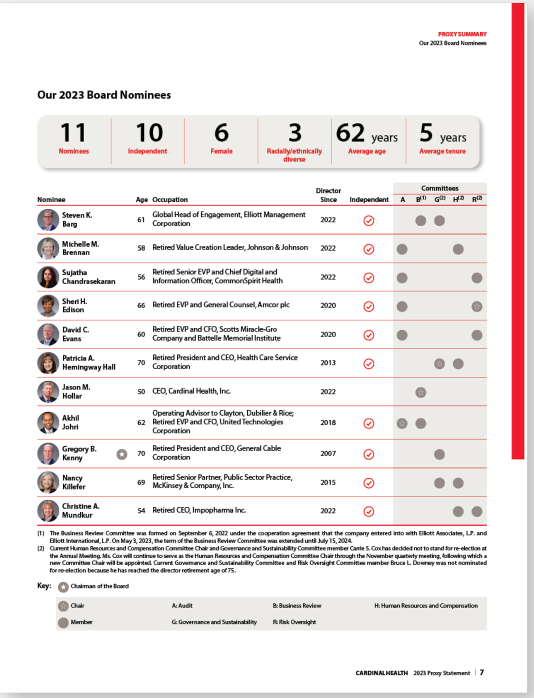
4 | moderna 2024 Proxy statement

◄ Table of Contents Topic Table of Contents

Key Examples

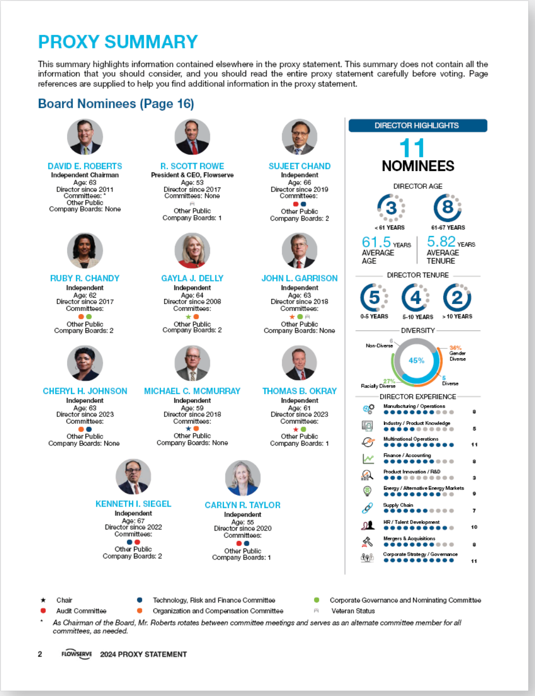
Cardinal Health 2023 Proxy Statement

Standard format but adds small headshots and some aggregated demographic information



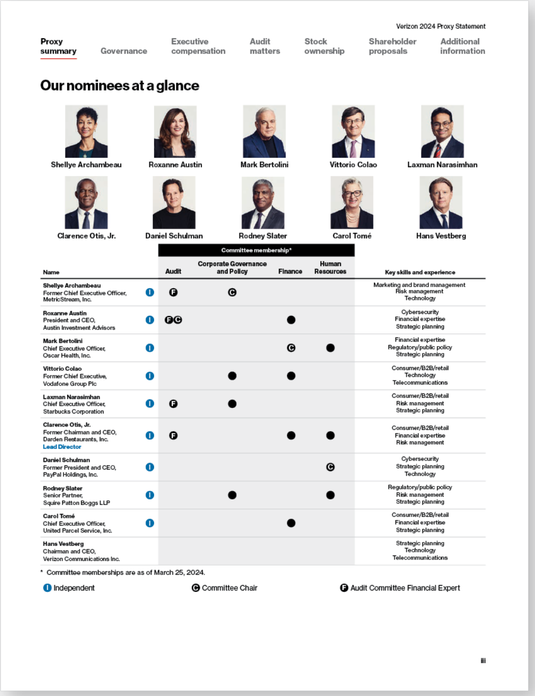
Flowserve 2024 Proxy Statement

Non-traditional format with lots of aggregated demographic information



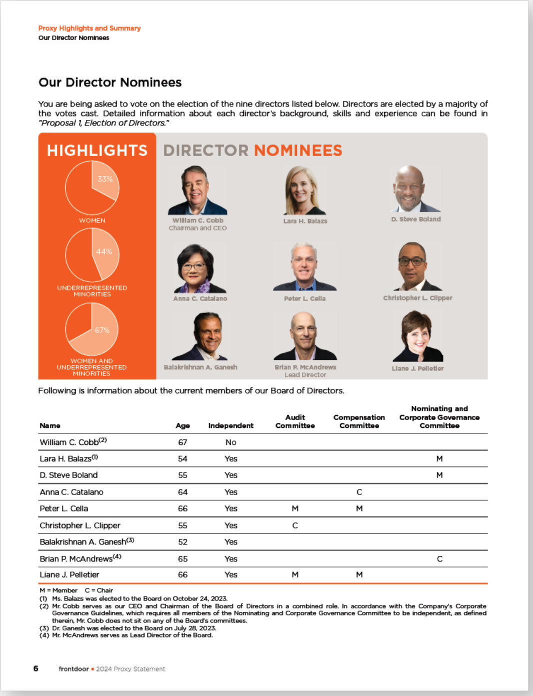
Verizon 2024 Proxy Statement

Variation of standard format with headshots at top and key skills



Frontdoor 2024 Proxy Statement

Non-traditional format with larger headshots



Board Demographic Snapshot

The SEC requires companies to provide the age, tenure, and independent (or not) status of each individual director, but companies often include this information on an aggregated basis as well. The aggregated information typically appears in a series of eye-catching infographics that supplement the director nominee list and serve as a snapshot of the board.

What to Think About

Investors want to see that the mix of director nominees will form a “balanced” and effective board of directors. Historically, companies focused on age, tenure, and independence to demonstrate balance, but practices have evolved over the past decade. Now investors and other stakeholders also consider whether a board includes women and members of underrepresented groups. Diversity of thought, background, and experience also are believed to contribute to a board’s effectiveness.

As noted in the next section, proxies should include a qualitative discussion about how the nominating committee considers demographic factors when identifying potential directors. However, we also recommend providing a snapshot of the data--ideally in an easily digestible graphic format.

Labrador Transparency Award Criteria

- The proxy summary or introduction to election of directors proposal includes graphics presenting, at a minimum: tenures, genders, and race/ethnicities of the full board.

We believe that a series of infographics can quickly and effectively portray a balanced board with a range of ages, tenures, and diversity characteristics. Given that this information is critical to investors in assessing board effectiveness, we recommend placing these infographics either in the proxy summary or near the election of directors voting recommendation.

Here are some questions to consider:

- Does it make sense to combine information (such as grouping gender, race, and ethnicity together in a single graphic) or to provide detail about each characteristic?
- Are there unusual characteristics that are worth highlighting? For example, a science-based company may show the number of directors with PhDs, and a defense contractor may show the number of retired military officials on the board.
- Should the infographics show the board as it is or the board as it would be if all the nominees are elected?
- Should the infographics show how demographics have changed over time due to board refreshment efforts? This could be helpful to demonstrate a company’s commitment to improving board diversity.

Looking Ahead

As perceptions of diversity evolve and mature, companies may want to supplement common demographic disclosures with information about specific diversity characteristics. For example, some companies include infographics specifically detailing the number of LGBTQ+, veteran, or non-U.S. board members. When applicable, companies should also consider highlighting the diversity of the board chair, lead director, and committee chairs.

◂ Table of Contents Topic Table of Contents

Benchmarking

Board Demographic Snapshot

81.0%
Snapshot of board demographics included

71.1%
Presented in proxy summary (out of 83 documents that include a proxy summary section)

39.0%
Presented at the beginning of the "election of directors" proposal

Demographic snapshot graphics

51.0%
Includes graphic highlighting director independence

76.0%
Includes graphic highlighting director gender metrics

73.0%
Includes graphic highlighting director ethnicity metrics

35.0%
Includes graphic highlighting gender and ethnicity within the same graphic

78.0%
Includes graphic highlighting director tenure

79.5%
Tenure graphic presents distribution of tenure years

75.6%
Tenure graphic presents average year of tenure

3.8%
Tenure graphic presents median year of tenure

57.0%
Includes a graphic highlighting director age

77.2%
Age graphic presents average age

64.0%
Age graphic presents distribution of ages

5.3%
Age graphic presents median age

12.3%
Non-U.S. citizens/born outside U.S.

6.2%
New directors within the last 3 to 5 years

4.9%
Veterans

2.5%
Diversity in board leadership roles/ committee chairs

2.5%
Sexual orientation/LGBTQ+

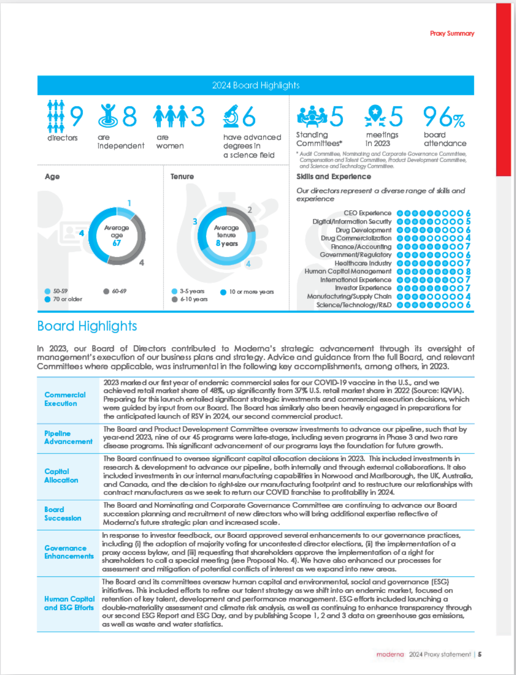
1.2%
Directors with disability

Table of Contents Topic Table of Contents

Key Examples

Moderna 2024 Proxy Statement

A lot of information in a small amount of space, including meetings and attendance, skills, and the unique (but relevant for the company) qualification of an advanced science degree



Proxy Summary

2024 Board Highlights

Board Highlights

In 2023, our Board of Directors contributed to Moderna's strategic advancement through its oversight of management's execution of our business plans and strategy. Advice and guidance from the full Board, and relevant Committees where applicable, was instrumental in the following key accomplishments, among others, in 2023.

Commercial Execution	2023 marked our first year of endemic commercial sales for our COVID-19 vaccine in the U.S., and we achieved retail market share of 48%, up significantly from 37% U.S. retail market share in 2022 (Source: IQVIA). Preparing for this launch entailed significant strategic investments and commercial execution decisions, which were guided by input from our Board. The Board has similarly also been heavily engaged in preparations for the anticipated launch of RSV in 2024, our second commercial product.
Pipeline Advancement	The Board and Product Development Committee oversaw investments to advance our pipeline, such that by year-end 2023, nine of our 45 programs were late-stage, including seven programs in Phase 3 and two rare disease programs. This significant advancement of our programs lays the foundation for future growth.
Capital Allocation	The Board continued to oversee significant capital allocation decisions in 2023. This included investments in research & development to advance our pipeline, both internally and through external collaborations. It also included investments in our internal manufacturing capabilities in Norwood and Marlborough, the UK, Australia, and Canada, and the decision to right-size our manufacturing footprint and to restructure our relationships with contract manufacturers as we seek to return our COVID franchise to profitability in 2024.
Board Succession	The Board and Nominating and Corporate Governance Committee are continuing to advance our Board succession planning and recruitment of new directors who will bring additional expertise reflective of Moderna's future strategic plan and increased scale.
Governance Enhancements	In response to investor feedback, our Board approved several enhancements to our governance practices, including (i) the adoption of majority voting for uncontested director elections, (ii) the implementation of a proxy access bylaw, and (iii) requesting that shareholders approve the implementation of a right for shareholders to call a special meeting (see Proposal No. 4). We have also enhanced our processes for assessment and mitigation of potential conflicts of interest as we expand into new areas.
Human Capital and ESG Efforts	The Board and its committees oversaw human capital and environmental, social and governance (ESG) initiatives. This included efforts to refine our talent strategy as we shift into an endemic market, focused on retention of key talent, development and performance management. ESG efforts included launching a double-materiality assessment and climate risk analysis, as well as continuing to enhance transparency through our second ESG Report and ESG Day, and by publishing Scope 1, 2 and 3 data on greenhouse gas emissions, as well as waste and water statistics.

moderna 2024 Proxy statement | 5

KBR 2024 Proxy Statement

Includes a graphic breakdown of types of diversity

Proxy Summary
Information About the Board of Directors

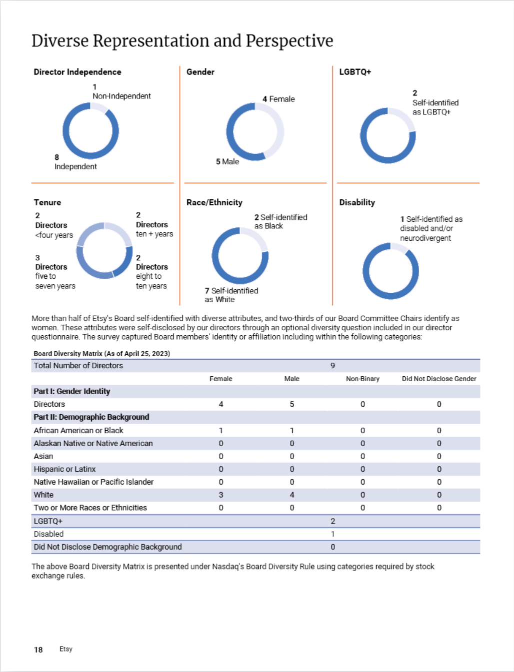
Board Snapshot

The above information describes our current Board of Directors. It does not include Lt. General Vincent R. Stewart, who served on our Board of Directors until his passing in April 2023, and it does not include Mr. Dominguez, who is a new director nominee to be considered for election to the Board of Directors at the Annual Meeting.

10 2024 Proxy Statement www.kbr.com

Etsy 2023 Proxy Statement

Includes LGBTQ+ and disability nominees



Diverse Representation and Perspective

More than half of Etsy's Board self-identified with diverse attributes, and two-thirds of our Board Committee Chairs identify as women. These attributes were self-disclosed by our directors through an optional diversity question included in our director questionnaire. The survey captured Board members' identity or affiliation including within the following categories:

Board Diversity Matrix (As of April 25, 2023)

Total Number of Directors	9			
	Female	Male	Non-Binary	Did Not Disclose Gender
Part I: Gender Identity				
Directors	4	5	0	0
Part II: Demographic Background				
African American or Black	1	1	0	0
Alaskan Native or Native American	0	0	0	0
Asian	0	0	0	0
Hispanic or Latinx	0	0	0	0
Native Hawaiian or Pacific Islander	0	0	0	0
White	3	4	0	0
Two or More Races or Ethnicities	0	0	0	0
LGBTQ+	2			
Disabled	1			
Did Not Disclose Demographic Background	0			

The above Board Diversity Matrix is presented under Nasdaq's Board Diversity Rule using categories required by stock exchange rules.

18 Etsy

Table of Contents Topic Table of Contents

Key Examples

Lyondellbasell 2024 Proxy Statement

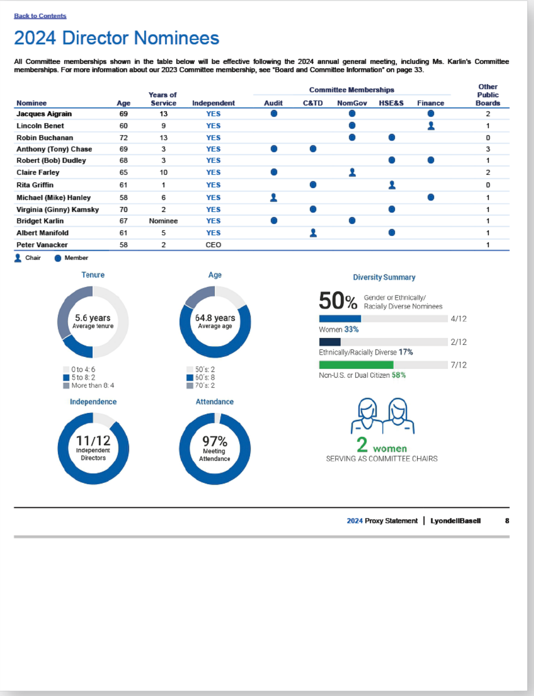
Diversity summary; meeting attendance; gender diversity among committee chairs

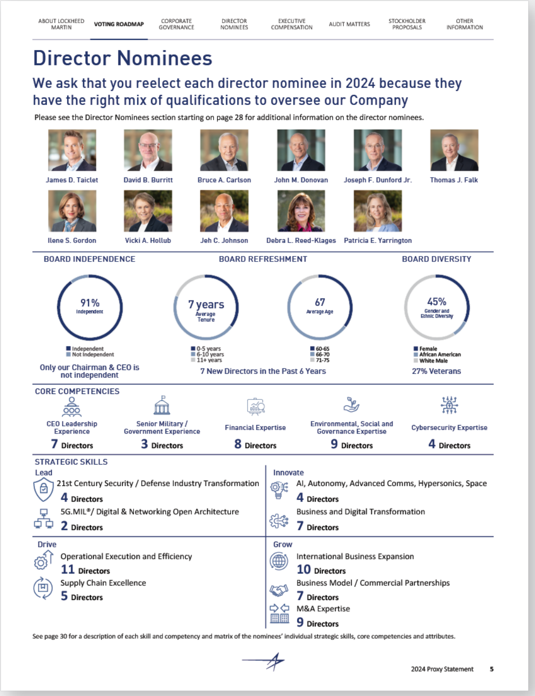
Lockheed Martin 2024 Proxy Statement

Headshots of the nominees and skills divided into five categories

CVS Health 2024 Proxy Statement

Includes financial expertise and a breakdown of specific types of diversity and adds explanatory text to provide context





◂ Table of Contents Topic Table of Contents

Board Diversity

The SEC requires a description of whether, and if so how, the nominating committee considers diversity in identifying director nominees. If the nominating committee has a formal policy related to the consideration of diversity, the company must describe how the policy is implemented and how the committee assesses whether the policy is effective.

What to Think About

With increased demands for more diverse board representation, infographics that offer a snapshot of board diversity (discussed in the previous section) are a good start, but not sufficient without more. Investors and other stakeholders want to understand how diversity is considered, and what efforts the board has made to ensure diverse representation. They also expect to see some individualized disclosure for the nominees.

Some investors expect boards to have a certain percentage of members from underrepresented groups, while others simply want to see demonstrated progress towards more diversity. Companies that don't meet these expectations risk seeing votes against the members of their nominating committee.

The diversity matrix required of NASDAQ-listed companies from 2022 to 2024 had a domino effect and contributed significantly to the increase in diversity disclosures across all companies. The required matrix, and the voluntary versions created by non-NASDAQ companies, focused on how directors self-identify, eliminating the need for stakeholders to make assumptions.

Many companies have created matrices or other graphics that present directors' skills, experience, and personal attributes all in one place. This can be an efficient and straightforward approach, so long as the information is not too voluminous or nuanced. It also does not replace narrative disclosure about the importance of diversity to board composition and any related policy.

When crafting their disclosure, companies should consider discussing:

- how diversity is considered in the recruiting and refreshment process
- whether the nominating committee has a formal diversity policy, or whether the company's governance guidelines include a diversity policy
- how the board has evolved over time, perhaps using a timeline or other graphic to show an increase in diverse directors
- whether the board's leadership reflects the diversity of the board as a whole

We recommend including this information in the election of directors section or, alternatively, in the proxy summary if part of a broader board snapshot.

Labrador Transparency Award Criteria

- The document has a dedicated section, subsection, or callout explaining the company's approach to board diversity, including a policy or specific commitments.
- Board diversity information (individual or aggregated) is presented in a matrix or table.

Looking Ahead

We believe that the call for diverse perspectives on boards will lead to further consideration of what constitutes diverse representation. Companies increasingly are disclosing whether their directors identify as LGBTQ+, served in the military, were born outside of the U.S., or have a recognized disability. In addition, where appropriate, companies can supplement discussions about personal diversity characteristics with disclosure regarding their nominees' diversity of backgrounds and experience. For example, many nominating committees have been expanding their searches to capture nontraditional nominees with unique expertise rather than assembling a board made up primarily of retired CEOs and CFOs as was common in the past.

◄ Table of Contents Topic Table of Contents

Benchmarking

Board Diversity

71.1%
The document mentions a policy or specific commitment to board diversity

3%
"Rooney Rule" is specifically mentioned

77.0%
Board diversity information (individual or aggregated) is presented in a matrix or table

72.7%
Diversity information is individually presented (per director)

59.7%
The information is included within the skills matrix

57.1%
Matrix presents diversity information in the aggregate

Key Examples

Choice Hotels 2024 Proxy Statement

Explains the board's policy about diversity and how new directors have contributed

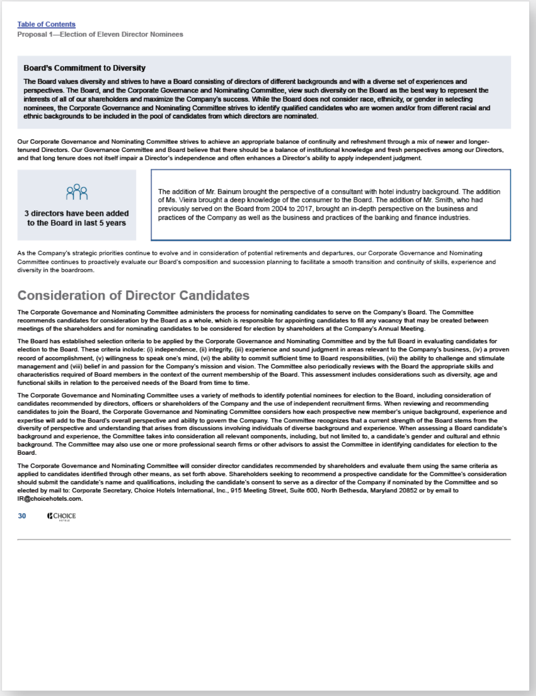


Table of Contents
Proposal 1—Election of Eleven Director Nominees

Board's Commitment to Diversity

The Board values diversity and strives to have a Board consisting of directors of different backgrounds and with a diverse set of experiences and perspectives. The Board, and the Corporate Governance and Nominating Committee, view such diversity on the Board as the best way to represent the interests of all of our shareholders and maximize the Company's success. While the Board does not consider race, ethnicity, or gender in selecting nominees, the Corporate Governance and Nominating Committee strives to identify qualified candidates who are women and/or from different racial and ethnic backgrounds to be included in the pool of candidates from which directors are nominated.

Our Corporate Governance and Nominating Committee strives to achieve an appropriate balance of continuity and refreshment through a mix of newer and longer-tenured Directors. Our Governance Committee and Board believe that there should be a balance of institutional knowledge and fresh perspectives among our Directors, and that long tenure does not itself impair a Director's independence and often enhances a Director's ability to apply independent judgment.

3 directors have been added to the Board in last 5 years

The addition of Mr. Bainum brought the perspective of a consultant with hotel industry background. The addition of Ms. Vieira brought a deep knowledge of the consumer to the Board. The addition of Mr. Smith, who had previously served on the Board from 2004 to 2017, brought an in-depth perspective on the business and practices of the Company as well as the business and practices of the banking and finance industries.

As the Company's strategic priorities continue to evolve and in consideration of potential retirements and departures, our Corporate Governance and Nominating Committee continues to proactively evaluate our Board's composition and succession planning to facilitate a smooth transition and continuity of skills, experience and diversity in the boardroom.

Consideration of Director Candidates

The Corporate Governance and Nominating Committee administers the process for nominating candidates to serve on the Company's Board. The Committee recommends candidates for consideration by the Board as a whole, which is responsible for appointing candidates to fill any vacancy that may be created between meetings of the shareholders and for nominating candidates to be considered for election by shareholders at the Company's Annual Meeting.

The Board has established selection criteria to be applied by the Corporate Governance and Nominating Committee and by the full Board in evaluating candidates for election to the Board. These criteria include: (i) independence, (ii) integrity, (iii) experience and sound judgment in areas relevant to the Company's business, (iv) a proven record of accomplishment, (v) willingness to speak one's mind, (vi) the ability to commit sufficient time to Board responsibilities, (vii) the ability to challenge and stimulate management and (viii) belief in and passion for the Company's mission and vision. The Committee also periodically reviews with the Board the appropriate skills and characteristics required of Board members in the context of the current membership of the Board. This assessment includes considerations such as diversity, age and functional skills in relation to the perceived needs of the Board from time to time.

The Corporate Governance and Nominating Committee uses a variety of methods to identify potential nominees for election to the Board, including consideration of candidates recommended by directors, officers or shareholders of the Company and the use of independent recruitment firms. When reviewing and recommending candidates to join the Board, the Corporate Governance and Nominating Committee considers how each prospective new member's unique background, experience and expertise will add to the Board's overall perspective and ability to govern the Company. The Committee recognizes that a current strength of the Board stems from the diversity of perspective and understanding that arises from discussions involving individuals of diverse background and experience. When assessing a Board candidate's background and experience, the Committee takes into consideration all relevant components, including, but not limited to, a candidate's gender and cultural and ethnic background. The Committee may also use one or more professional search firms or other advisors to assist the Committee in identifying candidates for election to the Board.

The Corporate Governance and Nominating Committee will consider director candidates recommended by shareholders and evaluate them using the same criteria as applied to candidates identified through other means, as set forth above. Shareholders seeking to recommend a prospective candidate for the Committee's consideration should submit the candidate's name and qualifications, including the candidate's consent to serve as a director of the Company if nominated by the Committee and so elected by mail to: Corporate Secretary, Choice Hotels International, Inc., 915 Meeting Street, Suite 600, North Bethesda, Maryland 20852 or by email to IR@choicehotels.com.

30 CHOICE

Mondelez 2024 Proxy Statement

Explains how the company's Corporate Governance Guidelines affect diversity on the board


Back to Contents

The Governance Committee and the Board take into account the nature and extent of a director's other commitments when determining whether to nominate that individual for election or re-election. Under the Company's Corporate Governance Guidelines, directors should not serve on more than three public company boards in addition to the Company's Board (for a total of four public company boards), and a Board member who also serves as CEO (or equivalent position) at another public company should not serve on more than two public company boards in addition to the Company's Board (for a total of three public company boards).

BOARD REFRESHMENT THROUGH DIRECTOR TENURE AND AGE LIMITS

The Board believes the optimal Board composition has a balance of tenured members with in-depth knowledge of the Company's business and operations and newer members who bring fresh perspectives. To that end, our Guidelines provide that non-employee directors have a term limit of 15 years and will not be nominated for re-election to the Board after they turn 75.

In addition, as noted above, the Board's annual self-assessment process includes director self-assessments and discussions between the independent Lead Director and each director, in coordination with the Governance Committee, regarding the director's strengths and opportunities to enhance contributions.

The current Board composition reflects the Board's commitment to ongoing refreshment, with five new directors joining the Board in the last three years.

36% of our director nominees are women and **36%** are racially or ethnically diverse

THE BOARD SEEKS AND VALUES DIVERSITY

The Board values diversity, equity and inclusion ("DE&I"), and the Board's diversity is an important aspect of the director recruitment and nomination process. When assembling the pool of candidates from which directors are selected, the Governance Committee considers criteria including gender, race, ethnicity, national origin and geographic location, as diversity in those characteristics promotes a breadth of views, knowledge, experience and background that contributes to more informed and effective decision-making. The Guidelines state that as part of the search process for each new director, the Governance Committee must actively seek out (and instruct any search firm it engages to seek out) women and minority candidates to include in the pool from which director nominees are chosen. As part of its annual assessment of the Board's composition, the Governance Committee also evaluates the effectiveness of the Board's efforts to promote diversity. The ultimate selection of directors from the candidate pool depends on a variety of factors, which are discussed under "How We Build an Experienced and Qualified Board" on page 17 and "Board Composition: Director Qualifications, Knowledge and Experience" on page 18.

The Board also embraces and encourages the Company's DE&I culture. The Board is a signatory to the Board Diversity Action Alliance (the "Alliance"), which seeks to increase the representation of racially and ethnically diverse leaders on boards of corporations, beginning with Black directors. The Alliance is also accelerating change through enhanced disclosure of directors' race and ethnicity and annual reporting of progress on DE&I. Twice per year, the Board reviews the Company's DE&I strategy, stakeholder interests, risks and progress with our SVP, Chief Global Diversity & Inclusion Officer.

The Board's directors bring a diversity of gender, race, national original, thought and global experiences that promotes informed decision-making. Our director nominees include four women, vary in age from 57 to 74, represent several national origins and collectively bring a range of professional and life experiences to the Board's work. One self-identifies as Asian, three self-identify as Black and seven self-identify as white.

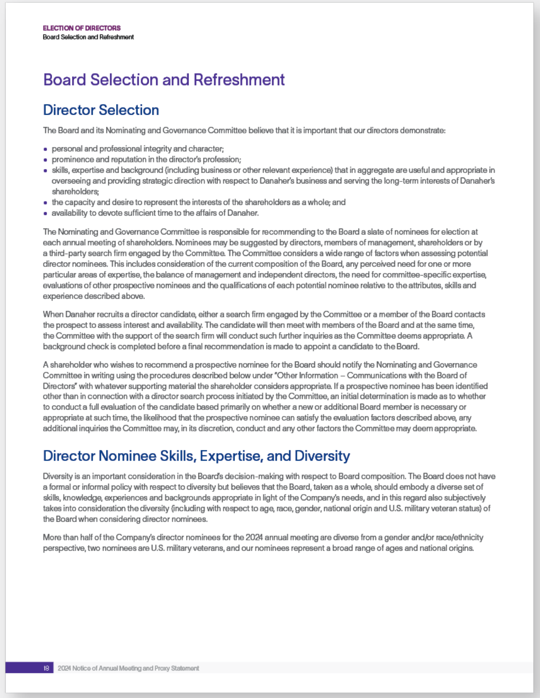
Mondelēz International 2024 PROXY STATEMENT | 20

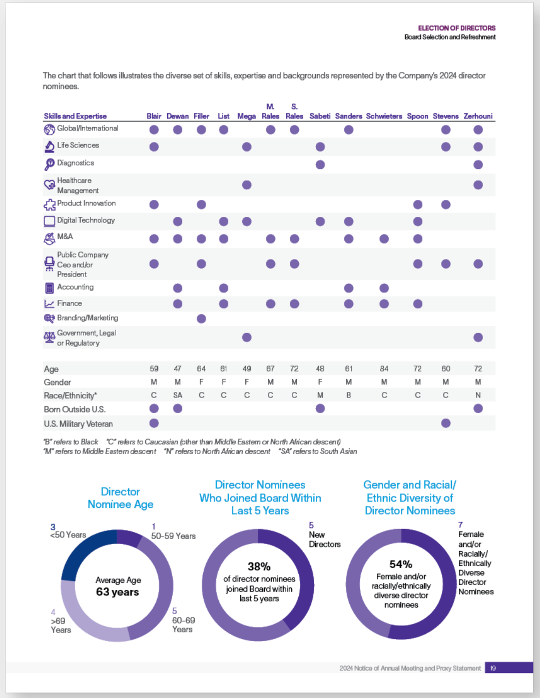
Table of Contents   Topic Table of Contents

Key Examples

Danaher 2024 Proxy Statement

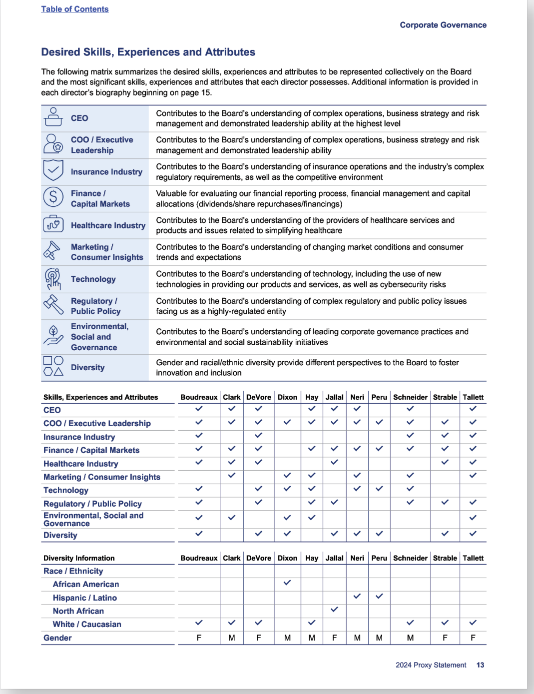
Includes broader diversity considerations, such as Born Outside U.S. and U.S. Military Veteran





Elevance Health 2024 Proxy Statement

Includes diversity information as part of skills matrix and explains how overall diversity is taken into account when identifying possible nominees



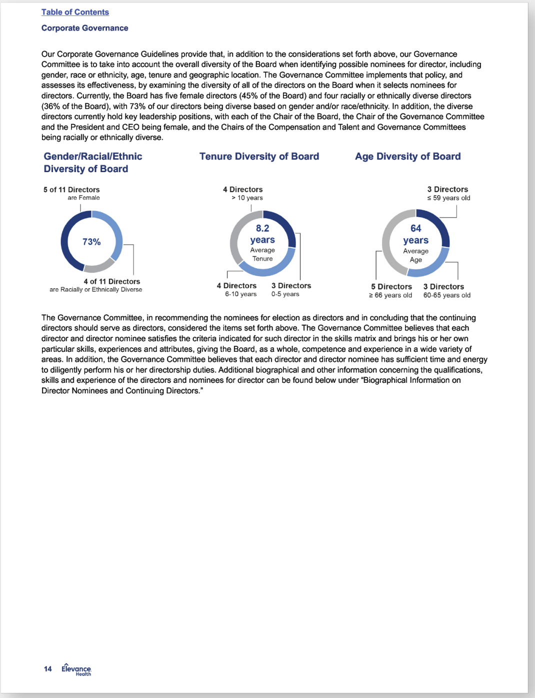


Table of Contents Topic Table of Contents

Key Examples

International Paper 2024 Proxy Statement

Frames board diversity in terms of personal traits, tenure, and experience

TJX 2024 Proxy Statement

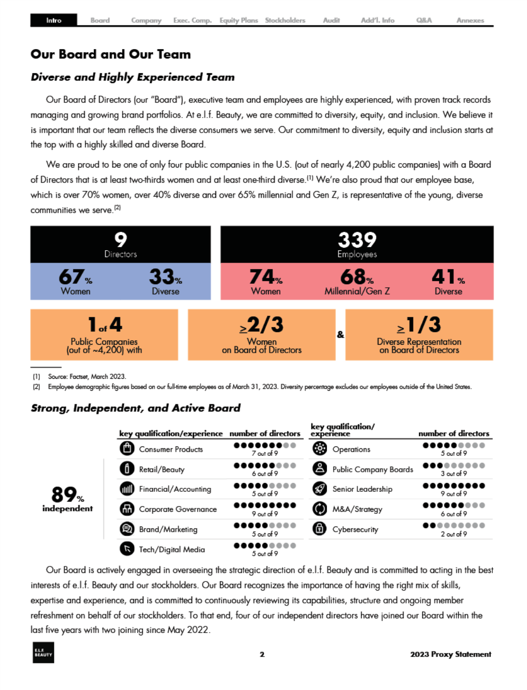
Explains why the company values diversity on the board

Lockheed Martin 2024 Proxy Statement

Explains how the Governance Guidelines contribute to board diversity

e.l.f. Beauty 2023 Proxy Statement

Emphasizes how rare the board's composition is



◂ Table of Contents Topic Table of Contents

Board Skills, Experience, and Qualifications

Presentations of directors' qualifications have advanced significantly since the SEC first required disclosure of "the specific experience, qualifications, attributes or skills that led to the conclusion that the person should serve as a director." Initially, this information was only included in nominee biographies, but companies increasingly are providing a separate discussion to demonstrate that the directors collectively possess the experience and expertise needed to effectively oversee the company's compliance and risk issues and long-term strategy.

What to Think About

When evaluating director nominees, investors care about both individual qualifications and the big picture: whether the board collectively possesses the skills necessary to oversee the company's business strategy and risks. In the past, skills information--if provided separately at all--was given in the aggregate (i.e., "6 of our 9 directors have X skill"). Anecdotally, we understand this format appeased directors who didn't want to be singled out for having a particular expertise and those who didn't want to appear to have fewer useful skills than some of their board colleagues.

These concerns have been waning, and we are seeing more companies provide individualized skills information, typically in a matrix format, each year.

To supplement a matrix, there are two aspects of skills disclosure that we believe should receive more attention. First, it's not always obvious why a company has chosen to highlight particular skills, or how a director would have attained those skills. The best proxies don't make the reader guess about these points. Second, investors want to see that boards are engaged in a thoughtful and ongoing assessment of their strategic needs, and seeking director nominees who have newly-identified (or newly-relevant) skills.

To meet these information demands, we believe that the best disclosures include:

- an explanation of the qualifications and skills desired on the board, including how those qualifications and skills are relevant to the company and its long-term plans
- the qualifications and skills attributable to each individual director, including how those skills were acquired
- whether the board reviewed, and perhaps revised, the list of desired skills and experience in its most recent self-evaluation
- whether the nominating committee actively seeks candidates with particular skills as part of the board refreshment process

We typically recommend including a skills matrix and the related information in the "election of directors" section.

Recent focus on ESG and cybersecurity expertise on the board should not be overlooked. Even when not identified as a separate skill in a matrix, ESG and cybersecurity expertise are often expressly included in the description of other director qualifications—for example, "CEO experience" may be described as including global talent management, "industry experience" may include an understanding of environmental impacts, and "technology" expertise may refer to cybersecurity. In response to investor focus, more companies are including their material ESG subjects as separate skills.

We note that some companies have resisted the "skill matrix" approach. These companies often include a more robust narrative in the director biographies that link specific skills with the directors' professional experiences. We believe that both types of disclosures are useful. If a skills matrix is used, though, we suggest lead-in language to explain that it is not intended as an exhaustive list of qualifications.

Labrador Transparency Award Criteria

- Board skills are presented in a matrix or table indicating the skills held by each individual director.
- Board skills are presented in a matrix, table, graphic(s), or using other visual elements indicating the skills held by the board in the aggregate.
- The relevance of each board skill and its link to company strategy is explained.

Looking Ahead

We expect companies to further demonstrate that thoughtful and ongoing assessments of board skills and qualifications are not just a disclosure necessity, but truly an integral part of the board's policies and practices. This likely will include more in-depth and non-boilerplate discussion of skills as they relate to strategy. We have seen the categorization of skills into strategic vs. governance, designating skill "tiers" based on level or type of expertise/experience, and disclosure of skills prioritized as part of board succession planning.

As disclosures evolve, companies may want to provide a year over year comparison; i.e., identify which skills in the skills matrix have changed to address different business needs, or which skills have increased with new directors (for example, increased the cyber expertise from xx to xx directors in light of increased risks).

◂ Table of Contents   Topic Table of Contents

Benchmarking

Board Skills, Experience and Qualifications

85.0%
Board skills are presented in a matrix or table indicating the skills held by each individual director

- **11.8%** Presented in the Proxy Summary section
- **72.9%** Presented in the Election of Directors section
- **35.3%** Presented in the Corporate Governance section

45.0%
Board skills are presented in a matrix, table, graphics or using other visual elements indicating the skills held by the board in the aggregate

- **57.8%** Presented in the Proxy Summary section
- **48.9%** Presented in the Election of Directors section
- **20.0%** Presented in the Corporate Governance section

29.7%
Aggregate information is combined with the individualized skills matrix

Skills Related to New Regulatory Topics

- **40.0%** Human Capital Management
- **48.0%** Cybersecurity
- **44.0%** ESG/environment/sustainability

46.0%
Icons are used to depict each skill/ expertise

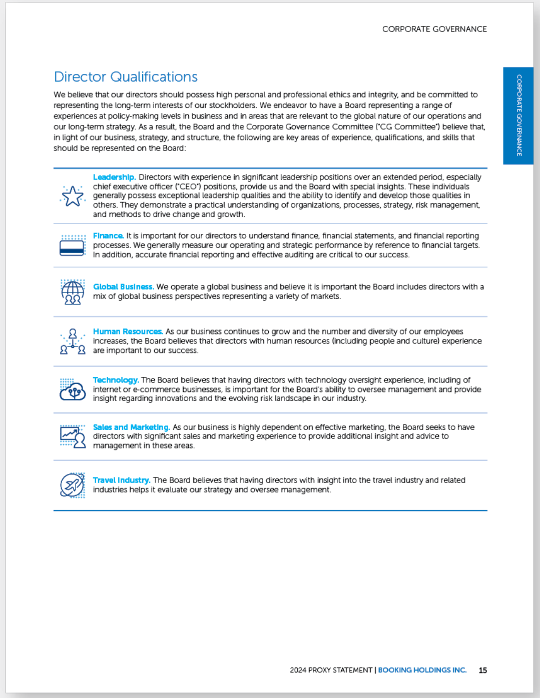
31.0%
Relevance of each board skill and its link to company strategy is explained

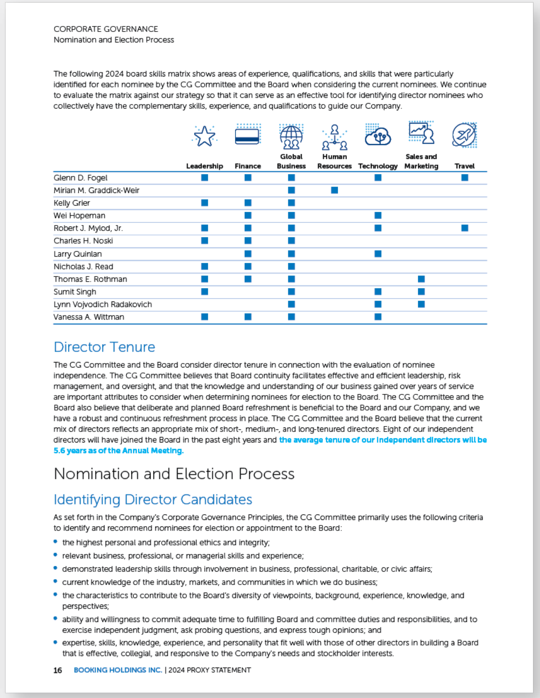
◄ Table of Contents   Topic Table of Contents

Key Examples

Booking Holdings 2024 Proxy Statement

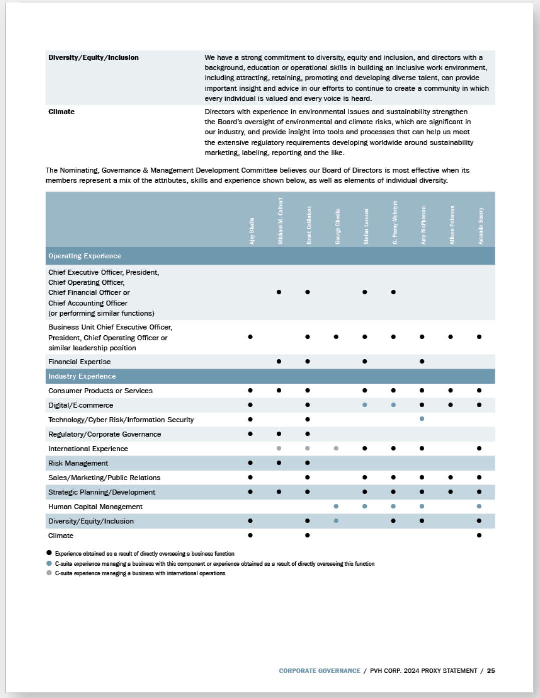
Explains why each skill is relevant to the company separate from the matrix and adds icons that are reused in the director bios





PVH 2024 Proxy Statement

Explains why each skill is relevant to the company separate from the matrix and indicates in the matrix whether the director has direct or indirect experience

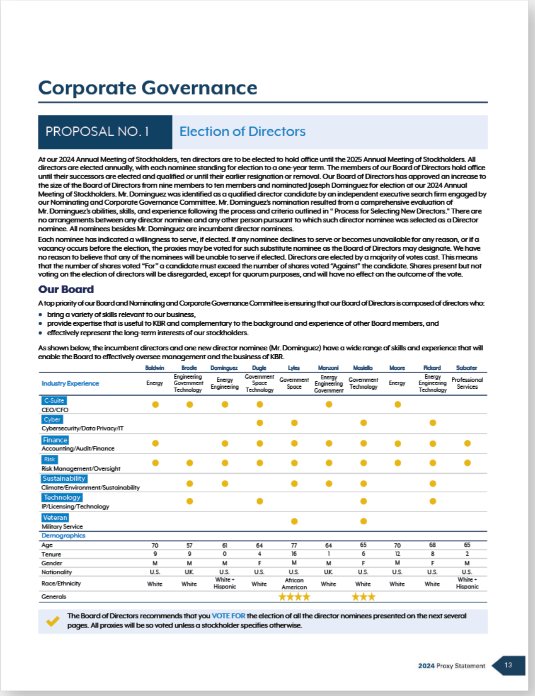


◀ Table of Contents   Topic Table of Contents

Key Examples

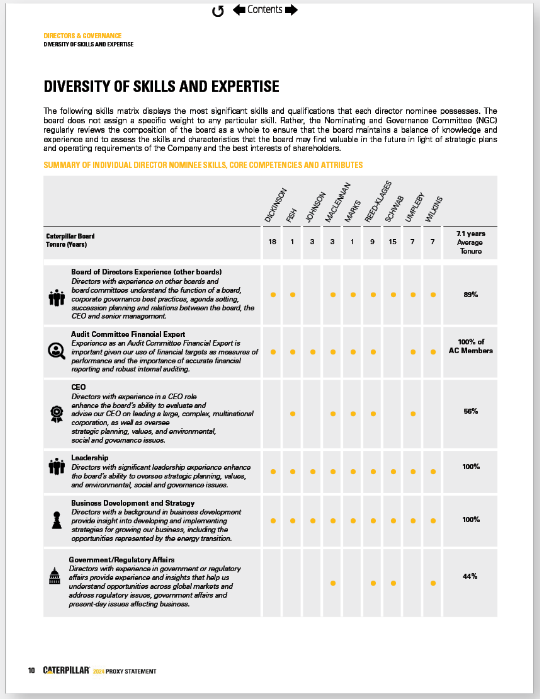
KBR 2024 Proxy Statement

Simple matrix that provides data about skills and diversity



Caterpillar 2024 Proxy Statement

Combines specific skills descriptions within the matrix with demographic and tenure data

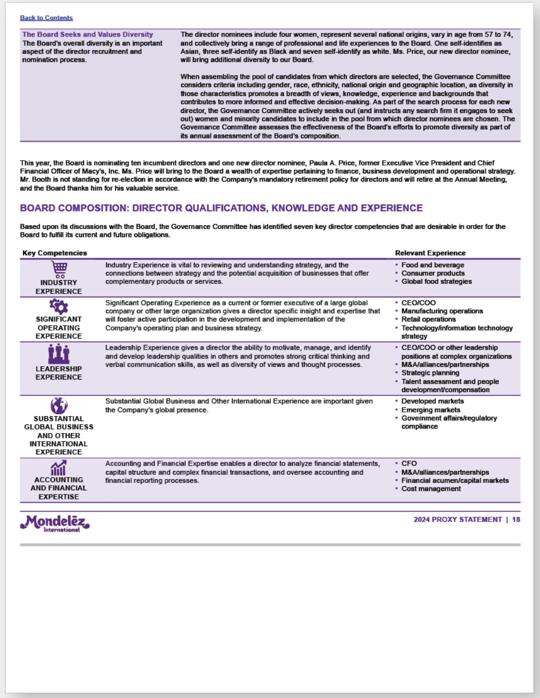


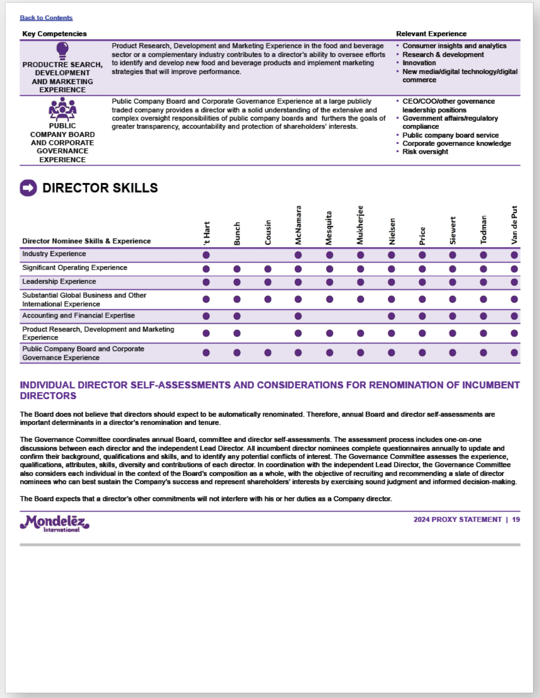
◂ Table of Contents   Topic Table of Contents

Key Examples

Mondelez 2024 Proxy Statement

Explains why each skill is relevant and how a nominee would acquire that skill; uses icons that are reused in the director bios





Rockwell Automation 2024 Proxy Statement

Extensive detail about what each skill is and why it is relevant

◀ Table of Contents Topic Table of Contents

Key Examples

Walmart 2024 Proxy Statement

Skills are grouped into those relevant to oversight of strategy and those relevant to oversight of governance

Lockheed Martin 2024 Proxy Statement

Detailed explanations of "core competencies" and "strategic skills" before the matrix, and includes personal diversity features within the matrix

Board Nomination Policies and Practices

Proxy disclosures around building an effective board expanded in a piecemeal way, adding discrete sections to respond to investor interest in the nomination process, retirement policies, and refreshment and board evaluation practices. More recently, companies are consolidating these previously disjointed sections to create a more comprehensive governance overview. Companies are explaining how their policies and practices work together to support ongoing and robust board succession planning and refreshment.

What to Think About

Investors are looking to see that the composition of the board is in a continual state of review and adapting to the company's evolving strategic needs. Best practice companies discuss the process for evaluating current board composition and whether the directors continue to reflect the right mix of skills, experience and attributes (I.e. diversity demographics).

Investors also want assurance that the board is continually engaging in director succession planning to account for both planned and unplanned departures.

With these investor needs in mind, we believe the best nomination disclosures have the following elements:

- **Wholistic approach:** As noted above, a company should make clear that incumbent directors are not automatically re-nominated and that assessing current board composition and individual directors is the first and ongoing step in the nomination process.
  - ***Role of board evaluations:*** Evaluations may ask directors for input on the performance of their peers and/or skills needed on the board. Where evaluations include these topics, we recommend discussing the process with the other board composition disclosures. A few companies have even noted that they have not renominated a director based on a director evaluation.
- **Location:** Include within, or in close proximity to, the "election of directors" section to convey that the current slate of nominees is a product of the board's ongoing and robust attention to its composition.
- **Related policies and practices:** If relevant, highlight retirement age, term limits, and/or diversity commitment policies that impact current or future board composition.
  - Some companies have begun disclosing the skills they are looking to add to the board.
- **Graphics and callouts:** Use design elements to highlight both the process for identifying and vetting new nominees, as well as the results of recent board refreshment (i.e., impact on tenure, diversity and skills)
- **Shareholder nominations:** To round out the nomination process discussion, include information about shareholder nominations and proxy access (if applicable) here, or provide a cross-reference.

Labrador Transparency Award Criteria

- The document includes a dedicated section, subsection or callout discussing director succession planning/refreshment.
- The document includes a dedicated section, subsection or callout discussing the board's view on director tenure and/or any retirement age or term limit policies.
- The document discusses considerations for re-nomination of incumbent directors.
- The process for vetting new director candidates is depicted in a graphic or using other visual elements.
- Key aspects of shareholder nomination rights are discussed in the context of other governance policies and practices.

Table of Contents Topic Table of Contents

Looking Ahead

In light of continued investor interest in board leadership and their independence from management, companies should consider enhancing their disclosure about the succession planning process for board leaders, including outlining any term limits for lead directors or committee chairs.

Investors also have recently focused on over-boarding and expect disclosure not only about policies that limit the number of boards a director may serve on, but also how the board considers director time commitments.

Benchmarking

Board Nomination Policies And Practices

67.0%
The document includes a section discussing succession planning/ refreshment

64.0%
The document includes a section discussing director tenure and/or retirement age or term limit policies

32.0%
Process for vetting new director candidates is depicted in a graphic or other visual elements

Key Examples

Freeport-McMoRan 2024 Proxy Statement

Graphic and straightforward discussion of recent Board refreshment, including steps in evaluating Board composition and appointing new directors

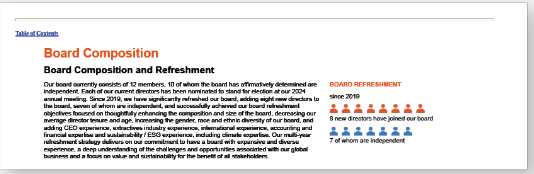


Table of Contents

Board Composition

Board Composition and Refreshment

Our board currently consists of 12 members, 10 of whom the board has affirmatively determined are independent. Each of our current directors has been nominated to stand for election at our 2024 annual meeting. Since 2019, we have significantly refreshed our board, adding eight new directors to the board, seven of whom are independent, and successfully achieved our board refreshment objectives focused on thoughtfully enhancing the composition and size of the board, decreasing our average director tenure and age, increasing the gender, race and ethnic diversity of our board, and adding CEO experience, extractives industry experience, international experience, accounting and financial expertise and sustainability / ESG experience, including climate expertise. Our multi-year refreshment strategy delivers on our commitment to have a board with expansive and diverse experience, a deep understanding of the challenges and opportunities associated with our global business and a focus on value and sustainability for the benefit of all stakeholders.

BOARD REFRESHMENT

since 2019

8 new directors have joined our board

7 of whom are independent

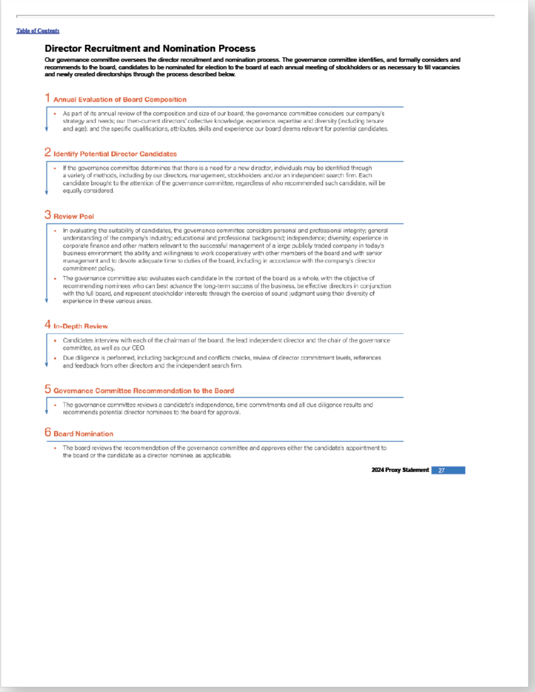


Table of Contents

Director Recruitment and Nomination Process

Our governance committee oversees the director recruitment and nomination process. The governance committee identifies, and formally considers and recommends to the board, candidates to be nominated for election to the board at each annual meeting of stockholders or as necessary to fill vacancies and newly created directorships through the process described below.

1 Annual Evaluation of Board Composition

- As part of its annual review of the composition and size of our board, the governance committee considers our company's strategy and needs; our then-current directors' collective knowledge, experience, expertise and diversity (including tenure and age); and the specific qualifications, attributes, skills and experience our board deems relevant for potential candidates.

2 Identify Potential Director Candidates

- If the governance committee determines that there is a need for a new director, individuals may be identified through a variety of methods, including by our directors, management, stockholders and/or an independent search firm. Each candidate brought to the attention of the governance committee, regardless of who recommended such candidate, will be equally considered.

3 Review Pool

- In evaluating the suitability of candidates, the governance committee considers personal and professional integrity; general understanding of the company's industry; educational and professional background; independence; diversity; experience in corporate finance and other matters relevant to the successful management of a large publicly traded company in today's business environment; the ability and willingness to work cooperatively with other members of the board and with senior management and to devote adequate time to duties of the board, including in accordance with the company's director commitment policy.
- The governance committee also evaluates each candidate in the context of the board as a whole, with the objective of recommending nominees who can best advance the long-term success of the business, be effective directors in conjunction with the full board, and represent stockholder interests through the exercise of sound judgment using their diversity of experience in these various areas.

4 In-Depth Review

- Candidates interview with each of the chairman of the board, the lead independent director and the chair of the governance committee, as well as our CEO.
- Due diligence is performed, including background and conflicts checks, review of director commitment levels, references and feedback from other directors and the independent search firm.

5 Governance Committee Recommendation to the Board

- The governance committee reviews a candidate's independence, time commitments and all due diligence results and recommends potential director nominees to the board for approval.

6 Board Nomination

- The board reviews the recommendation of the governance committee and approves either the candidate's appointment to the board or the candidate as a director nominee, as applicable.

2024 Proxy Statement 27

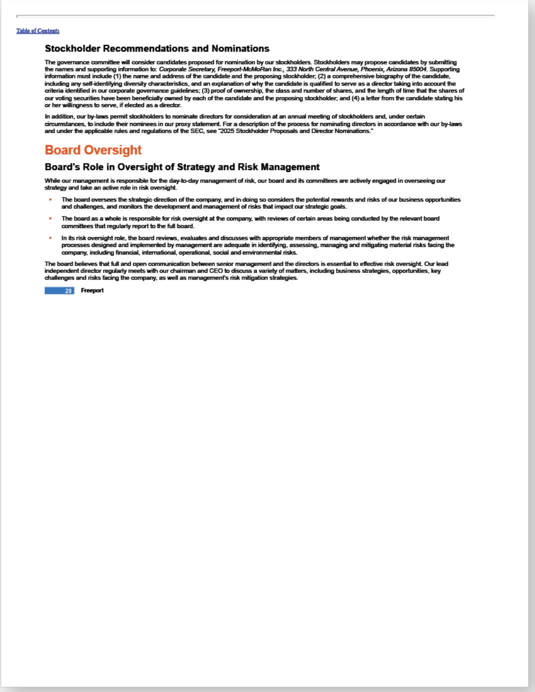


Table of Contents

Stockholder Recommendations and Nominations

The governance committee will consider candidates proposed for nomination by our stockholders. Stockholders may propose candidates by submitting the names and supporting information to: *Corporate Secretary, Freeport-McMoRan Inc., 333 North Central Avenue, Phoenix, Arizona 85004*. Supporting information must include (1) the name and address of the candidate and the proposing stockholder; (2) a comprehensive biography of the candidate, including any self-identifying diversity characteristics, and an explanation of why the candidate is qualified to serve as a director taking into account the criteria identified in our corporate governance guidelines; (3) proof of ownership, the class and number of shares, and the length of time that the shares of our voting securities have been beneficially owned by each of the candidate and the proposing stockholder; and (4) a letter from the candidate stating his or her willingness to serve, if elected as a director.

In addition, our by-laws permit stockholders to nominate directors for consideration at an annual meeting of stockholders and, under certain circumstances, to include their nominees in our proxy statement. For a description of the process for nominating directors in accordance with our by-laws and under the applicable rules and regulations of the SEC, see "2025 Stockholder Proposals and Director Nominations."

Board Oversight

Board's Role in Oversight of Strategy and Risk Management

While our management is responsible for the day-to-day management of risk, our board and its committees are actively engaged in overseeing our strategy and take an active role in risk oversight.

- The board oversees the strategic direction of the company, and in doing so considers the potential rewards and risks of our business opportunities and challenges, and monitors the development and management of risks that impact our strategic goals.
- The board as a whole is responsible for risk oversight at the company, with reviews of certain areas being conducted by the relevant board committees that regularly report to the full board.
- In its risk oversight role, the board reviews, evaluates and discusses with appropriate members of management whether the risk management processes designed and implemented by management are adequate in identifying, assessing, managing and mitigating material risks facing the company, including financial, international, operational, social and environmental risks.

The board believes that full and open communication between senior management and the directors is essential to effective risk oversight. Our lead independent director regularly meets with our chairman and CEO to discuss a variety of matters, including business strategies, opportunities, key challenges and risks facing the company, as well as management's risk mitigation strategies.

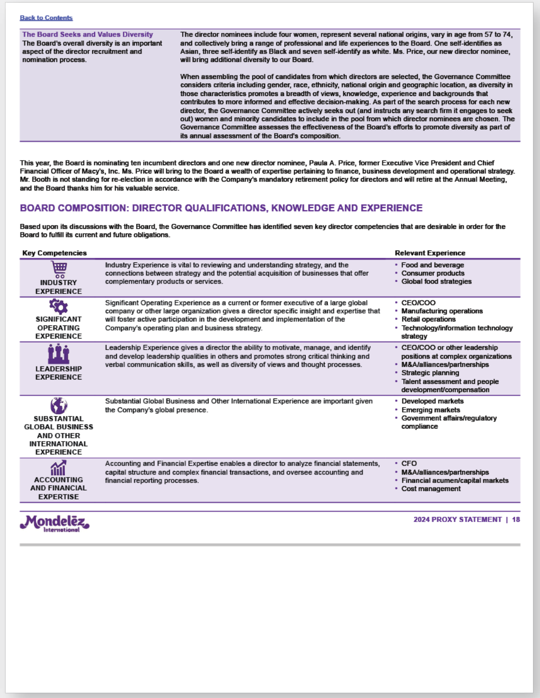
28 Freeport

◄ Table of Contents   Topic Table of Contents

Key Examples

Mondelez 2024 Proxy Statement

Comprehensive discussion to start "Item 1: Election of Directors" entitled "How We Build an Experienced and Qualified Board"



East Group 2024 Proxy Statement

Uses a balance of text and graphics to discuss board composition and refreshment, ending the section with an infographic detailing the results of recent refreshment efforts

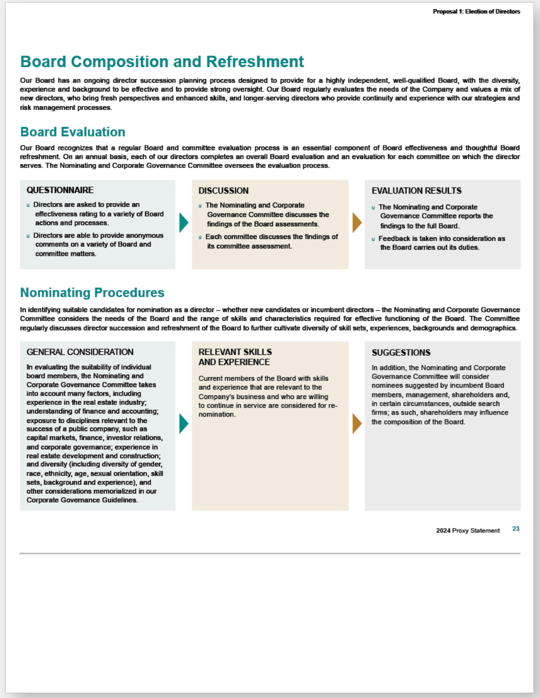
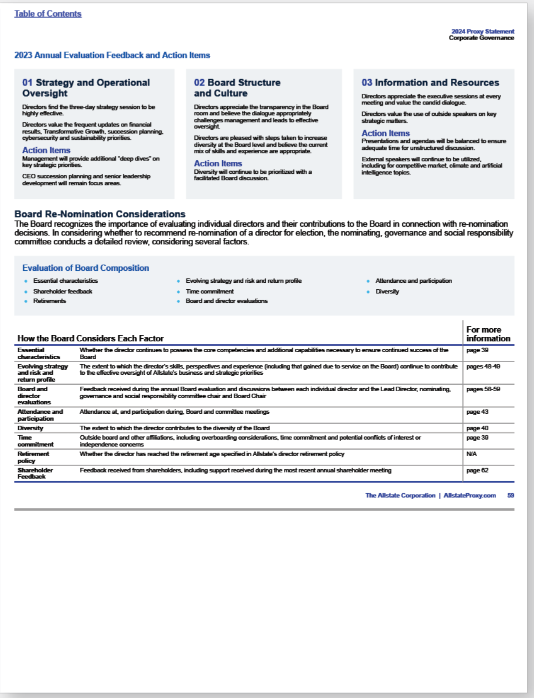


Table of Contents Topic Table of Contents

Key Examples

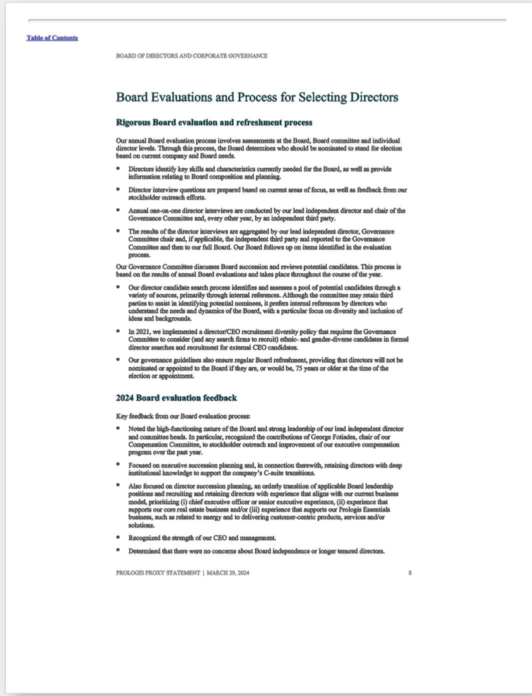
Allstate 2024 Proxy Statement

Discusses the process for selecting new director candidates separately from determining whether to re-nominate incumbent directors: Board Nomination Process (under Board Composition) and Board Re-Nomination Considerations (under Board Effectiveness)



Prologis 2024 Proxy Statement

Although does not utilize many graphics, "Board Evaluations and Process for Selecting Directors" provides an in-depth discussion of the company's commitment to Board refreshment

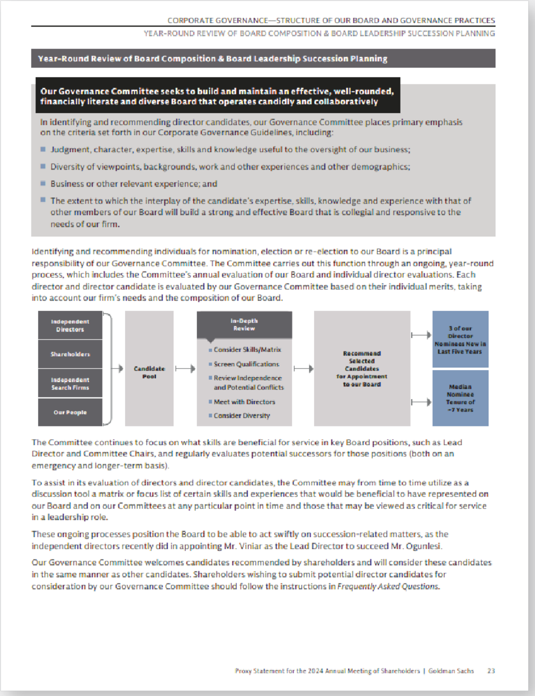


◀ Table of Contents   Topic Table of Contents

Key Examples

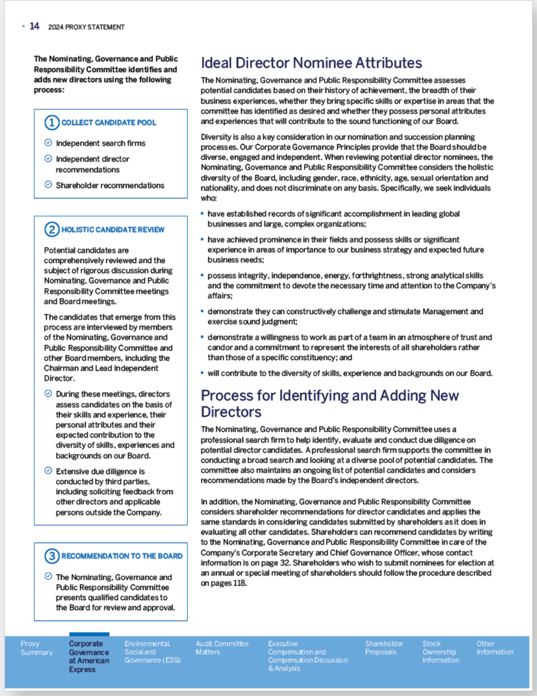
Goldman Sachs 2024 Proxy Statement

Discusses both ongoing Board refreshment as well as Board leadership succession planning; unique graphic on new director nomination process



American Express 2024 Proxy Statement

New director candidate evaluation graphic and detailed discussion



American Tower 2024 Proxy Statement

Board Refreshment infographic in proxy summary

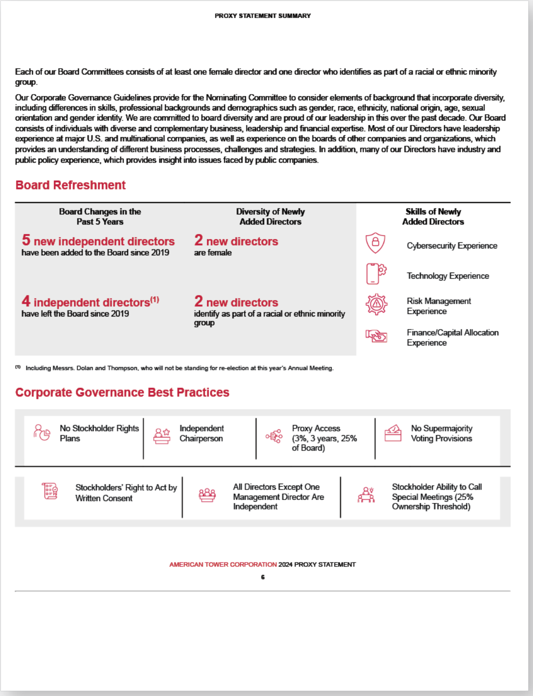
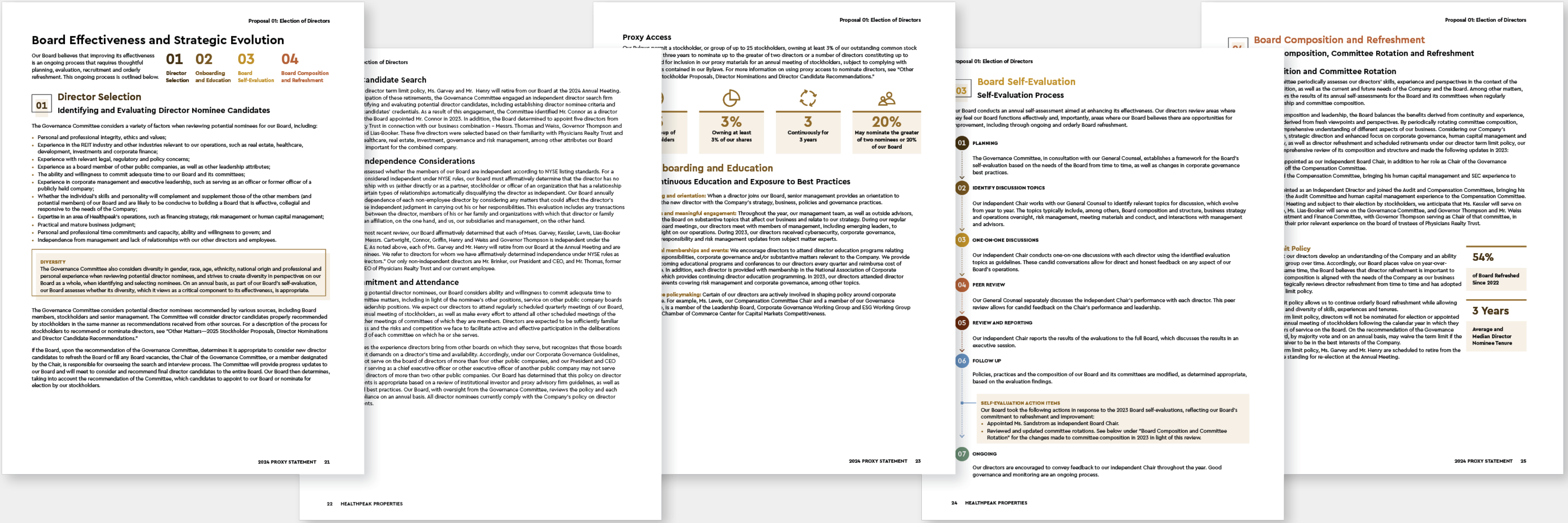


Table of Contents Topic Table of Contents

Key Examples

Healthpeak Properties 2024 Proxy Statement

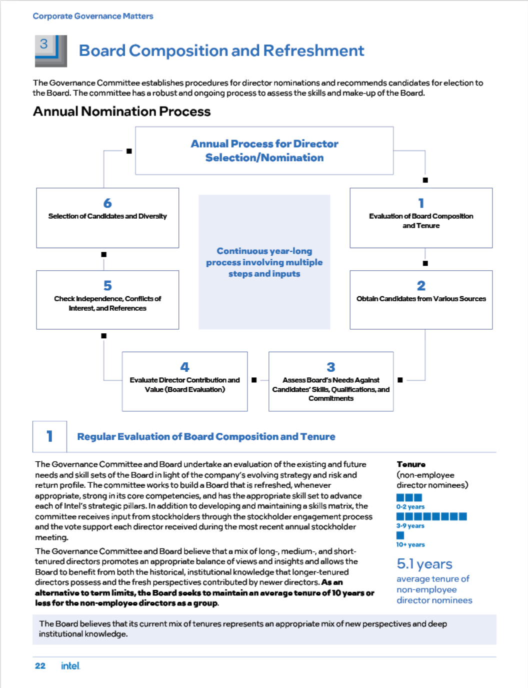
Discusses as part of wholistic "Board Effectiveness and Strategic Evolution" section (selection, onboarding/education, self-evaluation and comp/refresh)

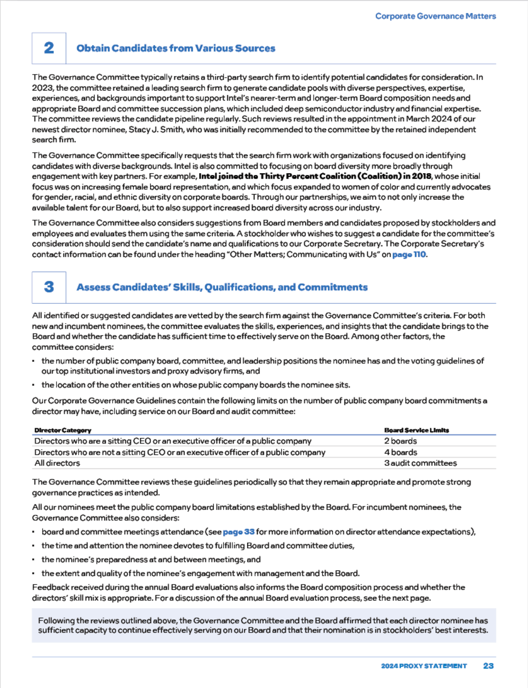


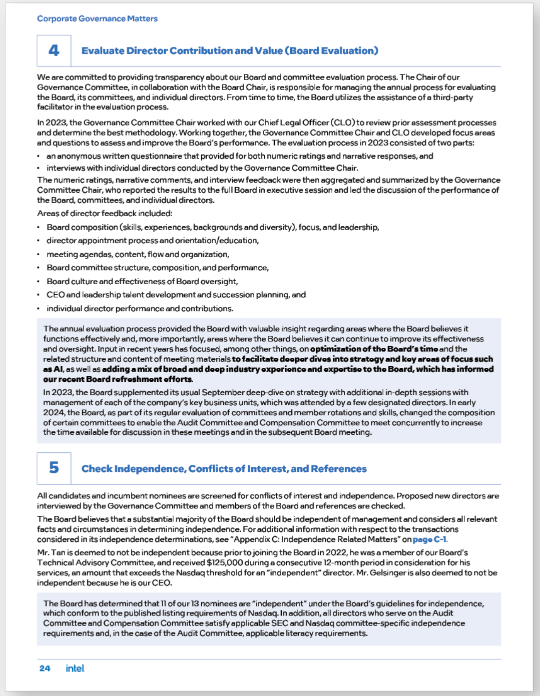
Key Examples

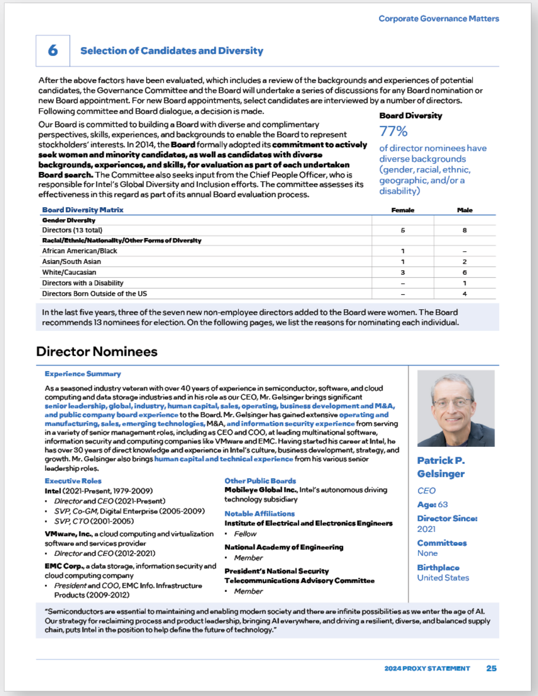
Intel 2024 Proxy Statement

Leads "Board Compensation and Refreshment" section with an infographic that highlights ongoing focus and includes detailed discussions of each step in the process









Biographies

SEC rules require companies to disclose at least a base level of information related to each director nominee, including the individual's name, age, tenure (if already serving), principal occupation and other directorships during the last five years, business experience, and the specific skills or attributes that make the individual qualified to serve on the board. However, especially since the introduction of the universal proxy card, companies have been providing more insight into why each director--incumbents as well as nominees--is uniquely positioned to further the company's strategy and mission.

What to Think About

Biographical information allows investors to evaluate whether directors are sufficiently competent, experienced, and diverse to effectively oversee the company's operations and long-term strategy. Investors want to see a balance of characteristics -- such as age, tenure, and experience -- that optimizes board performance for the benefit of shareholders. That means all directors, not just nominees, are subject to investor scrutiny each year.

With the advent of the universal proxy card that allows investors to pick and choose among management and shareholder nominees in a contested election, it is important to consider how best to showcase the unique, irreplaceable, and relevant qualifications of each company nominee.

Some companies accomplish this by noting (and perhaps discussing) particular skills the board considers valuable. If nominee skills can be tied directly to company strategy, so much the better.

Investors and regulators also expect to understand whether the board has sufficient expertise and capabilities to oversee the significant risks and opportunities the company faces. We recommend using the nominee biographies to demonstrate what strengths each nominee brings to the board and how the board as a whole has the ability to effectively oversee all critical areas of the company's operations and strategy.

Finally, investors increasingly are scrutinizing director commitment, with many institutional investors and proxy advisors maintaining overboarding policies that guide their voting decisions. To stave off no votes, consider explicitly addressing the ability of any multi-boarded directors to devote sufficient attention to their board responsibilities. As an added demonstration of commitment, biographies at a handful of companies include data like each nominee's meeting attendance rate or company holdings.

Nominee biographies typically appear in either narrative or bullet format. Visual shading or call-out boxes can be used to emphasize selected information, such as independence or committee memberships. It is common, though not required, to include headshots to personalize the disclosure and visual elements to enhance readability. Many companies use icons (often introduced in a director skills matrix) to identify the capabilities attributable to each director. Other optional information we have seen in biographies includes nominees' education, other activities and affiliations, and "fun facts" (like favorite company product).

Labrador Transparency Award Criteria

- Each director biography includes a photo and is formatted to highlight skills/qualifications and at least three separately presented attributes (such as tenure, age, independence, other public directorships, and committee assignments).

Benchmarking

Biographies

90.0%
Director biographies includes photos of directors

Career highlights:

43.0%
Career highlights in bullet format

3.0%
Career highlights in timeline format

Skills:

82.0%
Biography includes photo and is formatted to highlight skills/ qualifications and at least three separately presented attributes (such as tenure, age, independence, other public directorships, and committee assignments)

23.0%
Icons are used to depict each skill/expertise

3.0%
Skills applicable to committee membership

Other information included in the biographies:

12.0%
Education

5.0%
Nationality/birthplace

Looking Ahead

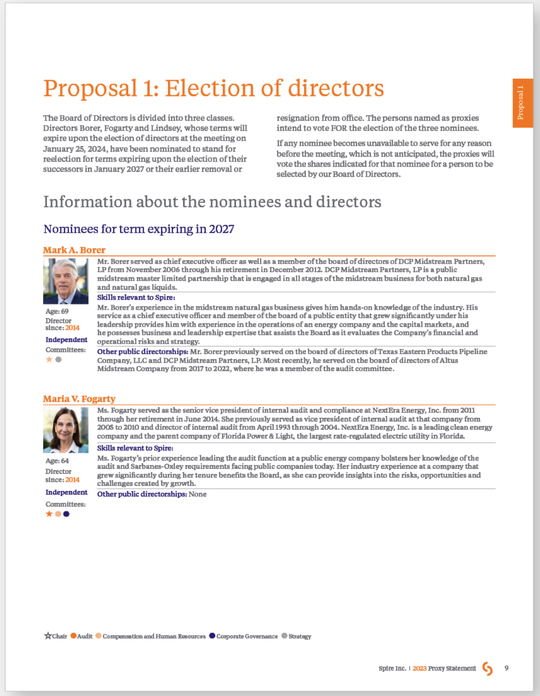
Board skills should evolve with company strategy and the macro and industry environment in which the company operates. Investors will want to understand what skills the board possesses to deal with emerging issues such as artificial intelligence and technological disruption, energy transition, and volatile economies.

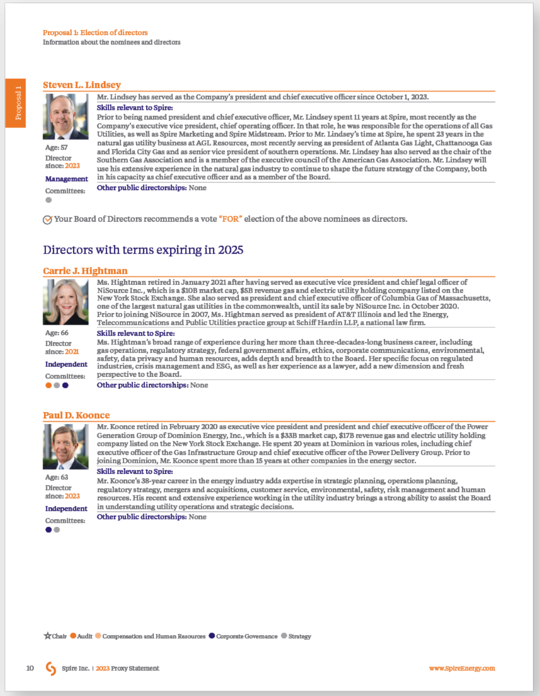
◂ Table of Contents   Topic Table of Contents

Key Examples

Spire 2024 Proxy Statement

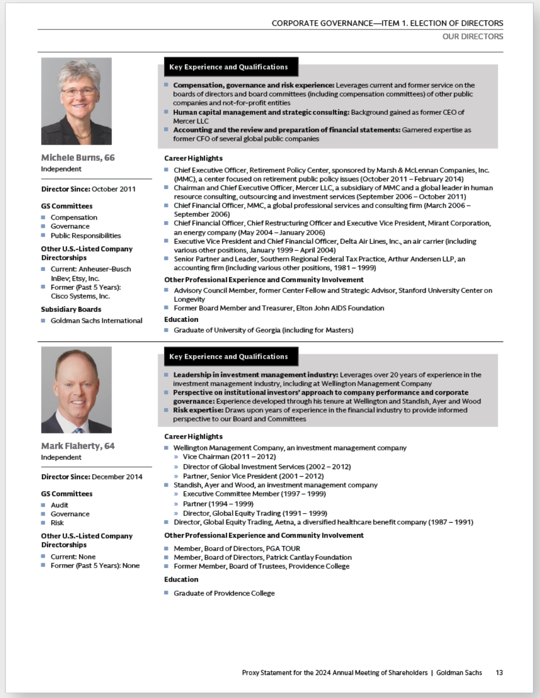
Brief bios, includes a section headed "Skills relevant to Spire"





Goldman Sachs 2024 Proxy Statement

Directly links skills to experience at the outset of each bio

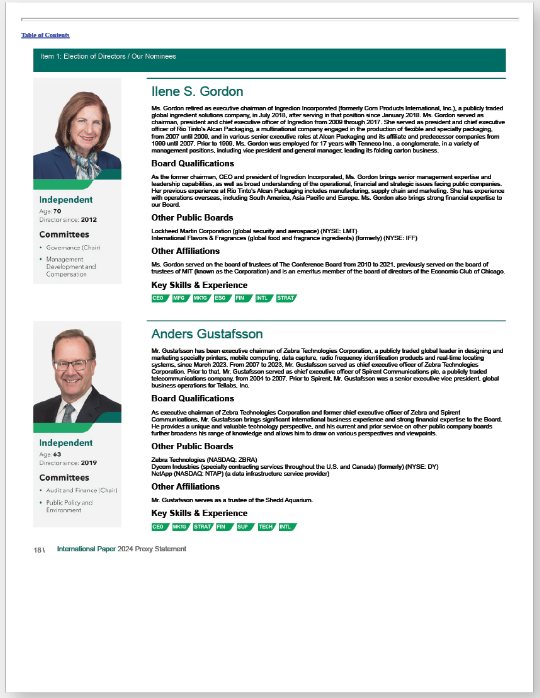


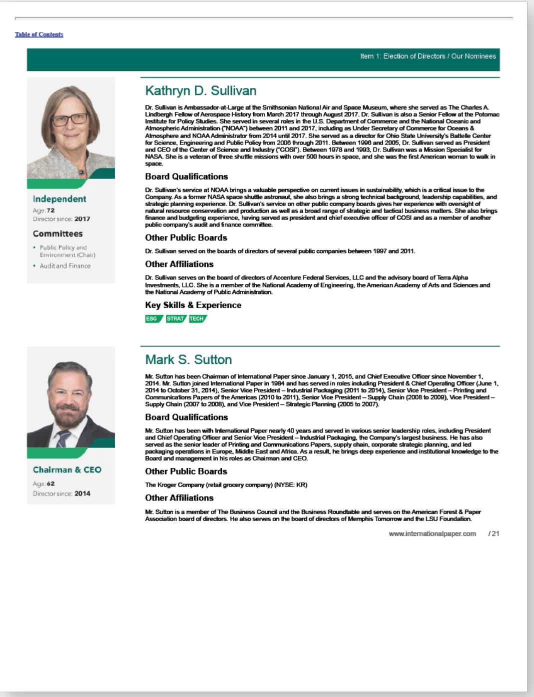
◂ Table of Contents Topic Table of Contents

Key Examples

International Paper 2024 Proxy Statement

Simple bios with skills noted by abbreviation rather than icon or words; more info about other boards than the norm





Cognizant 2024 Proxy Statement

Very detailed; provides a timeline for all professional roles and notes which skills were acquired (or used) in each position

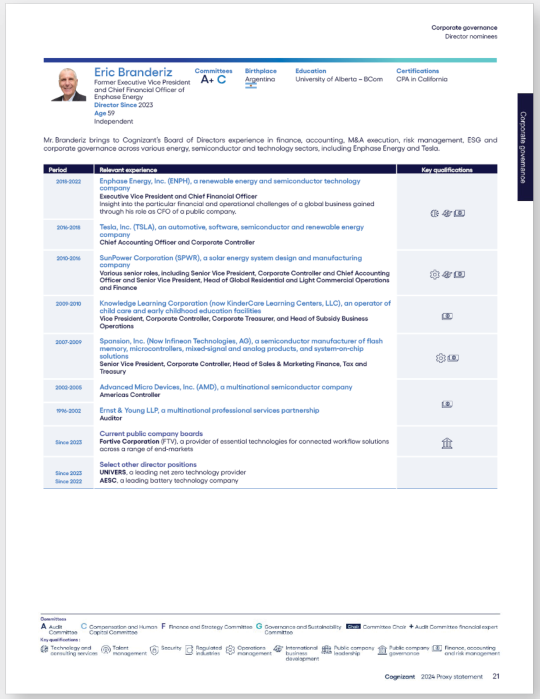
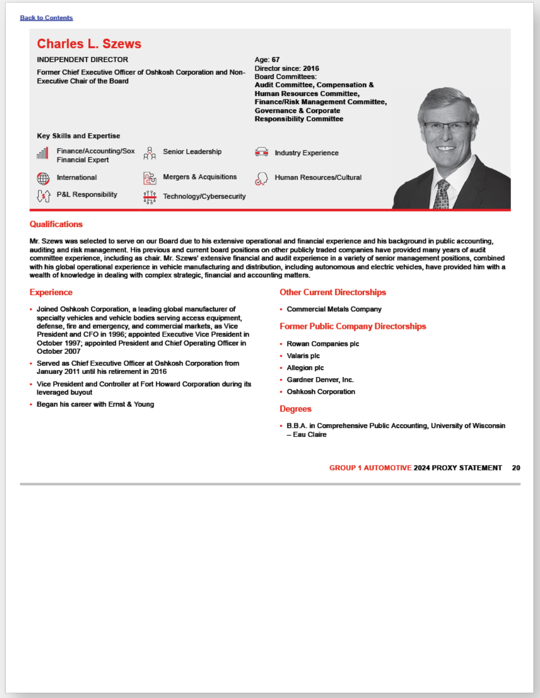


Table of Contents Topic Table of Contents

Key Examples

Group 1 Automotive 2024 Proxy Statement

Eye-catching and nicely spaced--easy to read--and flags skills



Halliburton 2024 Proxy Statement

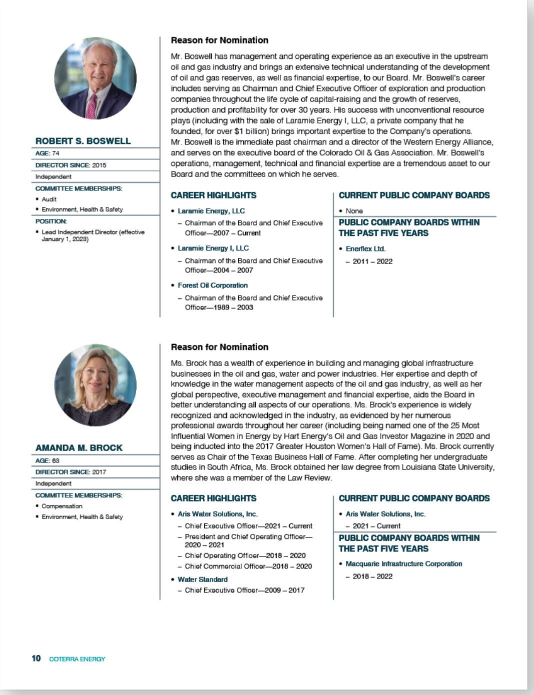
Each bio provides extensive information on the nominee's relevant skills

◀ Table of Contents Topic Table of Contents

Key Examples

Coterra 2024 Proxy Statement

Easy to read, starts each bio with "Reason for Nomination"



Reason for Nomination

Mr. Boswell has management and operating experience as an executive in the upstream oil and gas industry and brings an extensive technical understanding of the development of oil and gas reserves, as well as financial expertise, to our Board. Mr. Boswell's career includes serving as Chairman and Chief Executive Officer of exploration and production companies throughout the life cycle of capital-raising and the growth of reserves, production and profitability for over 30 years. His success with unconventional resource plays (including with the sale of Laramie Energy I, LLC, a private company that he founded, for over $1 billion) brings important expertise to the Company's operations. Mr. Boswell is the immediate past chairman and a director of the Western Energy Alliance, and serves on the executive board of the Colorado Oil & Gas Association. Mr. Boswell's operations, management, technical and financial expertise are a tremendous asset to our Board and the committees on which he serves.

ROBERT S. BOSWELL
AGE: 74
DIRECTOR SINCE: 2015
Independent
COMMITTEE MEMBERSHIPS:
- Audit
- Environment, Health & Safety

POSITION:
- Lead Independent Director (effective January 1, 2023)

CAREER HIGHLIGHTS
- Laramie Energy, LLC
  - Chairman of the Board and Chief Executive Officer—2007 – Current
- Laramie Energy I, LLC
  - Chairman of the Board and Chief Executive Officer—2004 – 2007
- Forest Oil Corporation
  - Chairman of the Board and Chief Executive Officer—1989 – 2003

CURRENT PUBLIC COMPANY BOARDS
- None

PUBLIC COMPANY BOARDS WITHIN THE PAST FIVE YEARS
- Enerflex Ltd.
  - 2011 – 2022

Reason for Nomination

Ms. Brock has a wealth of experience in building and managing global infrastructure businesses in the oil and gas, water and power industries. Her expertise and depth of knowledge in the water management aspects of the oil and gas industry, as well as her global perspective, executive management and financial expertise, aids the Board in better understanding all aspects of our operations. Ms. Brock's experience is widely recognized and acknowledged in the industry, as evidenced by her numerous professional awards throughout her career (including being named one of the 25 Most Influential Women in Energy by Hart Energy's Oil and Gas Investor Magazine in 2020 and being inducted into the 2017 Greater Houston Women's Hall of Fame). Ms. Brock currently serves as Chair of the Texas Business Hall of Fame. After completing her undergraduate studies in South Africa, Ms. Brock obtained her law degree from Louisiana State University, where she was a member of the Law Review.

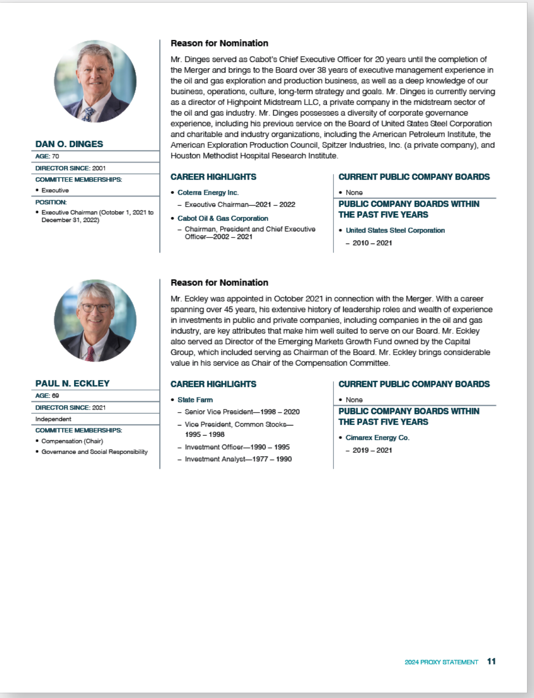
AMANDA M. BROCK
AGE: 63
DIRECTOR SINCE: 2017
Independent
COMMITTEE MEMBERSHIPS:
- Compensation
- Environment, Health & Safety

CAREER HIGHLIGHTS
- Aris Water Solutions, Inc.
  - Chief Executive Officer—2021 – Current
  - President and Chief Operating Officer—2020 – 2021
  - Chief Operating Officer—2018 – 2020
  - Chief Commercial Officer—2018 – 2020
- Water Standard
  - Chief Executive Officer—2009 – 2017

CURRENT PUBLIC COMPANY BOARDS
- Aris Water Solutions, Inc.
  - 2021 – Current

PUBLIC COMPANY BOARDS WITHIN THE PAST FIVE YEARS
- Macquarie Infrastructure Corporation
  - 2018 – 2022

10 COTERRA ENERGY



Reason for Nomination

Mr. Dinges served as Cabot's Chief Executive Officer for 20 years until the completion of the Merger and brings to the Board over 38 years of executive management experience in the oil and gas exploration and production business, as well as a deep knowledge of our business, operations, culture, long-term strategy and goals. Mr. Dinges is currently serving as a director of Highpoint Midstream LLC, a private company in the midstream sector of the oil and gas industry. Mr. Dinges possesses a diversity of corporate governance experience, including his previous service on the Board of United States Steel Corporation and charitable and industry organizations, including the American Petroleum Institute, the American Exploration Production Council, Spitzer Industries, Inc. (a private company), and Houston Methodist Hospital Research Institute.

DAN O. DINGES
AGE: 70
DIRECTOR SINCE: 2001
COMMITTEE MEMBERSHIPS:
- Executive

POSITION:
- Executive Chairman (October 1, 2021 to December 31, 2022)

CAREER HIGHLIGHTS
- Coterra Energy Inc.
  - Executive Chairman—2021 – 2022
- Cabot Oil & Gas Corporation
  - Chairman, President and Chief Executive Officer—2002 – 2021

CURRENT PUBLIC COMPANY BOARDS
- None

PUBLIC COMPANY BOARDS WITHIN THE PAST FIVE YEARS
- United States Steel Corporation
  - 2010 – 2021

Reason for Nomination

Mr. Eckley was appointed in October 2021 in connection with the Merger. With a career spanning over 45 years, his extensive history of leadership roles and wealth of experience in investments in public and private companies, including companies in the oil and gas industry, are key attributes that make him well suited to serve on our Board. Mr. Eckley also served as Director of the Emerging Markets Growth Fund owned by the Capital Group, which included serving as Chairman of the Board. Mr. Eckley brings considerable value in his service as Chair of the Compensation Committee.

PAUL N. ECKLEY
AGE: 69
DIRECTOR SINCE: 2021
Independent
COMMITTEE MEMBERSHIPS:
- Compensation (Chair)
- Governance and Social Responsibility

CAREER HIGHLIGHTS
- State Farm
  - Senior Vice President—1998 – 2020
  - Vice President, Common Stocks—1995 – 1998
  - Investment Officer—1990 – 1995
  - Investment Analyst—1977 – 1990

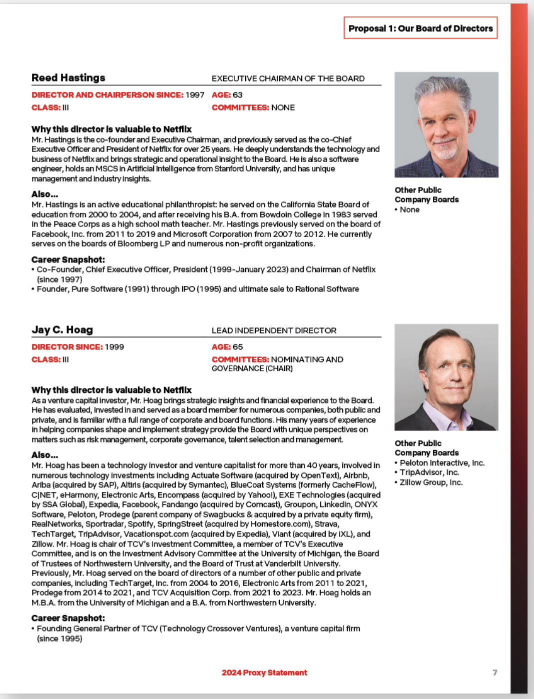
CURRENT PUBLIC COMPANY BOARDS
- None

PUBLIC COMPANY BOARDS WITHIN THE PAST FIVE YEARS
- Cimarex Energy Co.
  - 2019 – 2021

2024 PROXY STATEMENT 11

Netflix 2024 Proxy Statement

Alternate format, starting with "why this director is valuable to Netflix"



Proposal 1: Our Board of Directors

Reed Hastings EXECUTIVE CHAIRMAN OF THE BOARD
DIRECTOR AND CHAIRPERSON SINCE: 1997 AGE: 63
CLASS: III COMMITTEES: NONE

Why this director is valuable to Netflix
Mr. Hastings is the co-founder and Executive Chairman, and previously served as the co-Chief Executive Officer and President of Netflix for over 25 years. He deeply understands the technology and business of Netflix and brings strategic and operational insight to the Board. He is also a software engineer, holds an MSCS in Artificial Intelligence from Stanford University, and has unique management and industry insights.

Also...
Mr. Hastings is an active educational philanthropist: he served on the California State Board of education from 2000 to 2004, and after receiving his B.A. from Bowdoin College in 1983 served in the Peace Corps as a high school math teacher. Mr. Hastings previously served on the board of Facebook, Inc. from 2011 to 2019 and Microsoft Corporation from 2007 to 2012. He currently serves on the boards of Bloomberg LP and numerous non-profit organizations.

Career Snapshot:
- Co-Founder, Chief Executive Officer, President (1999-January 2023) and Chairman of Netflix (since 1997)
- Founder, Pure Software (1991) through IPO (1995) and ultimate sale to Rational Software

Other Public Company Boards
- None

Jay C. Hoag LEAD INDEPENDENT DIRECTOR
DIRECTOR SINCE: 1999 AGE: 65
CLASS: III COMMITTEES: NOMINATING AND GOVERNANCE (CHAIR)

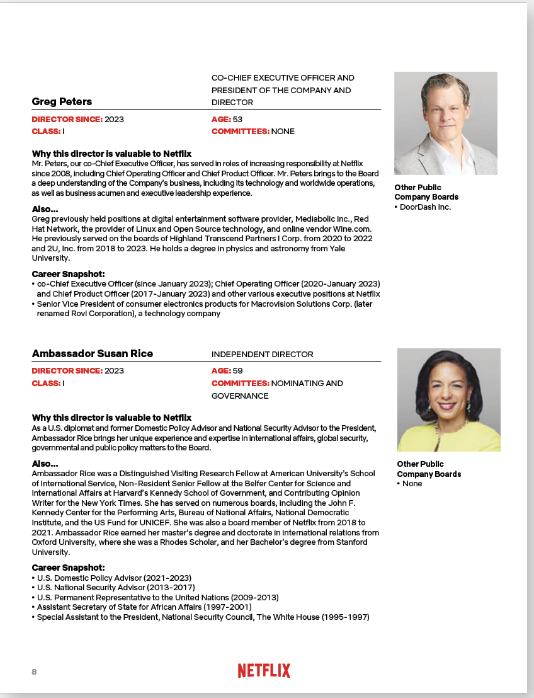
Why this director is valuable to Netflix
As a venture capital investor, Mr. Hoag brings strategic insights and financial experience to the Board. He has evaluated, invested in and served as a board member for numerous companies, both public and private, and is familiar with a full range of corporate and board functions. His many years of experience in helping companies shape and implement strategy provide the Board with unique perspectives on matters such as risk management, corporate governance, talent selection and management.

Also...
Mr. Hoag has been a technology investor and venture capitalist for more than 40 years, involved in numerous technology investments including Actuate Software (acquired by OpenText), Airbnb, Ariba (acquired by SAP), Altiris (acquired by Symantec), BlueCoat Systems (formerly CacheFlow), C|NET, eHarmony, Electronic Arts, Encompass (acquired by Yahoo!), EXE Technologies (acquired by SSA Global), Expedia, Facebook, Fandango (acquired by Comcast), Groupon, LinkedIn, ONYX Software, Peloton, Prodege (parent company of Swagbucks & acquired by a private equity firm), RealNetworks, Sportradar, Spotify, SpringStreet (acquired by Homestore.com), Strava, TechTarget, TripAdvisor, Vacationspot.com (acquired by Expedia), Viant (acquired by iXL), and Zillow. Mr. Hoag is chair of TCV's Investment Committee, a member of TCV's Executive Committee, and is on the Investment Advisory Committee at the University of Michigan, the Board of Trustees of Northwestern University, and the Board of Trust at Vanderbilt University. Previously, Mr. Hoag served on the board of directors of a number of other public and private companies, including TechTarget, Inc. from 2004 to 2016, Electronic Arts from 2011 to 2021, Prodege from 2014 to 2021, and TCV Acquisition Corp. from 2021 to 2023. Mr. Hoag holds an M.B.A. from the University of Michigan and a B.A. from Northwestern University.

Career Snapshot:
- Founding General Partner of TCV (Technology Crossover Ventures), a venture capital firm (since 1995)

Other Public Company Boards
- Peloton Interactive, Inc.
- TripAdvisor, Inc.
- Zillow Group, Inc.

2024 Proxy Statement 7



Greg Peters CO-CHIEF EXECUTIVE OFFICER AND PRESIDENT OF THE COMPANY AND DIRECTOR
DIRECTOR SINCE: 2023 AGE: 53
CLASS: I COMMITTEES: NONE

Why this director is valuable to Netflix
Mr. Peters, our co-Chief Executive Officer, has served in roles of increasing responsibility at Netflix since 2008, including Chief Operating Officer and Chief Product Officer. Mr. Peters brings to the Board a deep understanding of the Company's business, including its technology and worldwide operations, as well as business acumen and executive leadership experience.

Also...
Greg previously held positions at digital entertainment software provider, Mediabolic Inc., Red Hat Network, the provider of Linux and Open Source technology, and online vendor Wine.com. He previously served on the boards of Highland Transcend Partners I Corp. from 2020 to 2022 and 2U, Inc. from 2018 to 2023. He holds a degree in physics and astronomy from Yale University.

Career Snapshot:
- co-Chief Executive Officer (since January 2023); Chief Operating Officer (2020-January 2023) and Chief Product Officer (2017-January 2023) and other various executive positions at Netflix
- Senior Vice President of consumer electronics products for Macrovision Solutions Corp. (later renamed Rovi Corporation), a technology company

Other Public Company Boards
- DoorDash Inc.

Ambassador Susan Rice INDEPENDENT DIRECTOR
DIRECTOR SINCE: 2023 AGE: 59
CLASS: I COMMITTEES: NOMINATING AND GOVERNANCE

Why this director is valuable to Netflix
As a U.S. diplomat and former Domestic Policy Advisor and National Security Advisor to the President, Ambassador Rice brings her unique experience and expertise in international affairs, global security, governmental and public policy matters to the Board.

Also...
Ambassador Rice was a Distinguished Visiting Research Fellow at American University's School of International Service, Non-Resident Senior Fellow at the Belfer Center for Science and International Affairs at Harvard's Kennedy School of Government, and Contributing Opinion Writer for the New York Times. She has served on numerous boards, including the John F. Kennedy Center for the Performing Arts, Bureau of National Affairs, National Democratic Institute, and the US Fund for UNICEF. She was also a board member of Netflix from 2018 to 2021. Ambassador Rice earned her master's degree and doctorate in international relations from Oxford University, where she was a Rhodes Scholar, and her Bachelor's degree from Stanford University.

Career Snapshot:
- U.S. Domestic Policy Advisor (2021-2023)
- U.S. National Security Advisor (2013-2017)
- U.S. Permanent Representative to the United Nations (2009-2013)
- Assistant Secretary of State for African Affairs (1997-2001)
- Special Assistant to the President, National Security Council, The White House (1995-1997)

Other Public Company Boards
- None

8 NETFLIX

Table of Contents   Topic Table of Contents

Key Examples

Ducommon 2024 Proxy Statement

Streamlined but complete from a regulatory perspective

Back to Contents

Continuing Directors

RICHARD A. BALDRIDGE
Vice Chairman, Viasat, Inc. (Ret.)
Age: 65
Director Since: 2013
Term Expires: 2026
Committees:
- Audit and Innovation

Professional background
Mr. Baldridge served as Vice Chairman of Viasat, Inc., a global communications company, from July 2022 until his retirement in June 2023. Mr. Baldridge joined Viasat in 1999, serving as Executive Vice President, Chief Financial Officer and Chief Operating Officer from 2000, as Executive Vice President and Chief Operating Officer from 2002, as President and Chief Operating Officer from 2003, and as President and Chief Executive Officer from November 2020 until June 2022. In July 2022, Mr. Baldridge was appointed Vice Chairman of Viasat until his retirement in June 2023. Before joining Viasat, Mr. Baldridge was Vice President and General Manager of Raytheon Corporation's Training Systems Division, and he held executive roles with Hughes Information Systems and Hughes Training Inc. before they were acquired by Raytheon in 1997. Mr. Baldridge is also a director of EvoNexus, a non-profit business incubator.

Key qualifications
From his almost 25 years of experience in executive leadership roles at a leading provider of satellite communications systems and services, and secure networking systems, Mr. Baldridge contributes to the Board broad operational and financial experience and an understanding of the defense markets that Ducommun serves.

Other public company directorships
Viasat (since 2016)

ROBERT C. DUCOMMUN
Business Advisor
Age: 72
Director Since: 1985
Term Expires: 2025
Committees:
- Audit and Corporate Governance & Nominating (Chair)

Professional background
Mr. Ducommun has been an independent business advisor for over 30 years. He was previously the Chief Financial Officer for several private companies and a management consultant with McKinsey & Company.

Key qualifications
As a former management consultant and Chief Financial Officer, Mr. Ducommun brings to the Board substantial financial acumen and leadership in setting the strategic direction for the Company, and also provides guidance on various corporate and environmental responsibility ("C&ER") initiatives.

STEPHEN G. OSWALD
Chairman, President and Chief Executive Officer
Age: 60
Director Since: 2017
Term Expires: 2026
Committee:
- Innovation

Professional background
Mr. Oswald has been the President and Chief Executive Officer of Ducommun since January 2017, and Chairman of the Board since May 2018. From 2012 to 2015, Mr. Oswald was Chief Executive Officer of Capital Safety Company, a manufacturer of fall protection, confined space, and rescue equipment. He elected to take time off from his career after the sale of Capital Safety Company to 3M Co. to manage personal investments. Before joining Capital Safety Company, Mr. Oswald spent approximately 15 years in various leadership roles at United Technologies Corporation, including as President of the Hamilton Sundstrand Industrial division.

Key qualifications
As Chairman, President and Chief Executive Officer, Mr. Oswald provides management's perspective in Board discussions about Ducommun's business and strategic direction.

Ducommun 175 YEARS | 2024 Proxy Statement 12

Fiserv, Inc. 2024 Proxy Statement

Streamlined and bullet format

TABLE OF CONTENTS

OUR BOARD OF DIRECTORS
Who We Are

Henrique de Castro

Mr. de Castro most recently served as an advisor to Cantor Fitzgerald, a global financial services firm.

Age: 58
Director since: 2019

Committees:
- Audit
- Talent and Compensation

Business Experience

Current Directorships
- Banco Santander, S.A., a Spanish multinational commercial bank (public)

Prior Public Directorships
- Target Corporation, a general merchandise retail company (2013-2020)
- First Data Corporation (2017-2019)
- CF Finance Acquisition Corp., a special purpose acquisition company (2018-2019)

Prior Positions
- Chief Operating Officer of CF Finance Acquisition Corp. (2018-2019)
- Advisor to Cantor Fitzgerald (2015-2019)
- Chief Operating Officer at Yahoo! Inc., a web services firm (2012-2014)
- President of Partner Business Worldwide, President of Media, Mobile & Platforms Worldwide and other senior executive positions at Google, a multinational technology company (2006-2012)
- Senior positions at Dell Corporation, a computer technology company
- Senior positions at McKinsey & Company, a leading global management consulting firm

Reasons For Nomination
- Leadership and management experience in the global technology industry, including expertise in global growth strategies

Harry F. DiSimone

Mr. DiSimone most recently served as the President of Commerce Advisors, Inc., a consulting and advisory services firm for the retail financial services and payments industries.

Age: 69
Director since: 2018

Committees:
- Risk, Chair
- Audit

Business Experience

Prior Positions
- President of Commerce Advisors, Inc. (2008-2020)
- Managing Partner and Co-Founder of Encore Financial Partners, Inc., a company focused on the acquisition and management of banking organizations in the United States (2010-2015)
- Executive Vice President, Chief Operating Officer of the Chase credit card business, Private Label Card and Merchant Processing Executive, Retail Bank Chief Marketing Officer, Consumer Banking, Investments and Insurance Executive, Chase Personal Financial Services Executive and other senior level positions at JPMorgan Chase & Co., a global financial services company, and its predecessor organizations (1976-2008)
- Advisor to retail banking and payment organizations, including The Direct Marketing Association, the NYCE Payment Network, Chase Paymentech, Mastercard's U.S. Business Committee, Visa Global Advisors, the New York Clearing House's Strategic Planning Committee and the Federal Reserve Bank's Payment Card Council

Reasons For Nomination
- Extensive experience in the banking, payments and financial services industries

Fiserv, Inc. 2024 Proxy Statement | 13

TABLE OF CONTENTS

OUR BOARD OF DIRECTORS
Who We Are

Lance M. Fritz

Mr. Fritz most recently served as Chairman, President and Chief Executive Officer of Union Pacific Corporation, a leading transportation company, from 2015 to 2023.

Age: 61
Director since: 2024

Committees:
- Audit
- Nominating and Corporate Governance

Business Experience

Current Directorships
- Parker Hannifin Corporation, a motion and controls technology company (public)

Prior Public Directorships
- Union Pacific Corporation (2015-2023)

Prior Positions
- Chairman, President and Chief Executive Officer of Union Pacific Corporation (2015-2023)
- A variety of other leadership positions at Union Pacific Corporation since 2000

Reasons For Nomination
- Accomplished executive with extensive leadership, operations, government and regulatory, risk management, and public company experience gained through years of service as chief executive officer and chairman of a public company
- Mr. Fritz was identified by a third-party search firm

Ajei S. Gopal

Mr. Gopal has served as the President and Chief Executive Officer of ANSYS, Inc., an engineering simulation solutions provider since 2017.

Age: 62
Director since: 2024

Committees:
- Risk
- Nominating and Corporate Governance

Business Experience

Current Directorships
- ANSYS, Inc. (public)

Prior Public Directorships
- Citrix Systems, a cloud computing and virtualization technology company (2017-2021)

Prior Positions
- President and Chief Operating Officer of ANSYS, Inc. (2016)
- Operating Partner at Silver Lake Partners, a leading private equity technology investor (2013-2016)
- Senior Vice President and General Manager, HP Software (2011-2013)
- Executive Vice President at CA Technologies (2006-2011)
- Executive Vice President and Chief Technology Officer at Symantec (2004-2006)
- Founder of ReefEdge Networks (2000-2004)
- Various positions at IBM (1988-2000)

Reasons For Nomination
- Extensive executive, chief operating officer and technology experience
- Mr. Gopal was identified by a third-party search firm

14 | Fiserv, Inc. 2024 Proxy Statement

Governance

This section includes:

◄ Table of Contents Topic Table of Contents

Approach to Corporate Governance

Corporate governance disclosures are an opportunity for companies to demonstrate board effectiveness. The board's primary responsibilities should be discussed, together with adopted policies and practices that hold directors accountable. At a minimum, companies should explain the board's engagement on strategy, risk and succession planning.

Investor Perspective: Corporate Governance

BlackRock (U.S., 1/25)	We encourage companies to provide **transparency around risk management, mitigation, and reporting to the board**. . ... In the absence of robust disclosures, we may reasonably conclude that companies are not adequately managing risk. We encourage the company to **explain their executive succession planning process**, including **where accountability lies within the boardroom for this task**, without prematurely divulging sensitive information commonly associated with this exercise. We look to a **board to be engaged with and responsive** to the company's shareholders, including **acknowledging voting outcomes for director elections, compensation, shareholder proposals, and other ballot items**. Where we determine that a board has not substantially addressed shareholder concerns that we deem material to the business, we may vote against the responsible committees and/or individual directors.
State Street (Global, 3/24)	We expect companies to **disclose how the board provides oversight on its risk management system and risk identification.** Boards should also review existing and emerging risks that evolve in tandem with the changing political and economic landscape or as companies diversify or expand their operations into new areas. When evaluating a board's oversight of risks and opportunities, **we assess the following factors, based on disclosures** by, and engagements with, portfolio companies: . . . • Demonstrates an **Effective Oversight Process** — **Describes which committee(s) have oversight over specific risks and opportunities,** as well as which topics are overseen and/or discussed at the full-board level — Includes risks and opportunities in board and/or committee agendas, and **articulates how often specific topics are discussed at the committee and/or full-board level** — Utilizes KPIs or metrics to assess the effectiveness of risk management processes — Engages with key stakeholders including employees and investors . . .

Investor Perspective: Corporate Governance

Vanguard (U.S., 2/24)	The analysis of proxy contests focuses on three key areas: . . . **The quality of company governance** [including . . .] – Is there evidence of effective, shareholder-friendly governance practices at the company? . . . Boards should take a **thorough, integrated, thoughtful approach to identifying, quantifying, mitigating, and disclosing risks** that have the potential to affect shareholder value over the long term. **Boards should communicate their approach to risk oversight to shareholders** through their normal course of business.
ISS (U.S. 1/25)	**Directors should respond to investor input,** such as that expressed through significant opposition to management proposals, significant support for shareholder proposals (whether binding or non-binding), and tender offers where a majority of shares are tendered. **Boards should be sufficiently accountable to shareholders,** including through **transparency of the company's governance practices** and regular board elections, by the **provision of sufficient information for shareholders** to be able to assess directors and board composition, and through the ability of shareholders to remove directors.
Glass Lewis (U.S. 2025)	**When 20% of more of shareholders vote contrary to management** (which occurs when more than 20% of votes on the proposal are cast as AGAINST and/or ABSTAIN), **we believe that boards should engage with shareholders on the issue and demonstrate some initial level of responsiveness.**

◂ Table of Contents Topic Table of Contents

Corporate Governance Highlights

Many companies supplement their detailed corporate governance discussion with a "highlights" section designed to demonstrate at a glance that they have implemented practices that promote shareholders' long-term interests.

What to Think About

Shareholders and other interested stakeholders want companies to adopt "best practice" corporate governance policies to ensure, among other things, that:

- the director nominees are the right "mix" to oversee and drive the company's strategy, business, and risk management;
- the board, through its leadership and committee structure, provides independent oversight apart from management;
- the board is active, engaged, and focused on critical areas, such as strategy, risk management, ESG, and HCM; and
- the board has developed processes to assess and maximize its effectiveness and is transparent and accountable.

To address those expectations, we recommend providing a succinct summary of the company's most salient corporate governance practices. One common approach to presenting this content is a "what we do/what we don't do" table, but that is hardly the only option. Some companies create an infographic that groups the information under titles that align with how the policies and practices are presented later in the proxy statement. Others create an index of sorts, offering page cross-references (or hyperlinks in electronic documents) to the full discussion.

If appropriate, it's a good idea to include a callout box or icons to flag recent governance enhancements or newly adopted practices, particularly when they are responsive to shareholder feedback.

Some companies have provided a timeline of governance or disclosure enhancements to demonstrate a continuous improvement mindset and a practice of proactively responding to shareholders.

Corporate governance highlights should appear either in the proxy summary or at the beginning of the full governance section.

Labrador Transparency Award Criteria

- The document includes a summary of key governance highlights, practices and/or policies (e.g., what we do/don't do, best practices list or adoption timeline).

◂ Table of Contents Topic Table of Contents

Benchmarking

Corporate Governance Highlights

38.0%

The document includes a summary of key governance highlights, practices and/or policies (e.g., what we do/don't do, best practices list or adoption timeline)

Key Examples

Kraft Heinz 2024 Proxy Statement

Bold and easy to read

GOVERNANCE

CORPORATE GOVERNANCE HIGHLIGHTS

We are committed to strong corporate governance, which is critical to promote the long-term interests of our stockholders. The Board believes our governance practices provide a framework that strengthens our Board and management accountability, allows the Board to set objectives and monitor performance, helps ensure efficient use of corporate resources, and fosters trust in Kraft Heinz.

BOARD COMPOSITION AND LEADERSHIP

Continuous Refreshment emphasizing a diversity of views and experiences and sound judgment to best perpetuate our success and stockholder interests

Robust Independence, with 9 of 11 director nominees independent

Strong Independent Lead Director, elected by independent directors, separate Chair and Chief Executive Officer roles, and independent Vice Chair

100% Independent Committees of the Board

Executive Sessions (without management present) at each Board meeting

Director Time Commitments Policy limits service on the boards of other public companies to three or, for chief executive officers of public companies, one (each in addition to Kraft Heinz)

Annual Performance Evaluations for the Board and all Committees of the Board

Robust Director Selection Process with Diversity Policy

Active Oversight of Risks related to the Company's business, including ESG risks

Special Meetings of the Board may be called by our CEO, Chair, a majority of directors, or our Vice Chair or any Committee Chair with the support of at least two other directors

STOCKHOLDER RIGHTS

Proactive Year-Round Engagement with stockholders and incorporation of stockholder input in our strategies and programs

Annual Election of Directors with Majority Voting Standard in uncontested elections

Annual Say-on-Pay Votes

Stockholder Right to Call Special Meetings for stockholders of record of at least 20% of the voting power of our outstanding stock

No "Poison Pill"

Stockholder Action by Written Consent

OTHER BEST PRACTICES

Rigorous Stock Ownership Requirements to align directors' and executive officers' interests with those of stockholders

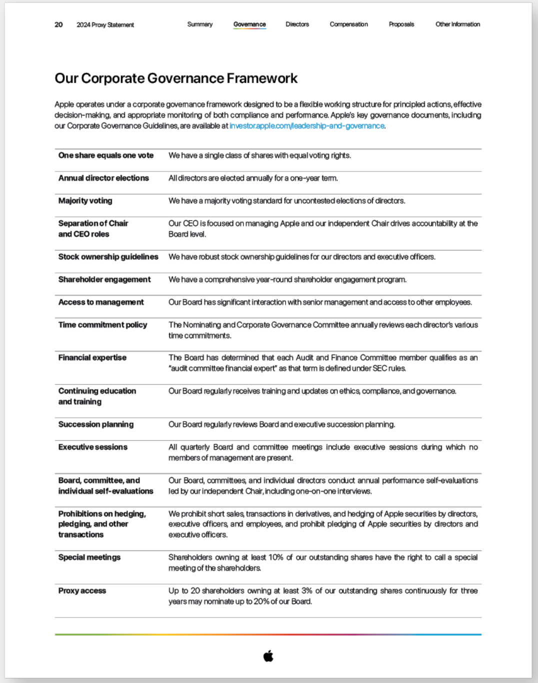
Robust Clawback Policy

Anti-Hedging and Pledging Policies

2024 Proxy Statement KraftHeinz 35

Apple Inc. 2024 Proxy Statement

Straightforward table of policies



20 2024 Proxy Statement Summary Governance Directors Compensation Proposals Other Information

Our Corporate Governance Framework

Apple operates under a corporate governance framework designed to be a flexible working structure for principled actions, effective decision-making, and appropriate monitoring of both compliance and performance. Apple's key governance documents, including our Corporate Governance Guidelines, are available at investor.apple.com/leadership-and-governance.

One share equals one vote	We have a single class of shares with equal voting rights.
Annual director elections	All directors are elected annually for a one-year term.
Majority voting	We have a majority voting standard for uncontested elections of directors.
Separation of Chair and CEO roles	Our CEO is focused on managing Apple and our independent Chair drives accountability at the Board level.
Stock ownership guidelines	We have robust stock ownership guidelines for our directors and executive officers.
Shareholder engagement	We have a comprehensive year-round shareholder engagement program.
Access to management	Our Board has significant interaction with senior management and access to other employees.
Time commitment policy	The Nominating and Corporate Governance Committee annually reviews each director's various time commitments.
Financial expertise	The Board has determined that each Audit and Finance Committee member qualifies as an "audit committee financial expert" as that term is defined under SEC rules.
Continuing education and training	Our Board regularly receives training and updates on ethics, compliance, and governance.
Succession planning	Our Board regularly reviews Board and executive succession planning.
Executive sessions	All quarterly Board and committee meetings include executive sessions during which no members of management are present.
Board, committee, and individual self-evaluations	Our Board, committees, and individual directors conduct annual performance self-evaluations led by our independent Chair, including one-on-one interviews.
Prohibitions on hedging, pledging, and other transactions	We prohibit short sales, transactions in derivatives, and hedging of Apple securities by directors, executive officers, and employees, and prohibit pledging of Apple securities by directors and executive officers.
Special meetings	Shareholders owning at least 10% of our outstanding shares have the right to call a special meeting of the shareholders.
Proxy access	Up to 20 shareholders owning at least 3% of our outstanding shares continuously for three years may nominate up to 20% of our Board.

◂ Table of Contents   Topic Table of Contents

Key Examples

Raytheon Technologies 2024 Proxy Statement

Divides governance best practices into categories

Corporate Governance

Our Continuing Commitment to Sound Corporate Governance

RTX is committed to strong oversight and governance practices that are grounded in a culture of integrity, accountability, transparency and the highest ethical standards. The Board believes this commitment enhances shareowner value.

GOVERNANCE BEST PRACTICES

Our Board has adopted robust governance practices, as set forth in our Corporate Governance Guidelines, our committee charters and other RTX documents and policies. The Governance Committee regularly monitors and considers current developments in corporate governance, as well as the views of our shareowners, to determine when to recommend governance changes to the Board to enhance Board effectiveness.

Effective Board oversight

- Highly qualified Board with diverse mix of perspectives, experience and tenures
- Regular Board review of strategic plans and priorities, including ESG strategy and execution
- Regular Board/committee review of significant risks, including product safety and cybersecurity risks, and corporate culture
- Annual Board evaluation of CEO performance
- Regular CEO and senior management succession planning

Board independence

- 11 out of 13 director nominees are independent
- Robust Lead Director role, an independent position of authority with clearly defined responsibilities
- Independent directors meet regularly without management
- Fully independent Audit, Human Capital & Compensation and Governance Committees

Commitment to shareowner rights

- Active and ongoing shareowner engagement
- Proxy access with customary terms
- Shareowners can act by written consent
- Shareowners holding 15% of voting stock can call special meetings
- No charter provisions requiring more than a simple majority vote of shareowners
- Robust clawback policies
- No hedging, short sales or pledging of RTX securities by officers or directors
- Rigorous share ownership requirements for directors and senior management

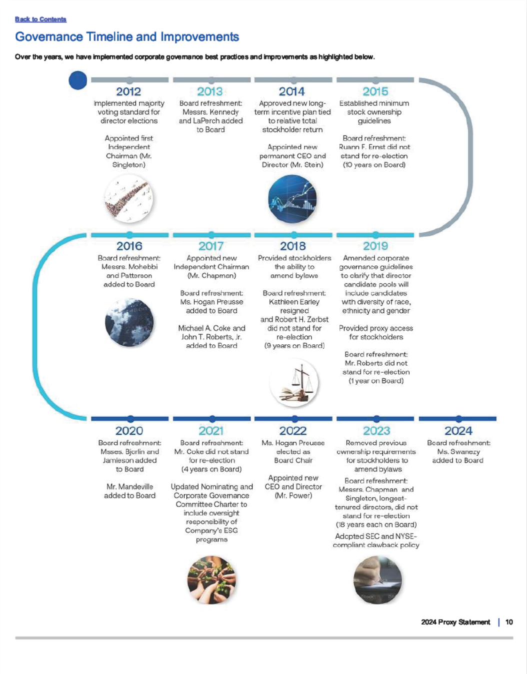
Board accountability

- Annual Board, committee and individual director evaluations
- Annual election of all directors
- Majority voting for directors in uncontested elections
- Ongoing attention to Board composition and refreshment, along with a 15-year term limit and retirement age of 75
- Regular review of committee assignments and leadership, with objective to rotate chairs and members at least every five years
- Limits on outside public company board service
- Process for consideration and approval of new outside directorships and paid consulting/advisory engagements

RTX 2024 PROXY STATEMENT 21

Digital Realty Trust 2024 Proxy Statement

Timeline to show how governance has changed/improved



Back to Contents

Governance Timeline and Improvements

Over the years, we have implemented corporate governance best practices and improvements as highlighted below.

2012
Implemented majority voting standard for director elections
Appointed first Independent Chairman (Mr. Singleton)

2013
Board refreshment: Messrs. Kennedy and LaPerch added to Board

2014
Approved new long-term incentive plan tied to relative total stockholder return
Appointed new permanent CEO and Director (Mr. Stein)

2015
Established minimum stock ownership guidelines
Board refreshment: Ruann F. Ernst did not stand for re-election (10 years on Board)

2016
Board refreshment: Messrs. Mohebbi and Patterson added to Board

2017
Appointed new Independent Chairman (Mr. Chapman)
Board refreshment: Ms. Hogan Preusse added to Board
Michael A. Coke and John T. Roberts, Jr. added to Board

2018
Provided stockholders the ability to amend bylaws
Board refreshment: Kathleen Earley resigned and Robert H. Zerbst did not stand for re-election (9 years on Board)

2019
Amended corporate governance guidelines to clarify that director candidate pools will include candidates with diversity of race, ethnicity and gender
Provided proxy access for stockholders
Board refreshment: Mr. Roberts did not stand for re-election (1 year on Board)

2020
Board refreshment: Msses. Bjorlin and Jamieson added to Board
Mr. Mandeville added to Board

2021
Board refreshment: Mr. Coke did not stand for re-election (4 years on Board)
Updated Nominating and Corporate Governance Committee Charter to include oversight responsibility of Company's ESG programs

2022
Ms. Hogan Preusse elected as Board Chair
Appointed new CEO and Director (Mr. Power)

2023
Removed previous ownership requirements for stockholders to amend bylaws
Board refreshment: Messrs. Chapman and Singleton, longest-tenured directors, did not stand for re-election (18 years each on Board)
Adopted SEC and NYSE-compliant clawback policy

2024
Board refreshment: Ms. Swanezy added to Board

2024 Proxy Statement | 10

Walmart 2024 Proxy Statement

Simple list of governance practices accompanied by a summary of the board's actions for the past year

CORPORATE GOVERNANCE

Effective corporate governance is essential for maximizing long-term value for our shareholders. Our beliefs have been grounded in being a values-based ethically led organization, and it's this foundation that continues to influence our decisions and leadership.

Our governance structure is set forth in our Corporate Governance Guidelines and other key governance documents. These guidelines are reviewed at least annually and updated as appropriate in response to evolving best practices, regulatory requirements, feedback from our annual Board evaluations, and recommendations made by our shareholders, all with the goal of supporting and effectively overseeing our ongoing strategic transformation.

Corporate Governance Highlights

Our strong corporate governance practices demonstrate our Board's commitment to enabling an effective structure to support the successful oversight of our strategy.

Board Independence

- ✓ Majority Independent Board
- ✓ Lead Independent Director
- ✓ Governance Committees are Fully Independent

Other Board and Board Committee Practices

- ✓ Separate Chair and CEO
- ✓ Oversight of Risk and Enterprise Strategy
- ✓ Oversight of Human Capital Management
- ✓ Oversight of Political and Social Engagement and ESG Strategy
- ✓ Robust Stock Ownership Guidelines
- ✓ No Hedging and Restrictions on Pledging
- ✓ No Employment Agreements with NEOs
- ✓ No Change-in-Control Provisions
- ✓ Policy to include women and ethnically/racially diverse candidates in all new director candidate pools

Board Performance

- ✓ Board Oversight of Company Strategy
- ✓ Annual Board Evaluations
- ✓ Robust Shareholder Engagement
- ✓ Commitment to Board Refreshment and Succession Planning
- ✓ Focus on Management Development and Succession Planning

Shareholder Rights

- ✓ Market Standard Proxy Access Right
- ✓ Shareholder Right to Call Special Meetings
- ✓ No Poison Pill
- ✓ No Supermajority Voting Requirements
- ✓ Annual Election of All Directors
- ✓ Majority Voting for Director Elections

The Board's Year in Strategy

The Board's activities are structured to oversee Walmart's strategy and to provide advice and counsel to management. The Board, working closely with the executive management team, has committed to important initiatives to better serve our customers and pursue our key objectives of making every day easier for busy families, sharpening our culture and becoming more digital, operating with discipline and making trust a competitive advantage.

Since last year's meeting, and among other matters, the Board was involved in these governance and strategy discussions and actions:

- ✓ Approving a 3-for-1 forward stock split, Walmart's first stock split since 1999, and increasing the annual dividend payment by 9%
- ✓ Walmart's continued investments in technology and supply chain optimization, including new fulfillment and distribution centers
- ✓ Walmart's ongoing investments in associate compensation, training and education to support our omni-channel strategy
- ✓ Ongoing review of our international portfolio of operations
- ✓ Oversight of our enterprise strategy, including emerging new businesses and the development of our marketplace platform where sellers can market their products and reach more buyers through Walmart's eCommerce websites

2024 Proxy Statement 25

Key Examples

Target 2024 Proxy Statement

Comprehensive table of governance practices with cross-references to other places in the proxy where the topics are discussed

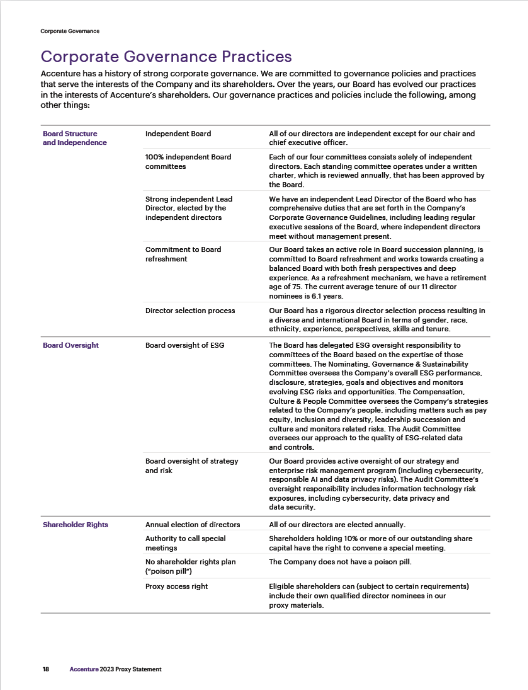
General information about corporate governance and the Board

Corporate governance highlights

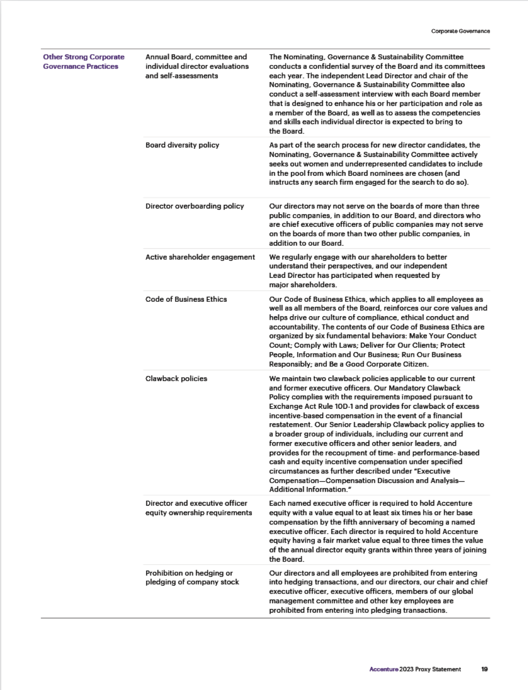
General information about corporate governance and the Board

Accenture 2023 Proxy Statement

Detailed but well organized table



Corporate Governance Practices



Other Strong Corporate Governance Practices

Table of Contents Topic Table of Contents

Oversight of Strategy

Since board oversight of a company's strategy and long-term value creation is arguably the board's most important function, it is not surprising that more proxies are including information about the board's engagement in overseeing strategy. Importantly, this discussion should also support, and be supported by, the discussion of director skills by clearly identifying and linking the director skills essential to overseeing the company's strategy and explaining how the board is continually assessing its needs to address changes in strategic direction.

In evaluating proxy contests, investors will often look to see if the current board's oversight of company strategy or execution has been deficient. Therefore, companies that provide transparent disclosures related to the board's strategic oversight, and its connection with the other major risk topics and governance processes, are more likely to receive shareholder support of the company's slate of directors.

What to Think About

- **Dedicated Section on Strategy Oversight:** We recommend a standalone section, near the beginning of the board oversight disclosures, dedicated to the board's strategic oversight role, which may or may not be combined with a discussion of risk oversight.
- **Infographic Opportunities:** Consideration should be given to grouping all oversight topics under a board responsibilities header and including a visual at the beginning of the section to demonstrate how oversight of strategy is related to other board responsibilities. In addition, companies are increasingly using infographics to demonstrate the Board's cadence or activities related to strategic governance and oversight.
- **Disclosure Considerations:** Investors and other stakeholders want a clear view into the boardroom to understand how the board oversees the creation of the company's strategy, including the frequency and ways in which it is reviewed. They want to understand the interrelationships among the company's strategy, the risks that are significant to the company's business (including climate change risk), and executive compensation. Investors also want assurance that there is strong alignment of the directors' areas of expertise with a company's strategy.

Labrador Transparency Award Criteria

- The document includes a dedicated section, sub-section or callout discussing the board's role in oversight of strategy.

Benchmarking

Oversight of Strategy

57.0%

The document includes a dedicated section, sub-section or callout discussing the board's oversight of strategy

59.6%

Located in its own section

36.8%

Combined with Risk Oversight section

3.5%

Discussed in other location within the document

Key Examples

Allstate 2024 Proxy Statement

Key responsibilities infographic with tie into board skills in introduction

2024 Proxy Statement
Corporate Governance

Engaged Oversight

Allstate's Board brings the right skills, expertise and experience to effectively oversee the business, including the company's significant risk and return priorities.

3

Key Areas of Risk Oversight

Risk and Return Management	Ethics and Compliance	Strategy
Operating and Financial Performance	Human Capital Management	Cybersecurity
Political Engagement	Sustainability	Compensation

The Board has primary responsibility for risk oversight and the Board committees assist the Board in fulfilling its oversight of the company's risk and return management structure and governance. Risks are regularly identified, measured, managed and reported and risk and return perspectives are shared with the Board across six risk types: financial, insurance, investment, operational, strategic execution and culture.

The chief risk officer's assessment of Allstate's current risk position and alignment with risk and return principles is reviewed throughout the year, including risks associated with risk and return management structure, ethics and compliance, strategy, operating performance, human capital management, cybersecurity, political engagement, sustainability (including climate) and compensation.

See page 49 for additional detailed information about governance and oversight of risk management. ▸

NEW

What's New

In 2023, the Board reviewed correlation risks and enterprise diversification, which results from the company's highly diversified mix of business and investment activities.

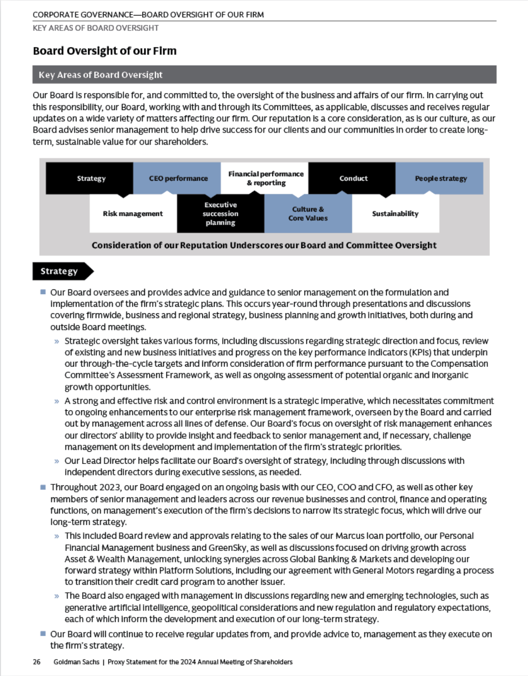
Risks are regularly identified, measured, managed and reported and risk and return perspectives are shared with the Board across six risk types:

Financial	Insurance	Investment
Operational	Strategic Execution	Culture

48 The Allstate Corporation | AllstateProxy.com

Goldman Sachs 2024 Proxy Statement

Key responsibilities infographic, with detailed narrative using bullet point presentation



CORPORATE GOVERNANCE—BOARD OVERSIGHT OF OUR FIRM
KEY AREAS OF BOARD OVERSIGHT

Board Oversight of our Firm

Key Areas of Board Oversight

Our Board is responsible for, and committed to, the oversight of the business and affairs of our firm. In carrying out this responsibility, our Board, working with and through its Committees, as applicable, discusses and receives regular updates on a wide variety of matters affecting our firm. Our reputation is a core consideration, as is our culture, as our Board advises senior management to help drive success for our clients and our communities in order to create long-term, sustainable value for our shareholders.

Strategy | CEO performance | Financial performance & reporting | Conduct | People strategy
Risk management | Executive succession planning | Culture & Core Values | Sustainability

Consideration of our Reputation Underscores our Board and Committee Oversight

Strategy

- Our Board oversees and provides advice and guidance to senior management on the formulation and implementation of the firm's strategic plans. This occurs year-round through presentations and discussions covering firmwide, business and regional strategy, business planning and growth initiatives, both during and outside Board meetings.
  - » Strategic oversight takes various forms, including discussions regarding strategic direction and focus, review of existing and new business initiatives and progress on the key performance indicators (KPIs) that underpin our through-the-cycle targets and inform consideration of firm performance pursuant to the Compensation Committee's Assessment Framework, as well as ongoing assessment of potential organic and inorganic growth opportunities.
  - » A strong and effective risk and control environment is a strategic imperative, which necessitates commitment to ongoing enhancements to our enterprise risk management framework, overseen by the Board and carried out by management across all lines of defense. Our Board's focus on oversight of risk management enhances our directors' ability to provide insight and feedback to senior management and, if necessary, challenge management on its development and implementation of the firm's strategic priorities.
  - » Our Lead Director helps facilitate our Board's oversight of strategy, including through discussions with independent directors during executive sessions, as needed.
- Throughout 2023, our Board engaged on an ongoing basis with our CEO, COO and CFO, as well as other key members of senior management and leaders across our revenue businesses and control, finance and operating functions, on management's execution of the firm's decisions to narrow its strategic focus, which will drive our long-term strategy.
  - » This included Board review and approvals relating to the sales of our Marcus loan portfolio, our Personal Financial Management business and GreenSky, as well as discussions focused on driving growth across Asset & Wealth Management, unlocking synergies across Global Banking & Markets and developing our forward strategy within Platform Solutions, including our agreement with General Motors regarding a process to transition their credit card program to another issuer.
  - » The Board also engaged with management in discussions regarding new and emerging technologies, such as generative artificial intelligence, geopolitical considerations and new regulation and regulatory expectations, each of which inform the development and execution of our long-term strategy.
- Our Board will continue to receive regular updates from, and provide advice to, management as they execute on the firm's strategy.

26 Goldman Sachs | Proxy Statement for the 2024 Annual Meeting of Shareholders

◂ Table of Contents Topic Table of Contents

Key Examples

Coca Cola Company 2024 Proxy Statement

Key responsibilities infographic combined with infographic on strategic oversight

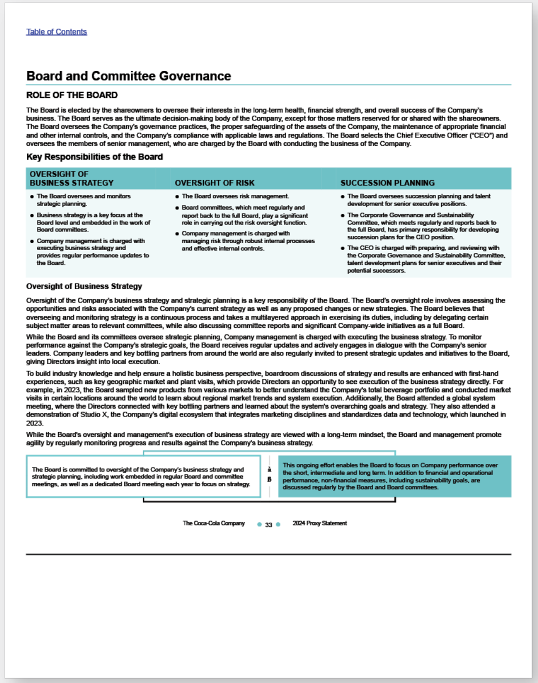


Table of Contents

Board and Committee Governance

ROLE OF THE BOARD

Key Responsibilities of the Board

OVERSIGHT OF BUSINESS STRATEGY

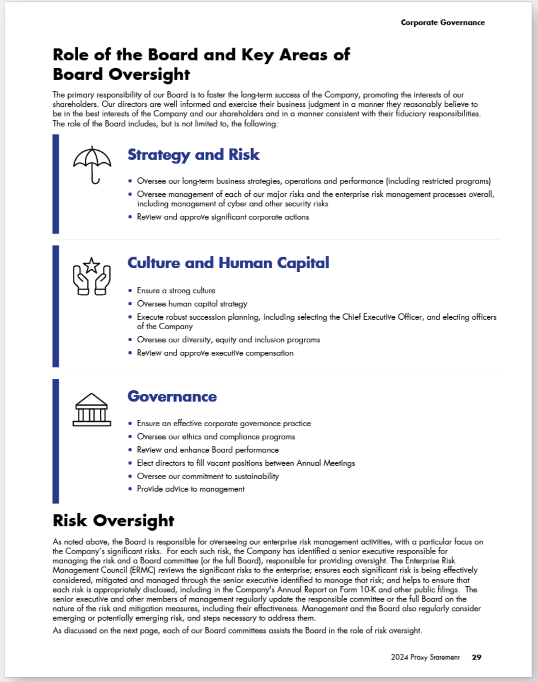
OVERSIGHT OF RISK

SUCCESSION PLANNING

Oversight of Business Strategy

Northrop Grumman 2024 Proxy Statement

Key responsibilities infographic


Corporate Governance

Role of the Board and Key Areas of Board Oversight

Strategy and Risk

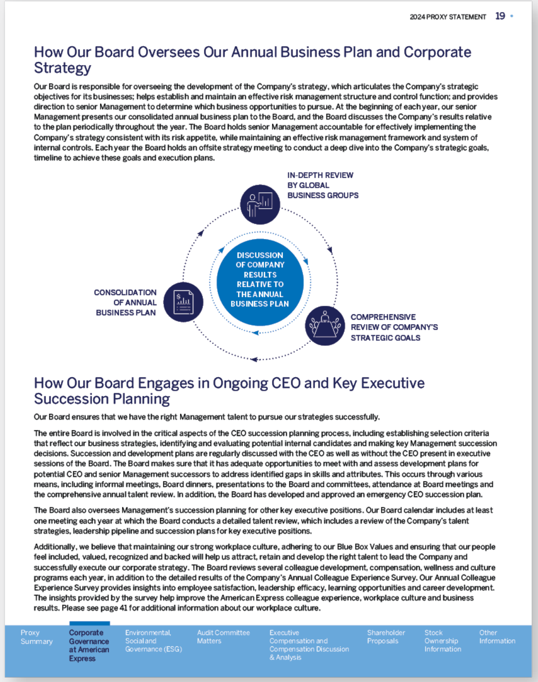
Culture and Human Capital

Governance

Risk Oversight

American Express 2024 Proxy Statement

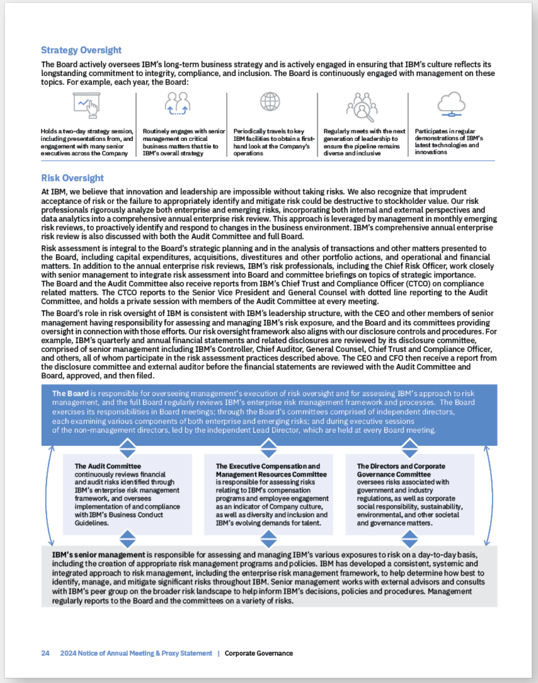
Strategy Oversight Infographic


How Our Board Oversees Our Annual Business Plan and Corporate Strategy

How Our Board Engages in Ongoing CEO and Key Executive Succession Planning

IBM 2024 Proxy Statement

Strategy Oversight Infographic


Strategy Oversight

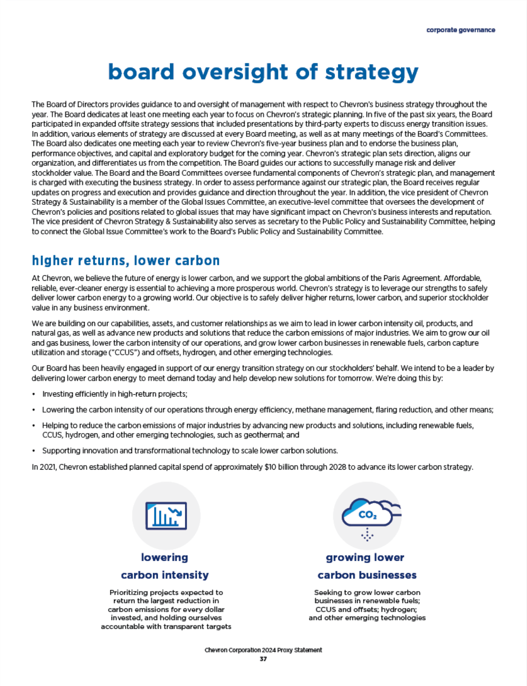
Risk Oversight

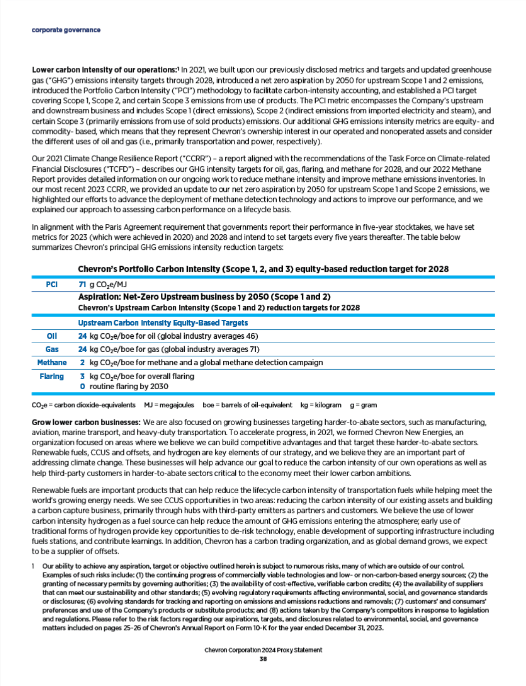
◀ Table of Contents Topic Table of Contents

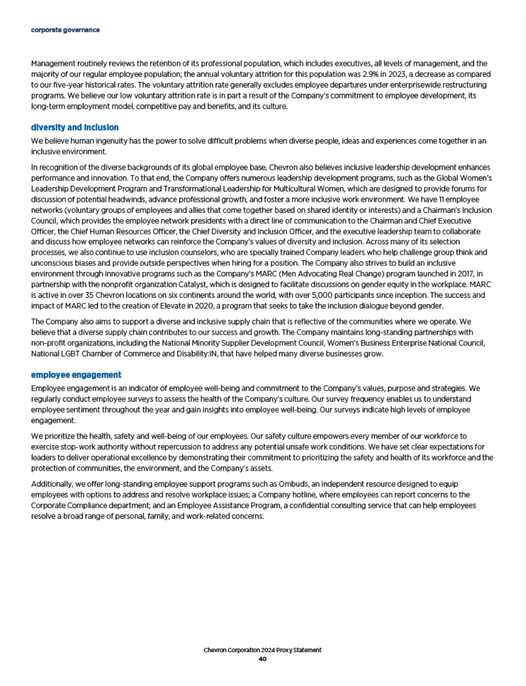
Key Examples

Chevron 2024 Proxy Statement

Discussion of emissions and HCM as part of oversight of strategy







Oversight of Risk

Initially, risk oversight disclosures were driven by SEC rules and focused on delegation of risk oversight among board committees. Companies described how the board, through its committees, administered its oversight function. With more regulatory scrutiny on risk factors in the Form 10-K and other key risk disclosures (such as HCM, cybersecurity and climate risk), there has been a trend to include more discussion of those topics in proxy statements. In addition, in 2022, the SEC issued comment letters to dozens of companies requesting detailed disclosure on their enterprise risk management process and a number of different topics to provide more context for how the board and its committees evaluate, and provide direct and independent oversight of, existing and significant emerging risks.

What to Think About

Investors view risk oversight as a key board responsibility and specifically want to know that a board has a comprehensive approach to not only identifying and managing risks, but also disclosing risks that may impact shareholder value.

Risk oversight disclosure should give investors a sense of the company's operational risk management practices (over the short-, medium- and long-term) and, as importantly, that the board has access to the information it needs to exercise proper oversight.

Content: A comprehensive, integrated and well-designed risk oversight disclosure includes the following:

- Division of risk topics among the full board and its committees
- Overview of **enterprise risk management (ERM)** processes, including i) how risks are identified, assessed and rise to the level of board oversight, ii) what executives are involved in reporting up, and iii) how frequently updates are given on the most significant topics
- Timeframes for evaluating risks, including how oversight i) differs depending on the immediacy of the risk and/or ii) evolves with changes in a company's strategy, business or risk profile
- How board leadership structure supports effective risk oversight

Labrador Transparency Award Criteria

- The distribution of risk oversight responsibilities among the Board, Board committees, and management is depicted in a matrix, table, graphic or using other visual elements.
- Within the risk oversight section, there is an overview of the enterprise risk management (ERM) process including timeframes for assessing risks (short, medium, long-term).
- The document includes a dedicated section, subsection or callout discussing the board's role in oversight of information security/cybersecurity/data privacy risks.

- Additional recommended disclosures identified in the **SEC comment letter** include:
  - Use of outside advisors and experts to help evaluate emerging and future risks, and how often the board re-assesses the risk environment
  - How the risk oversight process aligns with disclosure controls
  - Existence of chief compliance officer and to whom that person reports
  - Whether the lead independent director can require the board to override the CEO on any risk matter

Use of tables and graphics: Best practice disclosure uses tables and graphics in addition to narrative disclosure to provide an "at-a-glance" overview of risk oversight, including:

- List of key risks in bullet format in a table that divides up board and each committee to allow readers to quickly assess whether important topics are appropriately covered
- Graphic showing management-level ERM process

Sustainability-related risks: Stakeholders want companies to identify the risk areas overseen by the board and its committees.

- ***Placement***: Many companies include a discussion of ESG oversight either within or immediately following the risk section and/or spotlight ESG subtopics in callout boxes or separate subsections. For additional guidance on Sustainability disclosures, see the Sustainability and HCM section of this guide.
- ***Sustainability subtopics***: Most frequent subtopics are **cybersecurity/privacy, HCM/DEI**, and **public policy** engagement. Other subtopics include **safety, human rights, charitable giving, water**, and **biodiversity.**

Other mission-critical risks: Companies should also address any "mission critical" risks specific to their business. Potential topics include: **supply chain disruption, reputational risk**, or **tax** or **capital allocation strategies**

Alignment across reporting: Companies should review their Form 10-K risk factors since past SEC comment letters indicate that the SEC is looking for consistency between risk factors and board oversight disclosures.

A Note on Cybersecurity

Companies must now include disclosures in their Form 10-K related to their risk management processes for, and oversight of, material risks from cybersecurity threats, which have been historically been discussed - at varying levels of detail - in proxy statements and ESG reports.

So far, we have seen that companies continue to discuss cybersecurity oversight in their proxy statements, often with more fulsome disclosures tied to the specific rule requirements in their Form 10-Ks.

Time will tell if the final rule prompts a change in disclosure practice, i.e., whether it results in cybersecurity disclosure being included in the Form 10-K only. We anticipate, though, that companies will continue to include some cybersecurity oversight disclosures in their proxy statements, while including more fulsome disclosures tied to the specific rule requirements in their Form 10-K. This is similar to how disclosures related to human capital management have evolved since human capital management became a required disclosure item in annual reports a few years ago.

◀ Table of Contents Topic Table of Contents

Benchmarking

63%
The risk oversight section discusses the role of management

69%
The distribution of specific risk oversight responsibilities among the Board, Board committees, and management is depicted in a matrix, table, graphic or using other visual elements

53%
Within the risk oversight section, there is an overview of the enterprise risk management (ERM) process including timeframes for assessing risks (short, medium, long-term)

Other notable risk topics discussed in the document:

60%
Board's role in oversight of information security/cybersecurity/data privacy risks

43%
Board's role in oversight of political spending

72%
Board's role in oversight of ESG

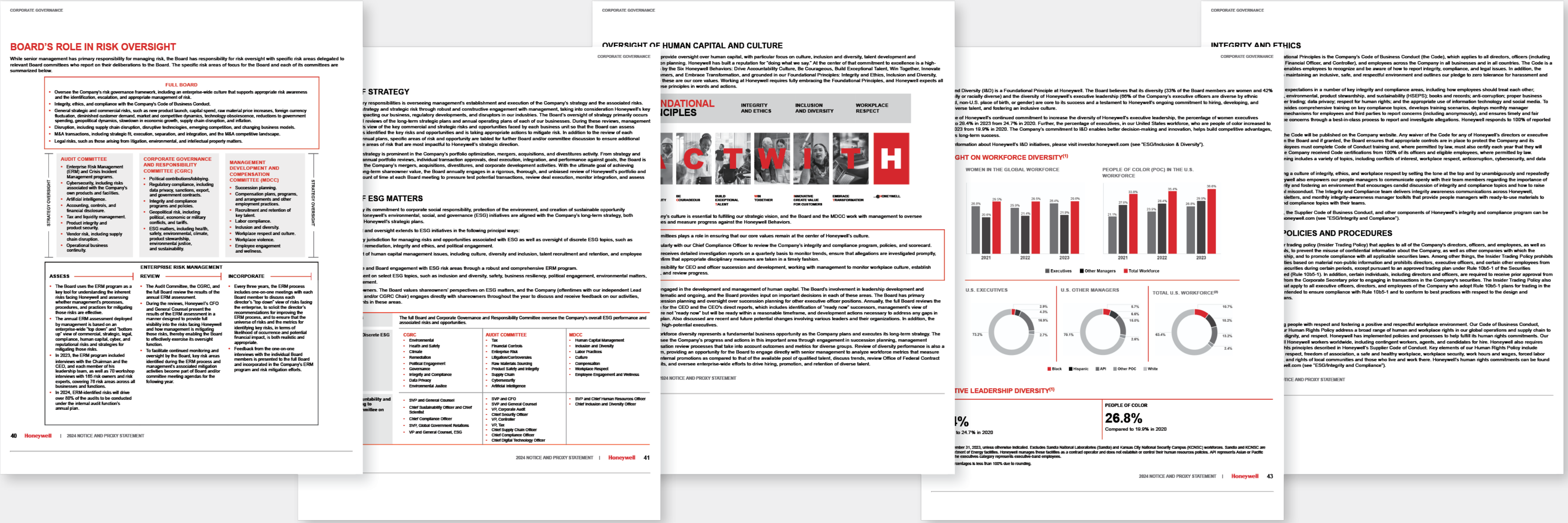
40%
Board's role in oversight of HCM

◀ Table of Contents Topic Table of Contents

Key Examples

Honeywell 2024 Proxy Statement

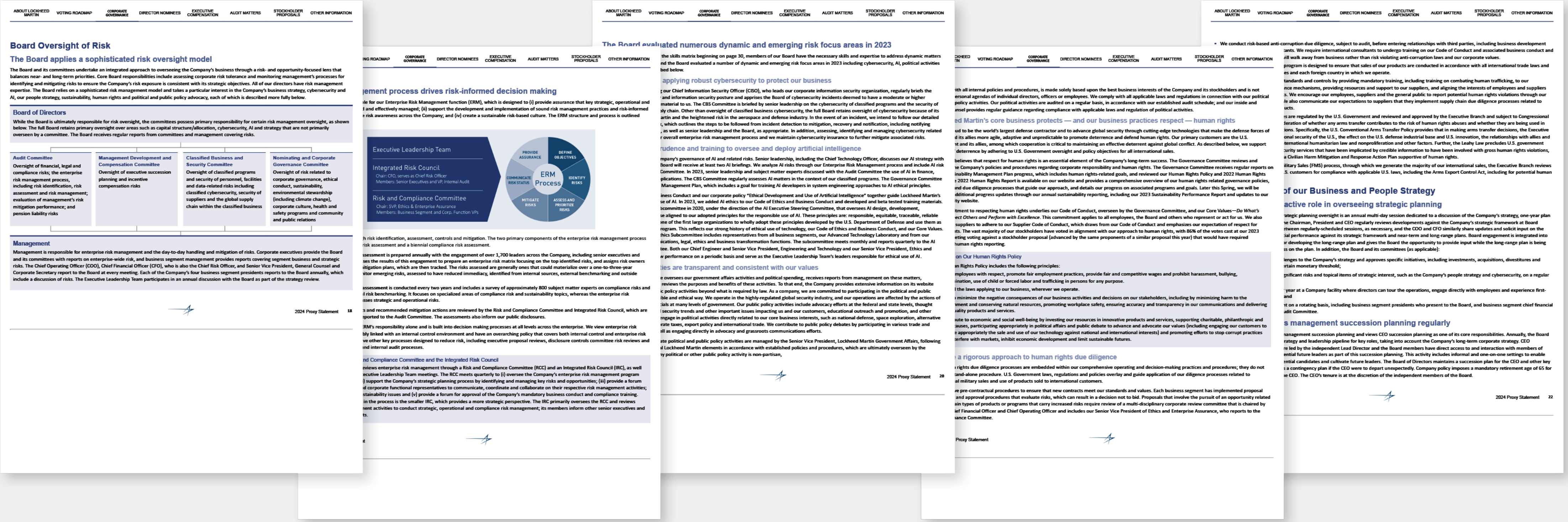
5-page starting with comprehensive graphic showing board/committee oversight and ERM process, then discusses oversight of specific risks, including strategy, ESG, HCM, ethics, etc.



Key Examples

Lockheed Martin 2024 Proxy Statement

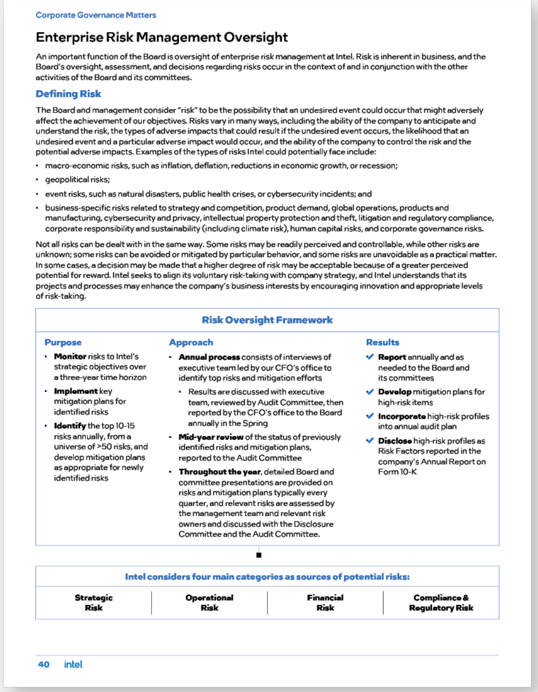
4+page detailed disclosure with descriptive headers to guide the reader through the board's active and thorough oversight of risk management; comprehensive graphic and narrative description of ERM process

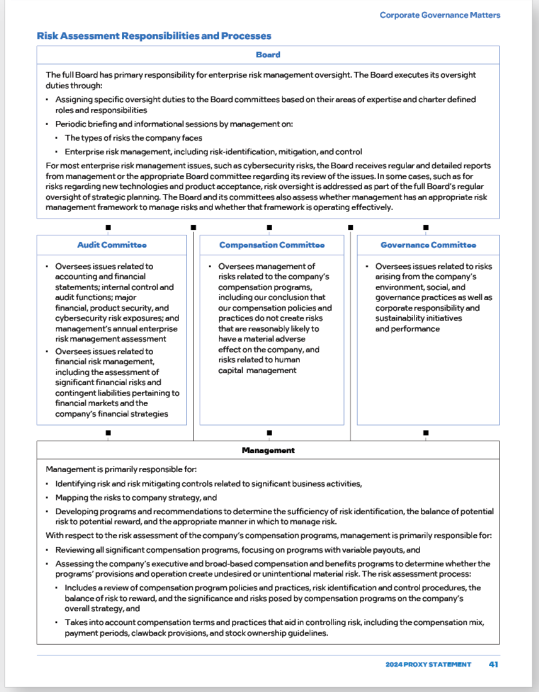


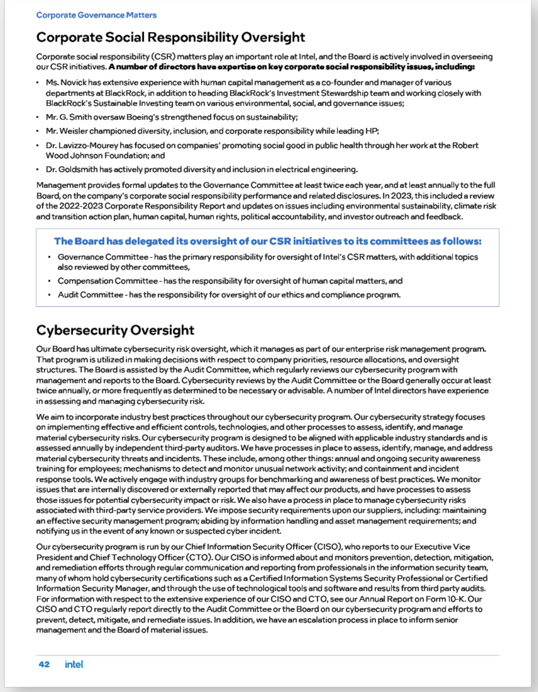
Key Examples

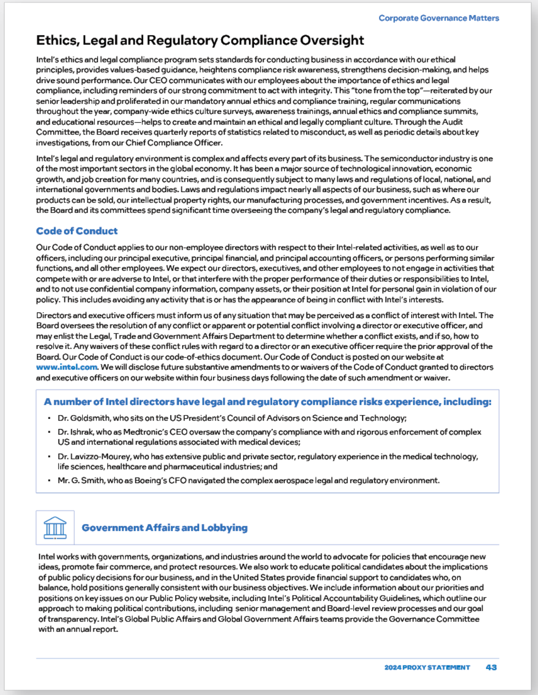
Intel 2024 Proxy Statement

4-page on risk oversight, starting with graphic-heavy two pages on ERM oversight (including how to define risk), followed by detailed disclosure on key risks, including CSR, cyber, ethics and political activity; CSR section lists experience of individual directors









◀ Table of Contents Topic Table of Contents

Key Examples

PepsiCo 2024 Proxy Statement

3-page disclosure addresses requests from SEC comment letter, including risk committees at the management level; use of outside advisors; cross-reference to how board leadership structure supports effective risk oversight; and table highlighting oversight of six key risks

Corporate Governance at PepsiCo

The Board's Oversight of Risk Management

The Board recognizes that the achievement of our strategic and operating objectives involves risks, many of which evolve over time. The Board has oversight responsibility for PepsiCo's integrated risk management framework, which is designed to identify, assess, prioritize, address, manage, monitor and communicate these risks across the Company's operations, and foster a corporate culture of integrity and risk awareness. Consistent with this approach, one of the Board's primary responsibilities is overseeing and interacting with senior management with respect to key aspects of the Company's business, including risk assessment and risk mitigation of the Company's top risks.

The Board receives and provides feedback on regular updates from management regarding the Company's top risks, including updates from members of management responsible for overseeing impacted areas, governance processes associated with managing these risks, the status of projects to strengthen the Company's risk mitigation efforts and recent incidents impacting the industry and threat landscape. In evaluating top risks, the Board and management consider short-, medium-, and long-term potential impacts on the Company's business, financial condition, and results of operations, including looking at the internal and external environment when evaluating risks, risk amplifiers and emerging trends, and considers the risk horizon as part of prioritizing the Company's risk mitigation efforts. The Board receives updates through presentations, memos and other written materials, teleconferences, and other appropriate means of communication, with numerous opportunities for discussion and feedback, and continuously evaluates its approach in addressing top risks as circumstances evolve. PepsiCo's risk oversight processes and disclosure controls and procedures are designed to appropriately escalate key risks to the Board as well as to analyze potential risks for disclosure.

The Board also receives periodic updates from external experts and advisers on global macroeconomic trends and conditions that may impact the Company's strategy and financial performance, including geopolitical conflicts, economic instability, labor market trends, changing consumer behavior, retail disruption, and digitalization.

RISK MANAGEMENT FRAMEWORK

BOARD OVERSIGHT

Board of Directors
The Board has oversight responsibility for PepsiCo's integrated risk management framework. Throughout the year, the Board and the relevant Committees receive updates from management with respect to various enterprise risk management issues and dedicate a portion of their meetings to reviewing and discussing specific risk topics in greater detail, including risks related to cybersecurity, food safety, sustainability, human capital management, including diversity, equity and inclusion, and supply chain and commodity inflation.

The Board has tasked designated Committees of the Board with oversight of certain categories of risk management, and the Committees report to the Board regularly on these matters.

Audit Committee
Reviews and assesses the guidelines and policies governing the Company's risk management and oversight processes, and assists with the Board's oversight of financial, compliance and employee safety risks facing the Company.

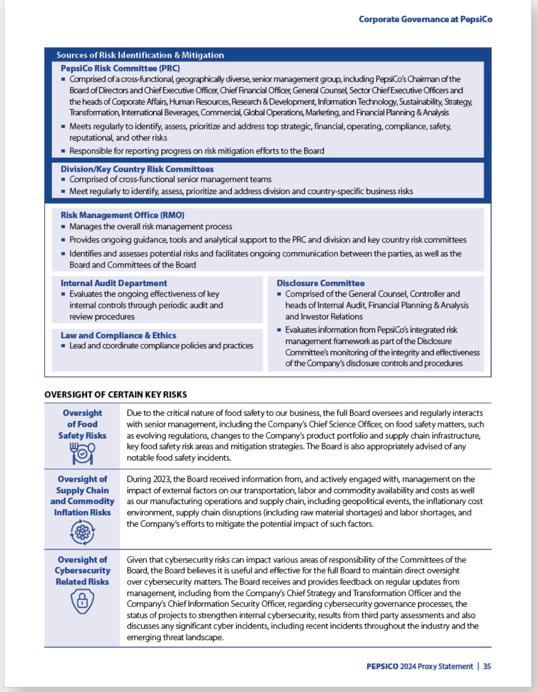
The Audit Committee also assists the Board's oversight of the Company's compliance with legal and regulatory requirements, and the General Counsel and the Chief Compliance & Ethics Officer, who reports to the General Counsel, each meets regularly with the Audit Committee, including in executive session without management present.

Compensation Committee
Reviews the Company's employee compensation policies and practices to assess whether such policies and practices could lead to unnecessary risk-taking behavior.

Nominating and Corporate Governance Committee
Assists the Board in its oversight of the Company's governance structure and other corporate governance matters, including succession planning.

Sustainability, Diversity and Public Policy Committee
Assists the Board in its oversight of the Company's policies, programs and related risks that concern key sustainability, diversity, equity and inclusion and public policy matters, including climate change.

34 | PEPSICO 2024 Proxy Statement



Corporate Governance at PepsiCo

Sources of Risk Identification & Mitigation

PepsiCo Risk Committee (PRC)
- Comprised of a cross-functional, geographically diverse, senior management group, including PepsiCo's Chairman of the Board of Directors and Chief Executive Officer, Chief Financial Officer, General Counsel, Sector Chief Executive Officers and the heads of Corporate Affairs, Human Resources, Research & Development, Information Technology, Sustainability, Strategy, Transformation, International Beverages, Commercial, Global Operations, Marketing, and Financial Planning & Analysis
- Meets regularly to identify, assess, prioritize and address top strategic, financial, operating, compliance, safety, reputational, and other risks
- Responsible for reporting progress on risk mitigation efforts to the Board

Division/Key Country Risk Committees
- Comprised of cross-functional senior management teams
- Meet regularly to identify, assess, prioritize and address division and country-specific business risks

Risk Management Office (RMO)
- Manages the overall risk management process
- Provides ongoing guidance, tools and analytical support to the PRC and division and key country risk committees
- Identifies and assesses potential risks and facilitates ongoing communication between the parties, as well as the Board and Committees of the Board

Internal Audit Department
- Evaluates the ongoing effectiveness of key internal controls through periodic audit and review procedures

Law and Compliance & Ethics
- Lead and coordinate compliance policies and practices

Disclosure Committee
- Comprised of the General Counsel, Controller and heads of Internal Audit, Financial Planning & Analysis and Investor Relations
- Evaluates information from PepsiCo's integrated risk management framework as part of the Disclosure Committee's monitoring of the integrity and effectiveness of the Company's disclosure controls and procedures

OVERSIGHT OF CERTAIN KEY RISKS

Oversight of Food Safety Risks	Due to the critical nature of food safety to our business, the full Board oversees and regularly interacts with senior management, including the Company's Chief Science Officer, on food safety matters, such as evolving regulations, changes to the Company's product portfolio and supply chain infrastructure, key food safety risk areas and mitigation strategies. The Board is also appropriately advised of any notable food safety incidents.
Oversight of Supply Chain and Commodity Inflation Risks	During 2023, the Board received information from, and actively engaged with, management on the impact of external factors on our transportation, labor and commodity availability and costs as well as our manufacturing operations and supply chain, including geopolitical events, the inflationary cost environment, supply chain disruptions (including raw material shortages) and labor shortages, and the Company's efforts to mitigate the potential impact of such factors.
Oversight of Cybersecurity Related Risks	Given that cybersecurity risks can impact various areas of responsibility of the Committees of the Board, the Board believes it is useful and effective for the full Board to maintain direct oversight over cybersecurity matters. The Board receives and provides feedback on regular updates from management, including from the Company's Chief Strategy and Transformation Officer and the Company's Chief Information Security Officer, regarding cybersecurity governance processes, the status of projects to strengthen internal cybersecurity, results from third party assessments and also discusses any significant cyber incidents, including recent incidents throughout the industry and the emerging threat landscape.

PEPSICO 2024 Proxy Statement | 35

Corporate Governance at PepsiCo

Oversight of Climate Change Related Risks	The Sustainability, Diversity and Public Policy Committee assists the Board in overseeing the management of long-term risks posed by climate change, including specific actions performed in order to protect the Company from the negative effects of climate change. In addition, the Committee reviews PepsiCo's sustainability programs and goals related to reducing our climate impact in our operations throughout our value chain and monitors our progress toward achieving such goals.
Oversight of Human Capital Management Related Risks	The Board is actively engaged in overseeing senior management development and succession as well as key human capital management strategies and potential related risks. The Compensation Committee oversees the design of all material employee benefit plans and programs, the Nominating and Corporate Governance Committee oversees CEO and director succession plans, and the Sustainability, Diversity and Public Policy Committee oversees initiatives and progress related to diversity, equity and inclusion. Each of the Committees provide reports and feedback to the full Board for its collective review and discussion. For more information, please see "The Board's Role in Human Capital Management and Talent Development" beginning on page 36 of this Proxy Statement.
Oversight of Human Rights Related Risks	The Sustainability, Diversity and Public Policy Committee assists the Board in overseeing PepsiCo's policies, practices and related risks that concern human rights matters. The Committee receives and provides feedback on regular updates from management, including the Company's General Counsel and Chief Human Rights Officer, regarding emerging business and human rights trends, the Company's human rights due diligence programs, and actions that have been taken to advance our vision for human rights at PepsiCo and across our broader value chain. In addition, the Board reviews and approves PepsiCo's annual statement detailing the actions we have taken to prevent modern slavery and human trafficking in our business and supply chain.

At its February 2024 meeting, the Compensation Committee reviewed the results of the 2023 annual compensation risk assessment and concluded that the risks arising from the Company's overall compensation programs are not reasonably likely to have a material adverse effect on the Company.

The Company believes that the Board's leadership structure, discussed in detail under "Board Leadership Structure" on pages 25-27 of this Proxy Statement, supports the risk oversight function of the Board, with the Chairman and CEO uniquely positioned to identify emerging risks while the independent Presiding Director and the Chairs of the Board's four Committees provide independent oversight of the Company's risk management programs.

The Board's Role in Human Capital Management and Talent Development

The Board believes that human capital management and talent development are vital to PepsiCo's continued success. They are integral elements of our strategic framework and we strive to create a diverse and inclusive workplace with meaningful opportunities that will attract and retain the best and brightest in a competitive talent landscape.

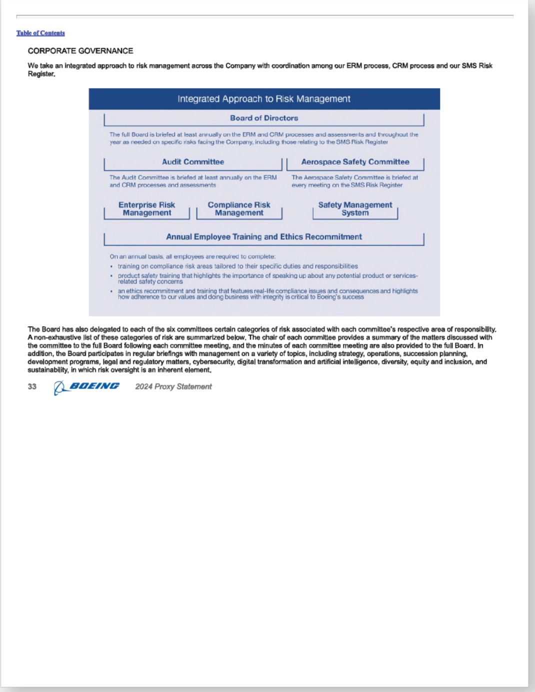
Our Board's involvement in leadership development and succession planning is systematic and ongoing, and the Board provides input on important decisions in each of these areas. The Board has primary responsibility for succession planning for the CEO and oversight of other executive officer positions. The Nominating and Corporate Governance Committee oversees the development of the process and protocols regarding succession plans for the CEO, and annually reviews these protocols. To assist the Board, the CEO annually provides the Board with an assessment of senior managers and their potential to succeed to the position of CEO, developed in consultation with the Presiding Director and the Chair of the Nominating and Corporate Governance Committee. The Board meets regularly with high-potential executives, both in small group and one-on-one settings. The Board has overseen appointments of current direct reports of the CEO, who include seven executives globally who are racially/ethnically diverse and/or female, demonstrating our focus on building a highly skilled and diverse executive team that brings a broad array of opinions and perspectives that are reflective of our global businesses. This includes the appointment of Becky Schmitt as the new Chief Human Resources Officer of PepsiCo in 2023, to lead the global Human Resources organization, including all aspects of people management and advancing our efforts to attract world-class talent and future-proof our workforce.

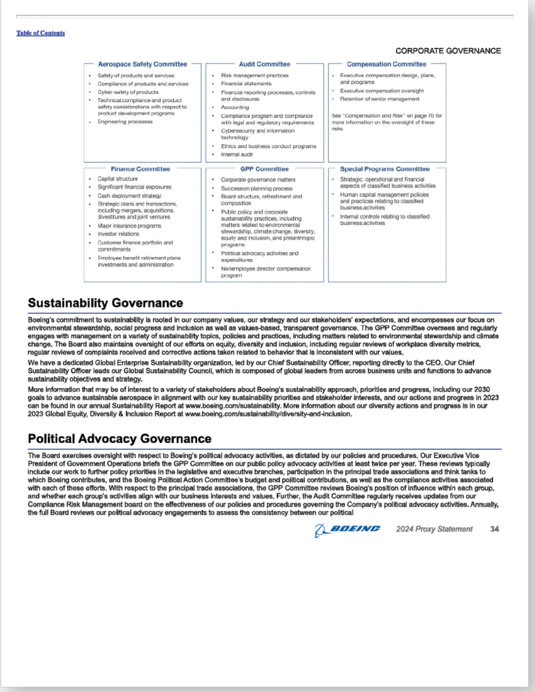
36 | PEPSICO 2024 Proxy Statement

Key Examples

Boeing Company 2024 Proxy Statement

3-page section that balances graphic and narrative disclosure, with a simple graphic that shows a comprehensive, at-a-glance depiction of integrated risk management from the board and its committees down to employee training

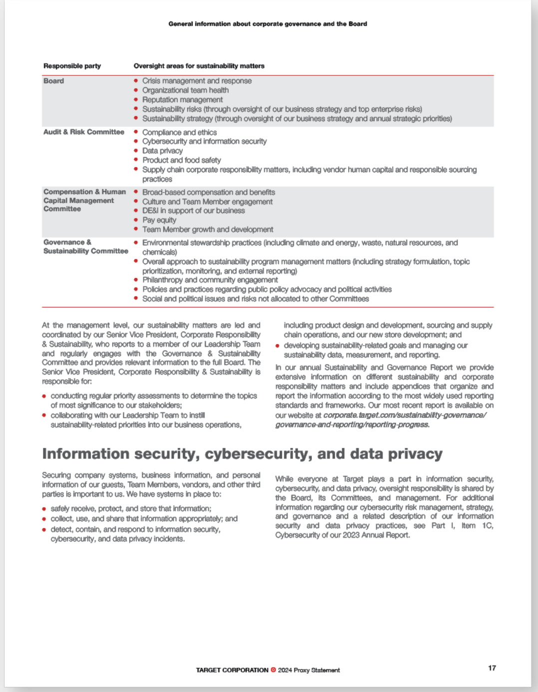




Key Examples

Target 2024 Proxy Statement

1+page section that balances graphic and narrative disclosure of board/committee oversight and the role of management; separate discussions of succession planning, sustainability and cyber/privacy oversight [note: used to have more detailed disclosure on cyber/privacy but now streamlined with cross-reference to Form 10-K]

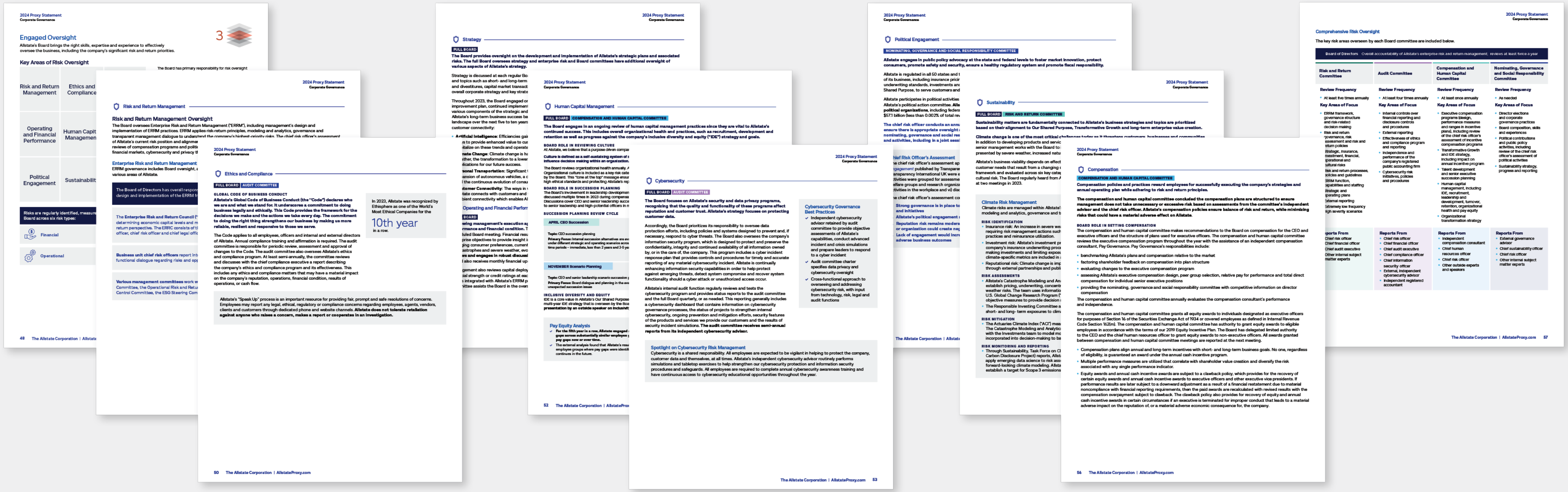


◀ Table of Contents Topic Table of Contents

Key Examples

Allstate 2024 Proxy Statement

Allstate has a lengthy, standalone section entitled "Engaged Oversight" which addresses nine subsets of risk oversight, including strategy, risk & return, financial & operational, sustainability, HCM, cyber, etc., devoting a page to nearly every topics, and ending with a graphic showing "Comprehensive Risk Oversight" by the board and its committees



Management Succession Planning

Management succession is viewed as a key board responsibility and perhaps one of its most important functions. Over the last few years, in response to stakeholder interest, more companies are describing their processes, including the importance the board places on this activity and the committee charged with primary oversight responsibility. Best practice companies are also providing enough details to illustrate a continuous and robust review.

What to Think About

- **Dedicated Section on Management Succession Planning:** We recommend a standalone section as part of the board oversight or key board roles and responsibilities section. Many companies include the discussion within their Human Capital Management section - if so, make sure the section heading is prominent as management succession planning and HCM cover different topics.
    - If there has been a recent CEO or other senior management transition, we would also expect that to be discussed in the letter(s) from leadership and introduction to CD&A.
- **Succession Planning.** Management succession planning is often a standalone section in a company's proxy statement – either within the human capital management section or in the broader board oversight section. We recommend that companies emphasize the importance the Board places on robust succession planning processes, i.e., succession planning should be seen as one of the primary focus areas for a board. Companies should disclose the board committee with oversight responsibility, frequency and type of reviews, internal participants involved, role of diversity in the executive search, and whether an independent third party is used. Companies often reference whether they have emergency succession plans in place for the CEO. More fulsome succession planning disclosures are provided throughout the proxy statement, including in the proxy summary and board letter, when there has been a recent change in senior leadership.
- **Infographic Opportunities:** If there has been recent management turnover, a timeline showing the board's process can be helpful. Also use headings to distinguish between long-term succession planning and emergency succession planning

Labrador Transparency Award Criteria

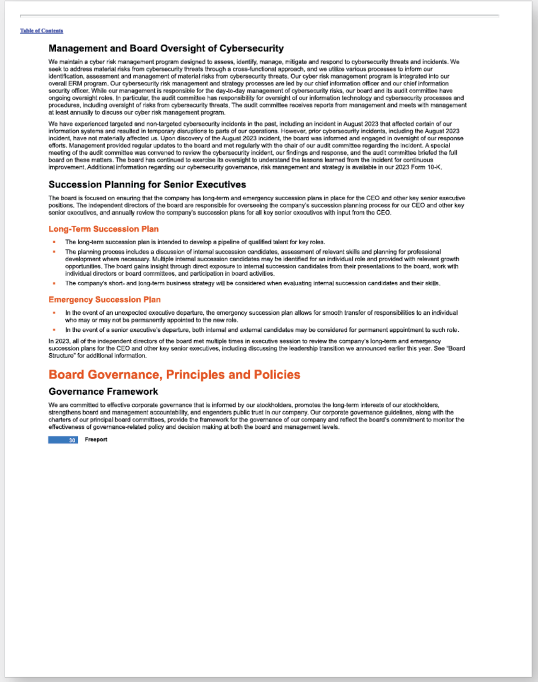
- The document includes a dedicated section, sub-section or callout discussing the board's role in CEO and management succession planning.

◀ Table of Contents Topic Table of Contents

Key Examples

Freeport-McMoRan Inc. 2024 Proxy Statement

Dedicated section under Board oversight, with separate discussions of long-term and emergency succession planning



Management and Board Oversight of Cybersecurity

Succession Planning for Senior Executives

Long-Term Succession Plan

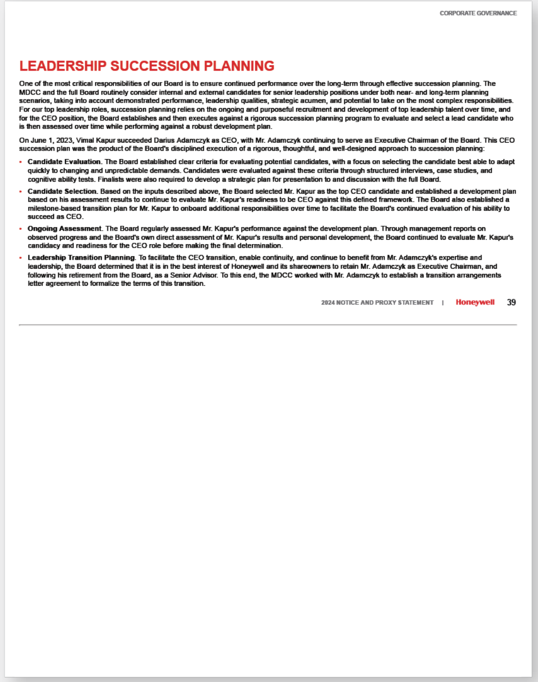
Emergency Succession Plan

Board Governance, Principles and Policies

Governance Framework

Honeywell 2024 Proxy Statement

Dedicated section, coming before risk oversight; discusses recent CEO transition



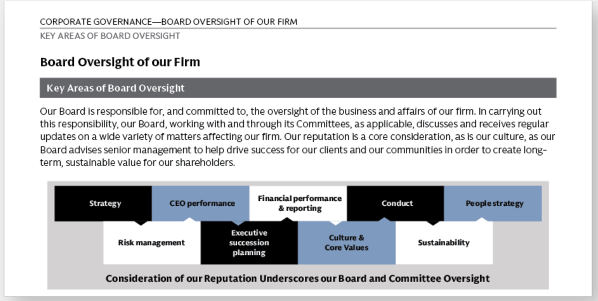
CORPORATE GOVERNANCE

LEADERSHIP SUCCESSION PLANNING

2024 NOTICE AND PROXY STATEMENT | Honeywell 39

Goldman Sachs 2024 Proxy Statement

Board oversight section starts with a graphic showing key oversight areas, with separate discussion on succession planning; simple graphic to underscore how the board interacts with the firm's next generation of leaders



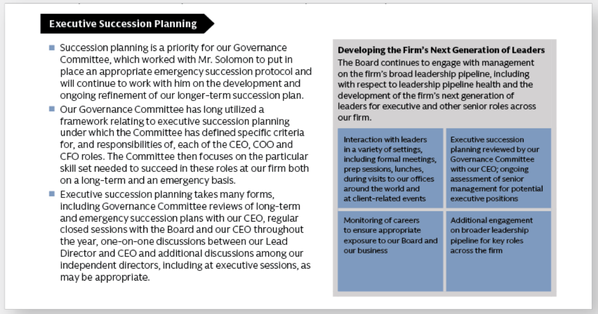
CORPORATE GOVERNANCE—BOARD OVERSIGHT OF OUR FIRM

KEY AREAS OF BOARD OVERSIGHT

Board Oversight of our Firm

Key Areas of Board Oversight

Our Board is responsible for, and committed to, the oversight of the business and affairs of our firm. In carrying out this responsibility, our Board, working with and through its Committees, as applicable, discusses and receives regular updates on a wide variety of matters affecting our firm. Our reputation is a core consideration, as is our culture, as our Board advises senior management to help drive success for our clients and our communities in order to create long-term, sustainable value for our shareholders.



Executive Succession Planning

- Succession planning is a priority for our Governance Committee, which worked with Mr. Solomon to put in place an appropriate emergency succession protocol and will continue to work with him on the development and ongoing refinement of our longer-term succession plan.
- Our Governance Committee has long utilized a framework relating to executive succession planning under which the Committee has defined specific criteria for, and responsibilities of, each of the CEO, COO and CFO roles. The Committee then focuses on the particular skill set needed to succeed in these roles at our firm both on a long-term and an emergency basis.
- Executive succession planning takes many forms, including Governance Committee reviews of long-term and emergency succession plans with our CEO, regular closed sessions with the Board and our CEO throughout the year, one-on-one discussions between our Lead Director and CEO and additional discussions among our independent directors, including at executive sessions, as may be appropriate.

Developing the Firm's Next Generation of Leaders

The Board continues to engage with management on the firm's broad leadership pipeline, including with respect to leadership pipeline health and the development of the firm's next generation of leaders for executive and other senior roles across our firm.

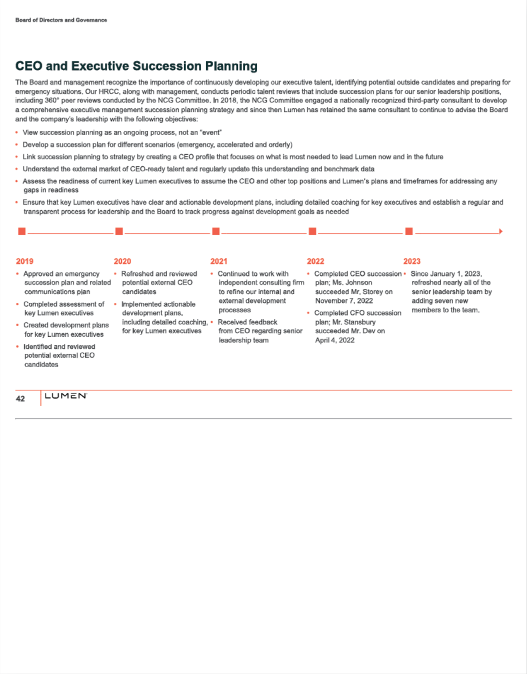
Interaction with leaders in a variety of settings, including formal meetings, prep sessions, lunches, during visits to our offices around the world and at client-related events	Executive succession planning reviewed by our Governance Committee with our CEO; ongoing assessment of senior management for potential executive positions
Monitoring of careers to ensure appropriate exposure to our Board and our business	Additional engagement on broader leadership pipeline for key roles across the firm

Table of Contents Topic Table of Contents

Key Examples

Lumen Technologies 2024 Proxy Statement

Uses a timeline to show the multi-year process leading up to recent CEO transition; refers to use of a nationally-recognized consultant; dedicated section between strategy and risk oversight



Board of Directors and Governance

CEO and Executive Succession Planning

The Board and management recognize the importance of continuously developing our executive talent, identifying potential outside candidates and preparing for emergency situations. Our HRCC, along with management, conducts periodic talent reviews that include succession plans for our senior leadership positions, including 360° peer reviews conducted by the NCG Committee. In 2018, the NCG Committee engaged a nationally recognized third-party consultant to develop a comprehensive executive management succession planning strategy and since then Lumen has retained the same consultant to continue to advise the Board and the company's leadership with the following objectives:

- View succession planning as an ongoing process, not an "event"
- Develop a succession plan for different scenarios (emergency, accelerated and orderly)
- Link succession planning to strategy by creating a CEO profile that focuses on what is most needed to lead Lumen now and in the future
- Understand the external market of CEO-ready talent and regularly update this understanding and benchmark data
- Assess the readiness of current key Lumen executives to assume the CEO and other top positions and Lumen's plans and timeframes for addressing any gaps in readiness
- Ensure that key Lumen executives have clear and actionable development plans, including detailed coaching for key executives and establish a regular and transparent process for leadership and the Board to track progress against development goals as needed

2019
- Approved an emergency succession plan and related communications plan
- Completed assessment of key Lumen executives
- Created development plans for key Lumen executives
- Identified and reviewed potential external CEO candidates

2020
- Refreshed and reviewed potential external CEO candidates
- Implemented actionable development plans, including detailed coaching, for key Lumen executives

2021
- Continued to work with independent consulting firm to refine our internal and external development processes
- Received feedback from CEO regarding senior leadership team

2022
- Completed CEO succession plan; Ms. Johnson succeeded Mr. Storey on November 7, 2022
- Completed CFO succession plan; Mr. Stansbury succeeded Mr. Dev on April 4, 2022

2023
- Since January 1, 2023, refreshed nearly all of the senior leadership team by adding seven new members to the team.

42 | LUMEN

Allstate 2024 Proxy Statement

Uses graphic to show annual succession planning review cycle (discussion part of HCM, which is part of risk oversight)

2024 Proxy Statement
Corporate Governance

Human Capital Management

FULL BOARD | COMPENSATION AND HUMAN CAPITAL COMMITTEE

The Board engages in an ongoing review of human capital management practices since they are vital to Allstate's continued success. This includes overall organizational health and practices, such as recruitment, development and retention as well as progress against the company's inclusive diversity and equity ("IDE") strategy and goals.

BOARD ROLE IN REVIEWING CULTURE
At Allstate, we believe that a purpose driven company must be powered by purpose driven people.

Culture is defined as a self-sustaining system of shared values, priorities and principles that shape beliefs, drive behaviors and influence decision making within an organization.

The Board reviews organizational health annually. At Allstate, we are focusing on how we recruit, retain, develop and engage employees. Organizational culture is included as a key risk category and is monitored and measured by management's ERRM framework and overseen by the Board. This "tone at the top" message ensures that management is held accountable for its implementation and maintenance of high ethical standards and protecting Allstate's reputation, assets and business.

BOARD ROLE IN SUCCESSION PLANNING
The Board's involvement in leadership development and succession planning is systematic and ongoing. Management succession was discussed multiple times in 2023 during compensation and human capital committee meetings, Board meetings and executive sessions. Discussions cover CEO and senior leadership succession planning and development plans. The Board also has regular and direct exposure to senior leadership and high-potential officers in meetings held throughout the year.

SUCCESSION PLANNING REVIEW CYCLE

APRIL CEO Succession
Topic: CEO succession planning
Primary Focus: Internal succession alternatives are evaluated under different strategic and operating scenarios across multiple time periods – immediate, less than 2 years and 3-5 years

JULY Organizational Health
Topic: Organizational health – how Allstate recruits, develops and retains people, including its IDE commitments
Primary Focus: Systematic approach to talent acquisition, development and retention

NOVEMBER Scenario Planning
Topic: CEO and senior leadership scenario succession planning
Primary Focus: Board dialogue and planning in the event of unexpected succession issues

SEPTEMBER Key Leader Succession
Topic: Senior leadership succession alternatives
Primary Focus: Key leader development and retention

INCLUSIVE DIVERSITY AND EQUITY
IDE is a core value in Allstate's Our Shared Purpose. In furtherance of the goal to be a differentiated IDE leader, Allstate launched a multi-year IDE strategy that is overseen by the Board. **The Board reviewed IDE topics at multiple meetings in 2023, including a presentation by an outside speaker on inclusivity, contributing to effective oversight of this important initiative.**

Pay Equity Analysis
- **For the fifth year in a row, Allstate engaged an outside firm to provide a detailed pay equity analysis to identify potential pay gaps across substantially similar employee groups and identify policies, practices or systematic issues that may contribute to pay gaps now or over time.**
- The external analysis found that Allstate's results compare well to benchmarks for companies of similar size and scope. In the few employee groups where pay gaps were identified, these gaps were remediated and policies were established to ensure pay equity continues in the future.

52 The Allstate Corporation | AllstateProxy.com

Board Leadership

In the past, disclosures related to leadership structure primarily tracked SEC rules, which required a description of the board's leadership structure, the role of a lead independent director (if any) in board leadership, and the reasons the leadership structure is appropriate. With shareholder proposals on separating the Chair and CEO roles increasing in the last several years, companies enhanced their descriptions in several ways, including expanding upon the process the Board uses to determine a leader, the duties inherent in the role, and the specific qualifications that make the leader qualified to serve.

What to Think About

Shareholders want assurances that boards are sufficiently independent from management. This means that directors appropriately challenge management and perform thoughtful and independent reviews of matters within the board's oversight responsibilities. An independent board leadership position provides an independent counterbalance to executive management. Without that, stockholders are concerned that management may control the agenda and boardroom discussions. Independent committees also work to provide effective independent oversight.

In addition to describing the board's basic leadership structure, details should be provided about the criteria used by the board in selecting a leader and the most salient characteristics that make the individual qualified to fill the role. Companies should also describe the specific circumstances that make the leadership structure appropriate at that point in time. If the roles of Chair and CEO are combined, companies should outline the benefits of a combined role and the circumstances under which the roles may be separated in the future.

Companies should provide an itemized list of the duties and responsibilities of the Chair or lead director in bullet format. In response to recent SEC comment letters, companies are providing details on the lead director's role in risk oversight, including whether the lead director can require board consideration of, and/or override the CEO, on any risk matters. Information on how the lead director represents the board in communications with stakeholders and provides input on the design of the board itself are also important disclosures.

We recommend including information about the tenure of the individual holding the leadership role, and whether there is a limit on the number of years the position can be held.

For companies with an independent chair, companies have expanded their disclosures in response to SEC comment letters. They describe the circumstances under which they would combine the role, when shareholders would be notified of a change, and whether the company would seek input from shareholders prior to any change.

Labrador Transparency Award Criteria

- The duties/responsibilities of the Independent Chair or Lead Independent Director (as applicable) are listed in bullet format.
- The rationale and/or qualifications related to selection of individuals currently serving as Chair and/or Lead Independent Director is explained.

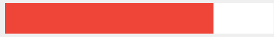
Looking Ahead

As the board's independence from management continues to be a key area of focus, companies should continue to develop innovative ways to demonstrate this important attribute. For example, some companies include specific, measurable data points to illustrate independence, such as the number of meetings attended by the lead director and/or committee chairs in carrying out their leadership responsibilities. Some companies supplement the normal list of lead director responsibilities with specific responsibilities that bolster their rigorous oversight role, such as a lead director having access to all committee materials or being involved in the interview of all board candidates.

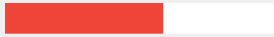
Table of Contents Topic Table of Contents

Benchmarking Leadership Structure

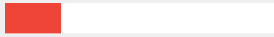
78%
Duties/responsibilities of the Independent Chair or Lead Independent Director (as applicable) are listed in bullet format



60%
Rationale and/or qualifications related to selection of individuals currently serving as Chair and/or Lead Independent Director is explained



22%
A graphic is included to depict the board leadership structure



Key Examples

Target 2023 Proxy Statement

Includes a clear and effective rationale as to why the leadership structure meets the needs of the company at that particular time; also includes service length


General information about corporate governance and the Board

Board leadership structure

Monica C. Lozano

Lead Independent Director (Since 2021)

Robust responsibilities:

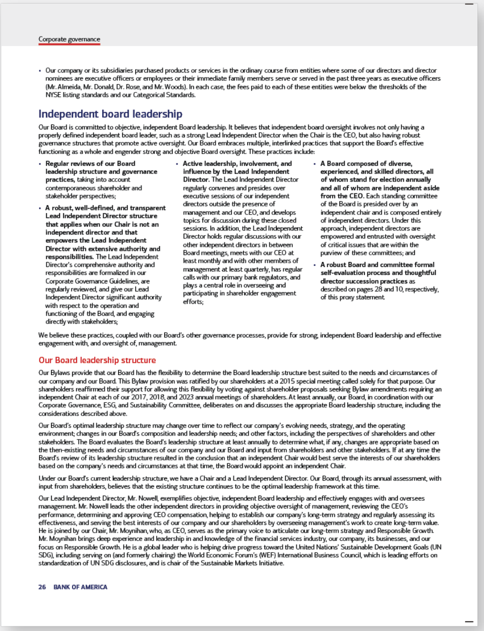
Annual election:

Service length:

10 TARGET CORPORATION 2024 Proxy Statement

Bank of America 2024 Proxy Statement

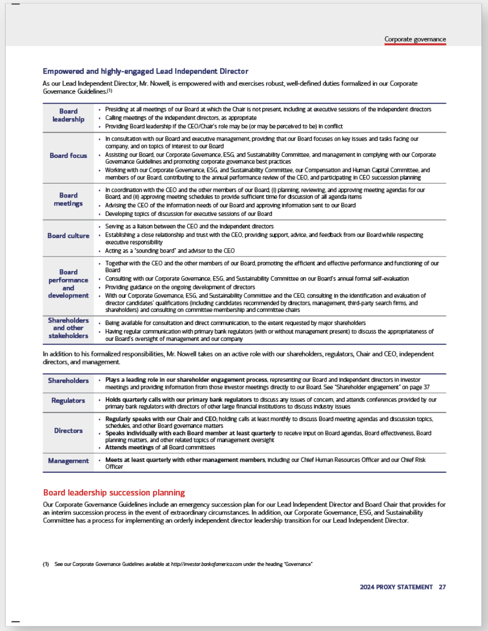
Includes a comprehensive list of responsibilities, including how the lead director takes an active role with shareholders and regulators, and includes a leadership succession planning paragraph


Corporate governance

Independent board leadership

Our Board leadership structure

26 BANK OF AMERICA


Corporate governance

Empowered and highly-engaged Lead Independent Director

Board leadership

Board focus

Board meetings

Board culture

Board performance and development

Shareholders and other stakeholders

Shareholders

Regulators

Directors

Management

Board leadership succession planning

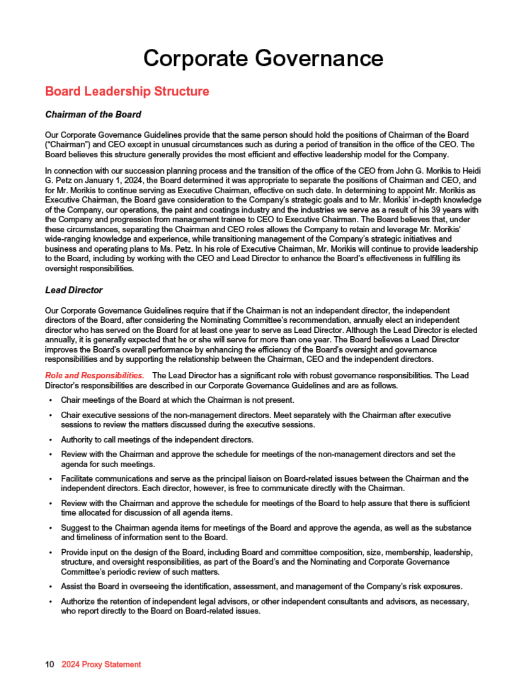
2024 PROXY STATEMENT 27

◀ Table of Contents Topic Table of Contents

Key Examples

Sherwin Williams 2024 Proxy Statement

Includes disclosures in response to recent SEC comment letters



Corporate Governance

Board Leadership Structure

Chairman of the Board

Our Corporate Governance Guidelines provide that the same person should hold the positions of Chairman of the Board ("Chairman") and CEO except in unusual circumstances such as during a period of transition in the office of the CEO. The Board believes this structure generally provides the most efficient and effective leadership model for the Company.

In connection with our succession planning process and the transition of the office of the CEO from John G. Morikis to Heidi G. Petz on January 1, 2024, the Board determined it was appropriate to separate the positions of Chairman and CEO, and for Mr. Morikis to continue serving as Executive Chairman, effective on such date. In determining to appoint Mr. Morikis as Executive Chairman, the Board gave consideration to the Company's strategic goals and to Mr. Morikis' in-depth knowledge of the Company, our operations, the paint and coatings industry and the industries we serve as a result of his 39 years with the Company and progression from management trainee to CEO to Executive Chairman. The Board believes that, under these circumstances, separating the Chairman and CEO roles allows the Company to retain and leverage Mr. Morikis' wide-ranging knowledge and experience, while transitioning management of the Company's strategic initiatives and business and operating plans to Ms. Petz. In his role of Executive Chairman, Mr. Morikis will continue to provide leadership to the Board, including by working with the CEO and Lead Director to enhance the Board's effectiveness in fulfilling its oversight responsibilities.

Lead Director

Our Corporate Governance Guidelines require that if the Chairman is not an independent director, the independent directors of the Board, after considering the Nominating Committee's recommendation, annually elect an independent director who has served on the Board for at least one year to serve as Lead Director. Although the Lead Director is elected annually, it is generally expected that he or she will serve for more than one year. The Board believes a Lead Director improves the Board's overall performance by enhancing the efficiency of the Board's oversight and governance responsibilities and by supporting the relationship between the Chairman, CEO and the independent directors.

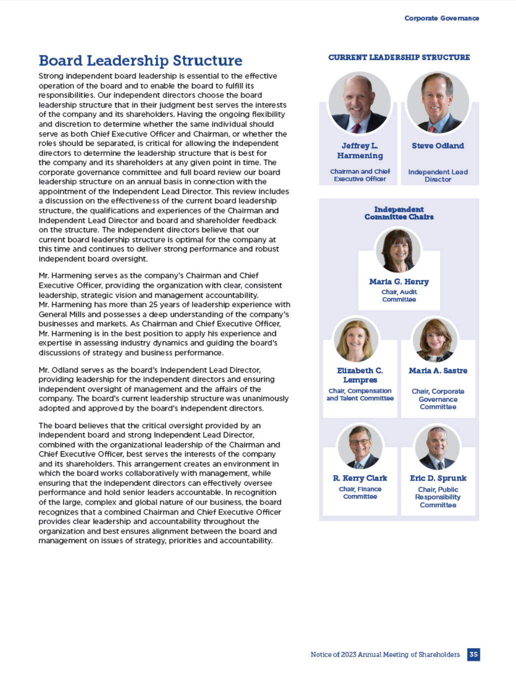
Role and Responsibilities. The Lead Director has a significant role with robust governance responsibilities. The Lead Director's responsibilities are described in our Corporate Governance Guidelines and are as follows.

- Chair meetings of the Board at which the Chairman is not present.
- Chair executive sessions of the non-management directors. Meet separately with the Chairman after executive sessions to review the matters discussed during the executive sessions.
- Authority to call meetings of the independent directors.
- Review with the Chairman and approve the schedule for meetings of the non-management directors and set the agenda for such meetings.
- Facilitate communications and serve as the principal liaison on Board-related issues between the Chairman and the independent directors. Each director, however, is free to communicate directly with the Chairman.
- Review with the Chairman and approve the schedule for meetings of the Board to help assure that there is sufficient time allocated for discussion of all agenda items.
- Suggest to the Chairman agenda items for meetings of the Board and approve the agenda, as well as the substance and timeliness of information sent to the Board.
- Provide input on the design of the Board, including Board and committee composition, size, membership, leadership, structure, and oversight responsibilities, as part of the Board's and the Nominating and Corporate Governance Committee's periodic review of such matters.
- Assist the Board in overseeing the identification, assessment, and management of the Company's risk exposures.
- Authorize the retention of independent legal advisors, or other independent consultants and advisors, as necessary, who report directly to the Board on Board-related issues.

10 2024 Proxy Statement

General Mills 2023 Proxy Statement

Robust discussion of considerations in selecting lead director and nice visual of entirety of board leadership



Corporate Governance

Board Leadership Structure

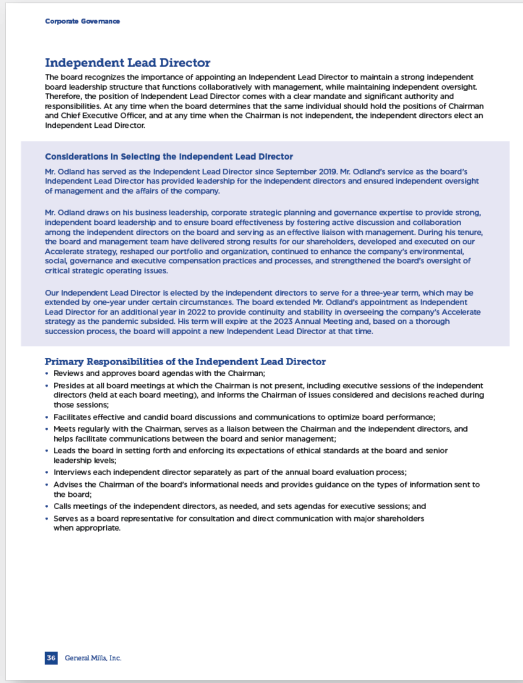
Strong independent board leadership is essential to the effective operation of the board and to enable the board to fulfill its responsibilities. Our independent directors choose the board leadership structure that in their judgment best serves the interests of the company and its shareholders. Having the ongoing flexibility and discretion to determine whether the same individual should serve as both Chief Executive Officer and Chairman, or whether the roles should be separated, is critical for allowing the independent directors to determine the leadership structure that is best for the company and its shareholders at any given point in time. The corporate governance committee and full board review our board leadership structure on an annual basis in connection with the appointment of the Independent Lead Director. This review includes a discussion on the effectiveness of the current board leadership structure, the qualifications and experiences of the Chairman and Independent Lead Director and board and shareholder feedback on the structure. The independent directors believe that our current board leadership structure is optimal for the company at this time and continues to deliver strong performance and robust independent board oversight.

Mr. Harmening serves as the company's Chairman and Chief Executive Officer, providing the organization with clear, consistent leadership, strategic vision and management accountability. Mr. Harmening has more than 25 years of leadership experience with General Mills and possesses a deep understanding of the company's businesses and markets. As Chairman and Chief Executive Officer, Mr. Harmening is in the best position to apply his experience and expertise in assessing industry dynamics and guiding the board's discussions of strategy and business performance.

Mr. Odland serves as the board's Independent Lead Director, providing leadership for the independent directors and ensuring independent oversight of management and the affairs of the company. The board's current leadership structure was unanimously adopted and approved by the board's independent directors.

The board believes that the critical oversight provided by an independent board and strong Independent Lead Director, combined with the organizational leadership of the Chairman and Chief Executive Officer, best serves the interests of the company and its shareholders. This arrangement creates an environment in which the board works collaboratively with management, while ensuring that the independent directors can effectively oversee performance and hold senior leaders accountable. In recognition of the large, complex and global nature of our business, the board recognizes that a combined Chairman and Chief Executive Officer provides clear leadership and accountability throughout the organization and best ensures alignment between the board and management on issues of strategy, priorities and accountability.

Notice of 2023 Annual Meeting of Shareholders 35



Corporate Governance

Independent Lead Director

The board recognizes the importance of appointing an Independent Lead Director to maintain a strong independent board leadership structure that functions collaboratively with management, while maintaining independent oversight. Therefore, the position of Independent Lead Director comes with a clear mandate and significant authority and responsibilities. At any time when the board determines that the same individual should hold the positions of Chairman and Chief Executive Officer, and at any time when the Chairman is not independent, the independent directors elect an Independent Lead Director.

Considerations in Selecting the Independent Lead Director

Mr. Odland has served as the Independent Lead Director since September 2019. Mr. Odland's service as the board's Independent Lead Director has provided leadership for the independent directors and ensured independent oversight of management and the affairs of the company.

Mr. Odland draws on his business leadership, corporate strategic planning and governance expertise to provide strong, independent board leadership and to ensure board effectiveness by fostering active discussion and collaboration among the independent directors on the board and serving as an effective liaison with management. During his tenure, the board and management team have delivered strong results for our shareholders, developed and executed on our Accelerate strategy, reshaped our portfolio and organization, continued to enhance the company's environmental, social, governance and executive compensation practices and processes, and strengthened the board's oversight of critical strategic operating issues.

Our Independent Lead Director is elected by the independent directors to serve for a three-year term, which may be extended by one-year under certain circumstances. The board extended Mr. Odland's appointment as Independent Lead Director for an additional year in 2022 to provide continuity and stability in overseeing the company's Accelerate strategy as the pandemic subsided. His term will expire at the 2023 Annual Meeting and, based on a thorough succession process, the board will appoint a new Independent Lead Director at that time.

Primary Responsibilities of the Independent Lead Director

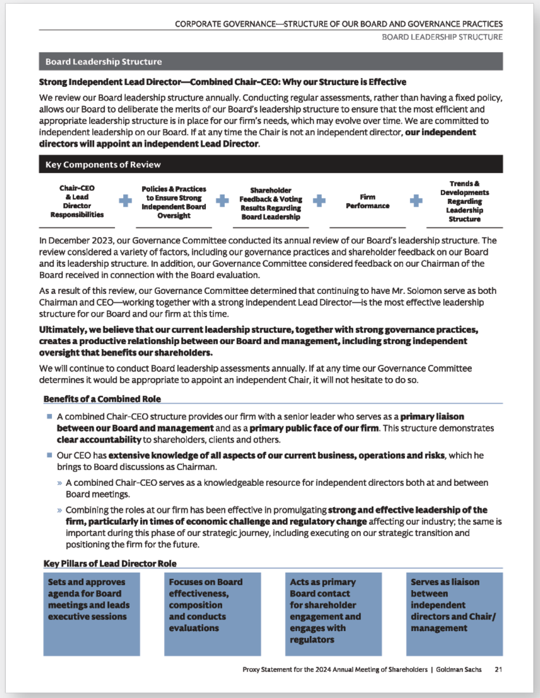
- Reviews and approves board agendas with the Chairman;
- Presides at all board meetings at which the Chairman is not present, including executive sessions of the independent directors (held at each board meeting), and informs the Chairman of issues considered and decisions reached during those sessions;
- Facilitates effective and candid board discussions and communications to optimize board performance;
- Meets regularly with the Chairman, serves as a liaison between the Chairman and the independent directors, and helps facilitate communications between the board and senior management;
- Leads the board in setting forth and enforcing its expectations of ethical standards at the board and senior leadership levels;
- Interviews each independent director separately as part of the annual board evaluation process;
- Advises the Chairman of the board's informational needs and provides guidance on the types of information sent to the board;
- Calls meetings of the independent directors, as needed, and sets agendas for executive sessions; and
- Serves as a board representative for consultation and direct communication with major shareholders when appropriate.

36 General Mills, Inc.

Key Examples

Goldman Sachs 2024 Proxy Statement

Has extensive disclosure about benefits of their leadership structure as well as key components of their annual review



CORPORATE GOVERNANCE—STRUCTURE OF OUR BOARD AND GOVERNANCE PRACTICES
BOARD LEADERSHIP STRUCTURE

Board Leadership Structure

Strong Independent Lead Director—Combined Chair-CEO: Why our Structure is Effective

We review our Board leadership structure annually. Conducting regular assessments, rather than having a fixed policy, allows our Board to deliberate the merits of our Board's leadership structure to ensure that the most efficient and appropriate leadership structure is in place for our firm's needs, which may evolve over time. We are committed to independent leadership on our Board. If at any time the Chair is not an independent director, **our independent directors will appoint an independent Lead Director**.

Key Components of Review

Chair-CEO & Lead Director Responsibilities + **Policies & Practices to Ensure Strong Independent Board Oversight** + **Shareholder Feedback & Voting Results Regarding Board Leadership** + **Firm Performance** + **Trends & Developments Regarding Leadership Structure**

In December 2023, our Governance Committee conducted its annual review of our Board's leadership structure. The review considered a variety of factors, including our governance practices and shareholder feedback on our Board and its leadership structure. In addition, our Governance Committee considered feedback on our Chairman of the Board received in connection with the Board evaluation.

As a result of this review, our Governance Committee determined that continuing to have Mr. Solomon serve as both Chairman and CEO—working together with a strong independent Lead Director—is the most effective leadership structure for our Board and our firm at this time.

Ultimately, we believe that our current leadership structure, together with strong governance practices, creates a productive relationship between our Board and management, including strong independent oversight that benefits our shareholders.

We will continue to conduct Board leadership assessments annually. If at any time our Governance Committee determines it would be appropriate to appoint an independent Chair, it will not hesitate to do so.

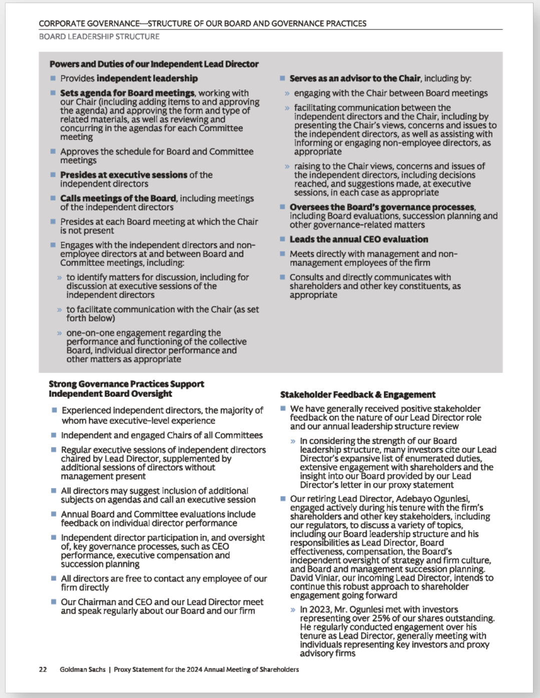
Benefits of a Combined Role

- A combined Chair-CEO structure provides our firm with a senior leader who serves as a **primary liaison between our Board and management** and as a **primary public face of our firm**. This structure demonstrates **clear accountability** to shareholders, clients and others.
- Our CEO has **extensive knowledge of all aspects of our current business, operations and risks**, which he brings to Board discussions as Chairman.
  - » A combined Chair-CEO serves as a knowledgeable resource for independent directors both at and between Board meetings.
  - » Combining the roles at our firm has been effective in promulgating **strong and effective leadership of the firm, particularly in times of economic challenge and regulatory change** affecting our industry; the same is important during this phase of our strategic journey, including executing on our strategic transition and positioning the firm for the future.

Key Pillars of Lead Director Role

Sets and approves agenda for Board meetings and leads executive sessions	**Focuses on Board effectiveness, composition and conducts evaluations**	**Acts as primary Board contact for shareholder engagement and engages with regulators**	**Serves as liaison between independent directors and Chair/ management**

Proxy Statement for the 2024 Annual Meeting of Shareholders | Goldman Sachs 21



CORPORATE GOVERNANCE—STRUCTURE OF OUR BOARD AND GOVERNANCE PRACTICES
BOARD LEADERSHIP STRUCTURE

Powers and Duties of our Independent Lead Director

- Provides **independent leadership**
- **Sets agenda for Board meetings**, working with our Chair (including adding items to and approving the agenda) and approving the form and type of related materials, as well as reviewing and concurring in the agendas for each Committee meeting
- Approves the schedule for Board and Committee meetings
- **Presides at executive sessions** of the independent directors
- **Calls meetings of the Board**, including meetings of the independent directors
- Presides at each Board meeting at which the Chair is not present
- Engages with the independent directors and non-employee directors at and between Board and Committee meetings, including:
  - » to identify matters for discussion, including for discussion at executive sessions of the independent directors
  - » to facilitate communication with the Chair (as set forth below)
  - » one-on-one engagement regarding the performance and functioning of the collective Board, individual director performance and other matters as appropriate
- **Serves as an advisor to the Chair**, including by:
  - » engaging with the Chair between Board meetings
  - » facilitating communication between the independent directors and the Chair, including by presenting the Chair's views, concerns and issues to the independent directors, as well as assisting with informing or engaging non-employee directors, as appropriate
  - » raising to the Chair views, concerns and issues of the independent directors, including decisions reached, and suggestions made, at executive sessions, in each case as appropriate
- **Oversees the Board's governance processes**, including Board evaluations, succession planning and other governance-related matters
- **Leads the annual CEO evaluation**
- Meets directly with management and non-management employees of the firm
- Consults and directly communicates with shareholders and other key constituents, as appropriate

Strong Governance Practices Support Independent Board Oversight

- Experienced independent directors, the majority of whom have executive-level experience
- Independent and engaged Chairs of all Committees
- Regular executive sessions of independent directors chaired by Lead Director, supplemented by additional sessions of directors without management present
- All directors may suggest inclusion of additional subjects on agendas and call an executive session
- Annual Board and Committee evaluations include feedback on individual director performance
- Independent director participation in, and oversight of, key governance processes, such as CEO performance, executive compensation and succession planning
- All directors are free to contact any employee of our firm directly
- Our Chairman and CEO and our Lead Director meet and speak regularly about our Board and our firm

Stakeholder Feedback & Engagement

- We have generally received positive stakeholder feedback on the nature of our Lead Director role and our annual leadership structure review
  - » In considering the strength of our Board leadership structure, many investors cite our Lead Director's expansive list of enumerated duties, extensive engagement with shareholders and the insight into our Board provided by our Lead Director's letter in our proxy statement
- Our retiring Lead Director, Adebayo Ogunlesi, engaged actively during his tenure with the firm's shareholders and other key stakeholders, including our regulators, to discuss a variety of topics, including our Board leadership structure and his responsibilities as Lead Director, Board effectiveness, compensation, the Board's independent oversight of strategy and firm culture, and Board and management succession planning. David Viniar, our incoming Lead Director, intends to continue this robust approach to shareholder engagement going forward
  - » In 2023, Mr. Ogunlesi met with investors representing over 25% of our shares outstanding. He regularly conducted engagement over his tenure as Lead Director, generally meeting with individuals representing key investors and proxy advisory firms

22 Goldman Sachs | Proxy Statement for the 2024 Annual Meeting of Shareholders

Committee Structure

Similar to Board leadership, traditionally, disclosures related to committee structure aligned with SEC requirements, which required a list of committee members, the number of committee meetings held during the last fiscal year, and a brief description of the functions performed by the committee. As investors demand more accountability and responsiveness from the Board, committees have taken on additional responsibilities and companies have expanded disclosures to align with this enhanced oversight.

What to Think About

It is expected that committees provide meaningful and constructive independent oversight related to the committees' areas of expertise. In that regard, there should be a clear description of how the committees engage with the board and how they engage with and oversee management

Active and engaged committees are an integral component to a Board's oversight processes. Committee members should actively participate at committee meetings and committee chairs should perform careful reviews of meeting agendas and materials in advance of meetings

Many companies include thumbnail pictures of the committee chairs and/or members, alongside the number of meetings in a visual presentation. In addition, committee responsibilities are included in bullet format and often include a summary of topics discussed by each board committee during the year. Companies provide details on the committees' annual activities in different ways, including through quarterly calendars of agenda items or quotes from committee chairs. This detail provides visibility into the strong independent role committees play in overseeing the identification, management and mitigation of the company's key risks.

Some companies are supplementing their committee disclosures with details on the qualifications that make the committee chair qualified to perform the role and/or information on the skills represented on the committee. Some also provide the precise attendance figures at committee meetings.

Some companies highlight the various independent consultants retained to supplement the committees' areas of expertise.

Companies should also provide details on the board's selection process for committees and committee chairs, including whether they have a regular rotation policy.

Labrador Transparency Award Criteria

- The document includes disclosure on the board's committee chair rotation and selection process.
- Board committee responsibilities are presented in bullet format.

Looking Ahead

To demonstrate strong refreshment practices related to committee membership, companies may want to supplement their committee disclosures by explicitly highlighting rotations on and off the committee during the year.

◂ Table of Contents Topic Table of Contents

Benchmarking Committee Structure

24%

The document includes disclosure on the board's committee chair rotation and selection process

84%

Board committee responsibilities are presented in bullet format

Committee descriptions includes:

16%
Photos of the chair only

13%
Photos of the entire committee

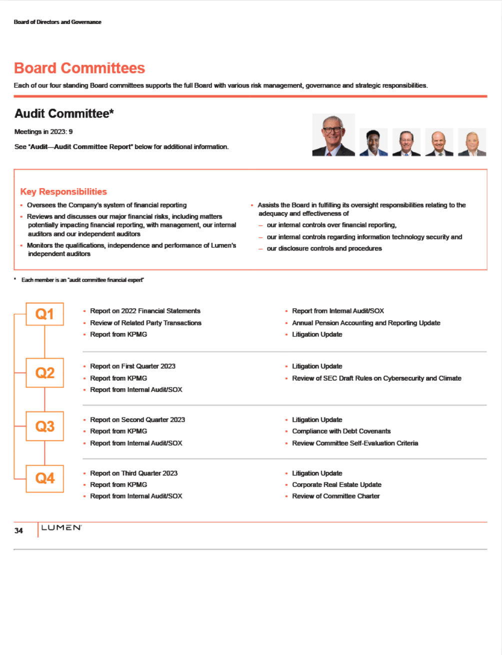
3%
Skills of members

Key Examples

Committee Structure

Lumen 2024 Proxy Statement

Includes the quarterly calendar of agenda items by committee



Board of Directors and Governance

Board Committees

Each of our four standing Board committees supports the full Board with various risk management, governance and strategic responsibilities.

Audit Committee*

Meetings in 2023: 9

See "**Audit—Audit Committee Report**" below for additional information.

Key Responsibilities

- Oversees the Company's system of financial reporting
- Reviews and discusses our major financial risks, including matters potentially impacting financial reporting, with management, our internal auditors and our independent auditors
- Monitors the qualifications, independence and performance of Lumen's independent auditors
- Assists the Board in fulfilling its oversight responsibilities relating to the adequacy and effectiveness of
  - our internal controls over financial reporting,
  - our internal controls regarding information technology security and
  - our disclosure controls and procedures

* Each member is an "audit committee financial expert"

Q1
- Report on 2022 Financial Statements
- Review of Related Party Transactions
- Report from KPMG
- Report from Internal Audit/SOX
- Annual Pension Accounting and Reporting Update
- Litigation Update

Q2
- Report on First Quarter 2023
- Report from KPMG
- Report from Internal Audit/SOX
- Litigation Update
- Review of SEC Draft Rules on Cybersecurity and Climate

Q3
- Report on Second Quarter 2023
- Report from KPMG
- Report from Internal Audit/SOX
- Litigation Update
- Compliance with Debt Covenants
- Review Committee Self-Evaluation Criteria

Q4
- Report on Third Quarter 2023
- Report from KPMG
- Report from Internal Audit/SOX
- Litigation Update
- Corporate Real Estate Update
- Review of Committee Charter

34 LUMEN

Intel 2024 Proxy Statement

Includes many of the items noted as best practice - including recent committee focus areas, number of committee members with a particular skill and new for 2024 - a statement on the expertise of the chair

Corporate Governance Matters

Board Committees

Audit & Finance Committee (Audit Committee)

9 Committee Meetings in 2023

Gregory D. Smith (Chair & Audit Committee Financial Expert (ACFE))
30 years of public company financial, accounting, and audit related experience

Other members:
Dr. Andrea J. Goldsmith
Dr. Omar Ishrak
Barbara G. Novick
Stacy J. Smith (ACFE)

2/5 1/5

Primary Responsibilities
- Assist Board in financial reporting, internal control, and audit function oversight
- Appoint, oversee, and manage compensation of independent auditor
- Review enterprise risk management assessment/monitoring
- Oversee Code of Conduct; at least annually review the compliance program effectiveness report from the Chief Compliance Officer
- Assists Board in its global treasury, finance/financial risk, tax, insurance, capital structure/allocation, investor relations, and retirement plans oversight
- Annually review company's decisions to enter into swaps that are exempt from mandatory exchange execution and clearing

Recent Committee Focus Areas
- Financial reporting, disclosure, and critical accounting estimate matters
- Capital structure and capital allocation strategy
- Treasury, tax, and litigation matters
- Ethical, legal and antitrust compliance
- Enterprise risk management, including cybersecurity and product security

Talent and Compensation Committee (Compensation Committee)

7 Committee Meetings in 2023

Dion J. Weisler (Chair)
25+ year of leadership experience in the IT industry overseeing talent and compensation matters

Other members:
James J. Goetz
Alyssa H. Henry
Dr. Risa Lavizzo-Mourey

4/4 3/4 2/4 2/4

Primary Responsibilities
- Review and approve salaries, bonuses, equity awards, other compensation, and the performance measures and goals for our executive officers
- Review and determine other compensation matters, make employee compensation and benefit plan recommendations, and administer Intel's equity incentive plans
- Review input from the independent compensation consultant on executive compensation philosophy, design, peer groups, pay positioning relative to peers, equity usage and allocation, and risk assessment
- Assist the Board in management succession planning and development
- Oversee company's strategies, initiatives, and programs with respect to human capital management, including employee engagement and diversity and inclusion

Recent Committee Focus Areas
- Compensation program strategy and design, including: (i) changing compensation programs and awards in response to stockholder feedback and to increase pay-for-performance rigor, (ii) creating deliberate compensation related engagement plans to receive and respond to stockholder feedback; (iii) aligning annual and long-term incentive programs to strategy; and (iv) confirming peer groups and market data to reflect competitive talent market
- Human capital management strategy to attract talent for long-term plans; CEO and executive succession planning and leadership development

Financial Expertise | Cybersecurity/Information Security | Senior Leadership Experience | Human Capital Experience | Semiconductor, Industry, and IT/Technical Experience | Global/International Experience

34 intel

◀ Table of Contents Topic Table of Contents

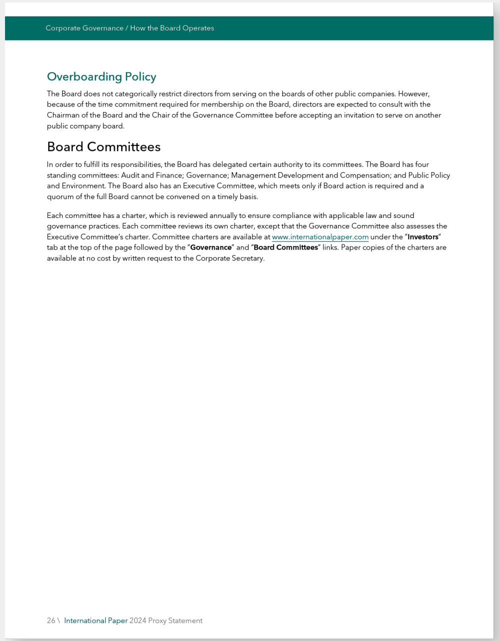
Key Examples

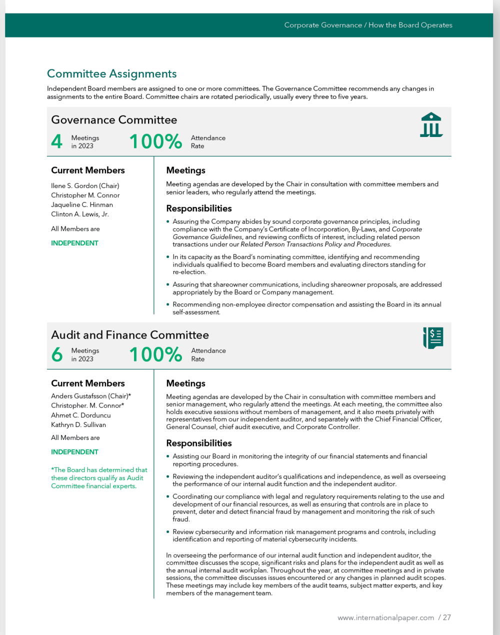
Freeport-McMoRan 2024 Proxy Statement

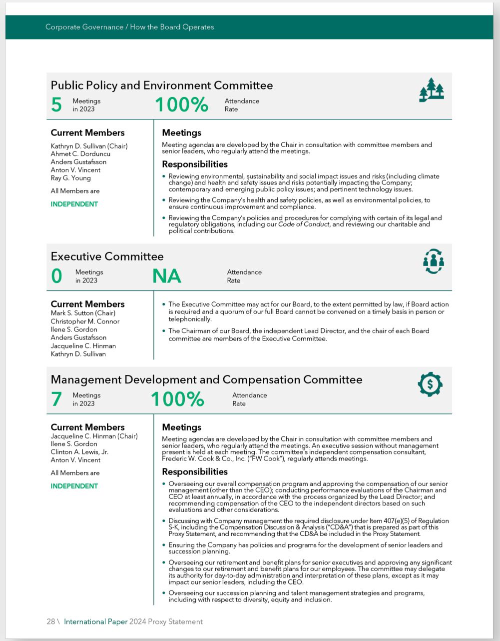
Exact committee attendance at meetings

International Paper 2024 Proxy Statement

Attendance rate; separate section by each committee detailing how meeting agendas are developed and when/how often executive sessions are held







Key Examples

Allstate 2024 Proxy Statement

Includes Committee Chair quotes as well as a detailed listing of qualifications present on each committee

2024 Proxy Statement
Corporate Governance

A

Audit Committee
Report, pg. 110

Meetings in 2023: 8

Chair: Kermit R. Crawford

Other Members:
Donald E. Brown
Siddharth N. Mehta
Jacques Perold
Monica Turner

"In 2023, we spent considerable time discussing Allstate's profit improvement strategy and results and Property-Liability reserving. We reviewed a model risk management and governance framework. Technology and cybersecurity remained focus areas and we engaged an independent cybersecurity advisor for the eighth year in a row."

— Kermit R. Crawford, Chair

All members have **risk management experience**	5
All members have **accounting and finance experience**	5
All members have **technology and cybersecurity experience**	5
All members have **complex, highly regulated business experience**	5
All members have **innovation and customer service experience**	5
Three members have **financial services experience**	3

Key Responsibilities:

- Oversees integrity of financial statements and other financial information and disclosures
- Oversees internal controls over financial reporting and disclosure controls and procedures
- Reviews the enterprise risk control assessment and guidelines, including cybersecurity and data privacy risk and the major financial risk exposures and management's steps to monitor and control those risks
- Oversees the ethics and compliance program and compliance with legal and regulatory requirements
- Appoints, retains and oversees the independent registered public accountant and evaluates its qualifications, performance and independence
- Evaluates performance of independent cybersecurity advisor annually
- Oversees Allstate's internal audit function
- Oversees Allstate's data privacy programs
- Has authority to engage independent counsel and other advisors to carry out its duties

Management Participation in Committee Meetings

The CFO, chief audit executive, chief compliance executive, chief risk officer, CEO, chief legal officer and general counsel, and chief accounting officer and controller all actively participate in meetings. Senior business unit and technology executives, including the chief information security officer, are present when appropriate. Executive sessions of the committee, in which the committee meets privately with the independent registered public accountant, independent cybersecurity advisor, chief audit executive and chief compliance executive, are held at all regular meetings.

Independence and Audit Committee Financial Expert

The Board determined that all members of the audit committee are independent under the New York Stock Exchange ("NYSE") and Securities and Exchange Commission ("SEC") requirements, and that Messrs. Brown and Mehta are each an audit committee financial expert as defined under SEC rules.

44 The Allstate Corporation | AllstateProxy.com

CVS Health 2024 Proxy Statement

Rotation infographic to show which committee members were added/removed

Corporate Governance and Related Matters

Audit Committee

Meetings in 2023: 8

2024 Committee Members (all independent)

1. Jean-Pierre Millon*
2. Anne Finucane
3. Fernando Aguirre (Chair)*
4. Mary Schapiro*
5. Jeffrey Balser*

2023 Committee Members (all independent)

Fernando Aguirre* (Chair from September 2023)
Jeffrey Balser*
Alecia DeCoudreaux
Edward Ludwig* (Chair until September 2023)
Jean-Pierre Millon*
Mary Schapiro*

* Audit Committee Financial Expert

Joined (March 2024)
Anne Finucane

Rotated Off (March 2024)
Alecia DeCoudreaux

Retiring (May 2024)
Edward Ludwig

Each member of the Audit Committee is financially literate and independent of the Company and management under applicable SEC rules and the Corporate Governance Standards of the NYSE Listed Company Manual. The Board designated each of Messrs. Aguirre, Ludwig and Millon, Dr. Balser and Ms. Schapiro as an Audit Committee Financial Expert, as defined under applicable SEC rules. The Board has approved a charter for the Audit Committee, which can be viewed on our website at https://investors.cvshealth.com/investors/corporate-governance/documents/default.aspx and also is available to stockholders without charge upon request to our Corporate Secretary.

Audit Committee Activities in 2023

The Audit Committee met eight times in 2023. Except for one absence of one member of the Audit Committee due to an unavoidable conflict, each member of the Audit Committee attended all of its meetings while he or she was a member. Several of the Audit Committee's meetings were focused primarily on our annual or quarterly financial reports, including our Form 10-K, Forms 10-Q and our related earnings releases. At each of these meetings, the Audit Committee reviewed the documents in depth with our CFO and our Chief Accounting Officer, as well as our CCO, Chief Audit Executive, General Counsel and other key members of management. The Audit Committee also received reports from our internal audit department and our independent registered public accounting firm, Ernst & Young LLP ("Ernst & Young"). The Audit Committee regularly met with Ernst & Young outside the presence of management, and also met individually with members of management, including the CCO and the Chief Audit Executive. In addition to its responsibilities related to our financial statements, the Audit Committee played a primary role in risk oversight, including reviews of our enterprise risk management program and in oversight of our anti-money laundering and sanction screening compliance programs, business continuity and enterprise resiliency programs, and health, safety and environment program. The Audit Committee also reviewed our legal and regulatory compliance program and received updates on a quarterly basis. The Audit Committee also provided the report found on page 42 of this proxy statement, and recommended the inclusion of the Company's audited financial statements in its 2023 Form 10-K.

2023 Primary Responsibilities

Pursuant to its charter, in 2023 the Audit Committee had responsibility for:

- the integrity of our financial statements;
- the qualifications, independence and performance of our independent registered public accounting firm, for whose appointment the Audit Committee bears principal responsibility;
- the performance of our internal audit function;
- our policies and practices with respect to risk assessment and risk management, including discussing with management the Company's major financial risk exposures and the steps that have been taken to monitor and control such exposures;
- compliance with, and approval of, our Code of Conduct;
- the review of our business continuity and enterprise resiliency program;
- the review of our health, safety and environment program; and
- our compliance with legal and regulatory requirements, including the review and oversight of matters related to compliance with federal health care program requirements.

34 CVS Health

Meetings, Attendance, and “Beyond the Boardroom”

Historically, disclosures specifying the number of board and committee meetings during the year, and the attendance records of the directors, were provided in narrative format and simply tracked SEC requirements. As demands on boards have grown, companies are expanding their disclosures to demonstrate how directors are responding to increased demands, while still serving as highly effective and engaged directors.

What to Think About

Investors want to see thoughtful, engaged, and regular board reviews of the company’s strategy, business, operations, and key risks throughout the year. They are also holding boards accountable for issues outside the traditional boundaries of a company’s business purpose. Boards are expected to integrate ESG, HCM, and other societal issues routinely into their oversight responsibilities, while at the same time maintaining a high degree of independence, integrity, competence, and efficiency in their work.

.At a minimum, investors expect a commitment to strong board attendance end engagement at regularly scheduled meetings. If directors do not attend at least 75% of their combined board and committee meetings, companies must provide an acceptable rationale for the lower attendance. In addition, to demonstrate strong independence, investors want to see boards meeting in executive sessions without management present at regular intervals.

Investors also expect a commitment that extends beyond regularly scheduled board meetings. They expect directors to stay abreast of developments and trends real-time and that mechanisms exist to communicate with directors in-between meetings.

If a director has multiple board commitments, investors want assurances that the director can devote the time and effort necessary to serve as an effective director.

Companies should provide the precise figure for director attendance, rather than the more general statement that directors attended more than 75% of meetings. In addition to the number of board and committee meetings, companies should provide the frequency of executive sessions. If possible, companies should disclose specific measures of engagement outside of regular meetings (e.g., the number of meetings involving the lead director or committee chairs in fulfilling their leadership duties). Many best practice companies are also explaining how directors collaborate with each other, senior leaders, and other employees; the extent of director involvement in stakeholder engagements; and how directors stay regularly informed between meetings.

We recommend including disclosures on directors’ involvement in

- onboarding and continuing education opportunities (listing key topics covered),
- external and internal business updates (including site visits and interactions with employees below the C-suite), and
- compliance or governance trainings.

This is a best practice that demonstrates directors “going beyond the boardroom” to learn about the company, its people, and their fiduciary obligations. Showing what a company does to provide its directors with current industry, technical, and operations information also helps convey that the Board and its knowledge and skills are continually growing.

In response to investor scrutiny, companies are providing more information about their assessment of director capacity and outside board commitments. If a particular director exceeds the overboarding limitations imposed by investors, companies should provide an explanation as to how the director meets obligations with the increased commitments.

Labrador Transparency Award Criteria

- The attendance rate disclosed for the entire board is precise rather than the minimum “more than 75%” requirement.
- Policies or processes related to director time commitments are disclosed.
- The board’s policies and practices related to director onboarding and continuing education is disclosed.

Table of Contents Topic Table of Contents

Benchmarking

Meetings, Attendance, and Beyond the Boardroom

28.0%

The attendance rate disclosed for the entire board is precise rather than the minimum “more than 75%” requirement

13.0%

The company includes a "beyond the boardroom" or "other activities section"

37.0%

The board's policies and practices related to director onboarding and continuing education is disclosed

41.0%

Onboarding

46.0%

Continuing Education

Key Examples

Goldman Sachs 2024 Proxy Statement

Aggregates number of meetings, executive sessions, and meetings of board leaders: emphasizes commitment beyond

CORPORATE GOVERNANCE—ITEM 1. ELECTION OF DIRECTORS
OUR DIRECTORS

David Solomon, 62
Chairman and CEO

Director Since: October 2018

Other U.S.-Listed Company Directorships
- Current: None
- Former (Past 5 Years): None

Key Experience and Qualifications
- **Experienced leader across range of our businesses:** With nearly 25 years of leadership experience at our firm, he develops the firm’s strategy, embodies our Core Values and commitment to client service and leverages firm-specific and industry knowledge to lead the firm and its people, including helping to protect and enhance our firm’s culture and through his commitment to talent development and the diversity of our workforce
- **Deep business, operational and industry expertise:** Leverages deep familiarity with all aspects of the firm’s businesses, including from his experience as President and COO, to develop, articulate and lead the execution of the firm’s strategic vision, assess attendant risks and guide the firm’s growth, in each case providing his insights to our Board and keeping directors apprised of significant developments in our business and industry
- **Actively engaged as a primary face of our firm:** Committed to engaging with our clients and other external stakeholders, he draws upon his extensive interaction with our clients, investors and other stakeholders to communicate feedback and offer insight and perspective to our Board

Career Highlights
- Goldman Sachs
  - Chairman (January 2019 – Present) and Chief Executive Officer (October 2018 – Present)
  - President and Chief or Co-Chief Operating Officer (January 2017 – September 2018)
  - Co-Head of the Investment Banking Division (July 2006 – December 2016)
  - Various positions of increasing seniority, including Global Head of the Financing Group (September 1999 – July 2006)

Other Professional Experience and Community Involvement
- Chair, Board of Trustees, Hamilton College
- Member, Board of Directors, Robin Hood Foundation
- Member, Executive Committee, Partnership for New York City
- Member, Board of Trustees, NewYork-Presbyterian Hospital

Education
- Graduate of Hamilton College

David Viniar, 68
Independent Lead Director*

Director Since: January 2013

GS Committees*
- Governance (Chair)
- Ex-officio member:
  - Audit
  - Compensation
  - Public Responsibilities
  - Risk

Other U.S.-Listed Company Directorships
- Current: None
- Former (Past 5 Years): Square, Inc.

Key Experience and Qualifications
- **Strong financial industry leader:** With over 10 years of service on our Board, including as Chair of the Risk Committee, as well as service as the former lead independent director and chair of the audit and risk committee of Square, Inc. (a global technology company), he provides valuable perspective to our Board and is well positioned to lead our Board as Independent Lead Director
- **Deep financial acumen and risk and regulatory expertise:** Able to provide insights about our firm’s risks to our Board and committees and, where necessary, to challenge management with respect thereto
- **Leadership and governance:** Well-respected industry leader with experience with stakeholder engagement as well as experience serving as lead director of Square, Inc.

Career Highlights
- Goldman Sachs
  - Executive Vice President and Chief Financial Officer (May 1999 – January 2013)
  - Head of Operations, Technology, Finance and Services Division (December 2002 – January 2013)
  - Head of the Finance Division and Co-Head of Credit Risk Management and Advisory and Firmwide Risk (December 2001 – December 2002)
  - Co-Head of Operations, Finance and Resources (March 1999 – December 2001)

Other Professional Experience and Community Involvement
- Co-Vice Chairman, Board of Directors, Garden of Dreams Foundation
- Former Trustee, Union College

Education
- Graduate of Union College and Harvard Business School

* Effective April 24, 2024

12 Goldman Sachs | Proxy Statement for the 2024 Annual Meeting of Shareholders

CORPORATE GOVERNANCE—ITEM 1. ELECTION OF DIRECTORS
OUR DIRECTORS

Michele Burns, 66
Independent

Director Since: October 2011

GS Committees
- Compensation
- Governance
- Public Responsibilities

Other U.S.-Listed Company Directorships
- Current: Anheuser-Busch InBev; Etsy, Inc.
- Former (Past 5 Years): Cisco Systems, Inc.

Subsidiary Boards
- Goldman Sachs International

Key Experience and Qualifications
- **Compensation, governance and risk experience:** Leverages current and former service on the boards of directors and board committees (including compensation committees) of other public companies and not-for-profit entities
- **Human capital management and strategic consulting:** Background gained as former CEO of Mercer LLC
- **Accounting and the review and preparation of financial statements:** Garnered expertise as former CFO of several global public companies

Career Highlights
- Chief Executive Officer, Retirement Policy Center, sponsored by Marsh & McLennan Companies, Inc. (MMC), a center focused on retirement public policy issues (October 2011 – February 2014)
- Chairman and Chief Executive Officer, Mercer LLC, a subsidiary of MMC and a global leader in human resource consulting, outsourcing and investment services (September 2006 – October 2011)
- Chief Financial Officer, MMC, a global professional services and consulting firm (March 2006 – September 2006)
- Chief Financial Officer, Chief Restructuring Officer and Executive Vice President, Mirant Corporation, an energy company (May 2004 – January 2006)
- Executive Vice President and Chief Financial Officer, Delta Air Lines, Inc., an air carrier (including various other positions, January 1999 – April 2004)
- Senior Partner and Leader, Southern Regional Federal Tax Practice, Arthur Andersen LLP, an accounting firm (including various other positions, 1981 – 1999)

Other Professional Experience and Community Involvement
- Advisory Council Member, former Center Fellow and Strategic Advisor, Stanford University Center on Longevity
- Former Board Member and Treasurer, Elton John AIDS Foundation

Education
- Graduate of University of Georgia (including for Masters)

Mark Flaherty, 64
Independent

Director Since: December 2014

GS Committees
- Audit
- Governance
- Risk

Other U.S.-Listed Company Directorships
- Current: None
- Former (Past 5 Years): None

Key Experience and Qualifications
- **Leadership in investment management industry:** Leverages over 20 years of experience in the investment management industry, including at Wellington Management Company
- **Perspective on institutional investors’ approach to company performance and corporate governance:** Experience developed through his tenure at Wellington and Standish, Ayer and Wood
- **Risk expertise:** Draws upon years of experience in the financial industry to provide informed perspective to our Board and Committees

Career Highlights
- Wellington Management Company, an investment management company
  - Vice Chairman (2011 – 2012)
  - Director of Global Investment Services (2002 – 2012)
  - Partner, Senior Vice President (2001 – 2012)
- Standish, Ayer and Wood, an investment management company
  - Executive Committee Member (1997 – 1999)
  - Partner (1994 – 1999)
  - Director, Global Equity Trading (1991 – 1999)
- Director, Global Equity Trading, Aetna, a diversified healthcare benefit company (1987 – 1991)

Other Professional Experience and Community Involvement
- Member, Board of Directors, PGA TOUR
- Member, Board of Directors, Patrick Cantlay Foundation
- Former Member, Board of Trustees, Providence College

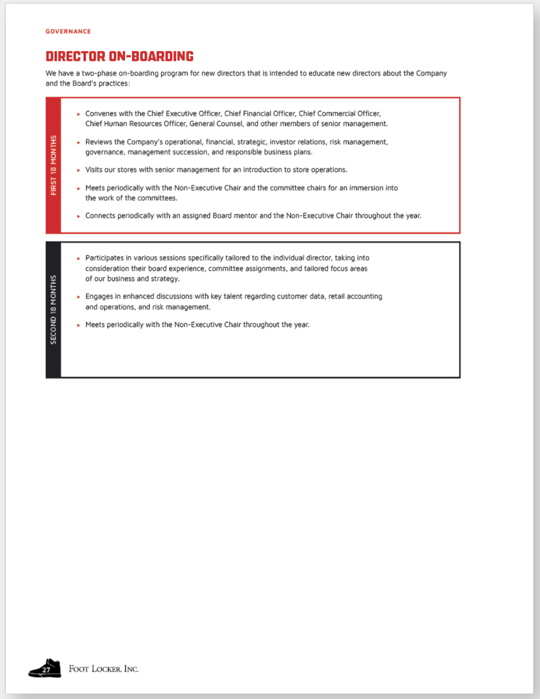
Education
- Graduate of Providence College

Proxy Statement for the 2024 Annual Meeting of Shareholders | Goldman Sachs 13

Key Examples

Foot Locker 2024 Proxy Statement

Onboarding activities (1st 6 months vs. next 6 months) and continuing education



GOVERNANCE

DIRECTOR ON-BOARDING

We have a two-phase on-boarding program for new directors that is intended to educate new directors about the Company and the Board's practices:

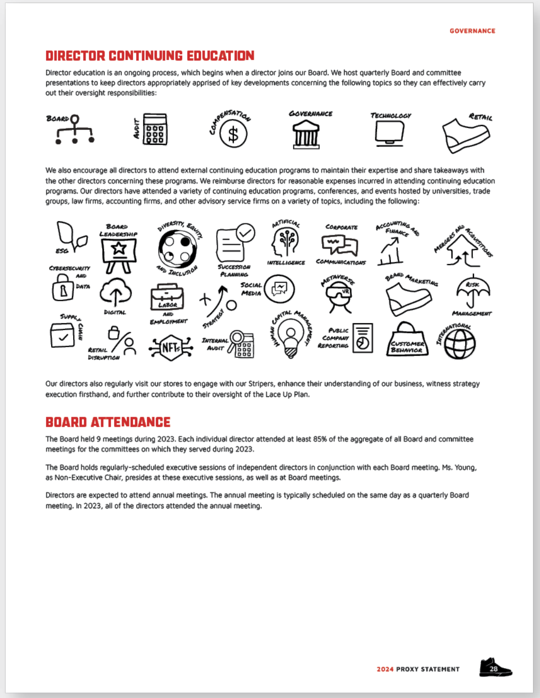
FIRST 18 MONTHS

- Convenes with the Chief Executive Officer, Chief Financial Officer, Chief Commercial Officer, Chief Human Resources Officer, General Counsel, and other members of senior management.
- Reviews the Company's operational, financial, strategic, investor relations, risk management, governance, management succession, and responsible business plans.
- Visits our stores with senior management for an introduction to store operations.
- Meets periodically with the Non-Executive Chair and the committee chairs for an immersion into the work of the committees.
- Connects periodically with an assigned Board mentor and the Non-Executive Chair throughout the year.

SECOND 18 MONTHS

- Participates in various sessions specifically tailored to the individual director, taking into consideration their board experience, committee assignments, and tailored focus areas of our business and strategy.
- Engages in enhanced discussions with key talent regarding customer data, retail accounting and operations, and risk management.
- Meets periodically with the Non-Executive Chair throughout the year.

27 Foot Locker, Inc.



GOVERNANCE

DIRECTOR CONTINUING EDUCATION

Director education is an ongoing process, which begins when a director joins our Board. We host quarterly Board and committee presentations to keep directors appropriately apprised of key developments concerning the following topics so they can effectively carry out their oversight responsibilities:

Board
Audit
Compensation
Governance
Technology
Retail

We also encourage all directors to attend external continuing education programs to maintain their expertise and share takeaways with the other directors concerning these programs. We reimburse directors for reasonable expenses incurred in attending continuing education programs. Our directors have attended a variety of continuing education programs, conferences, and events hosted by universities, trade groups, law firms, accounting firms, and other advisory service firms on a variety of topics, including the following:

ESG
Board Leadership
Diversity, Equity, and Inclusion
Succession Planning
Artificial Intelligence
Corporate Communications
Accounting and Finance
Mergers and Acquisitions
Cybersecurity and Data
Digital
Labor and Employment
Strategy
Social Media
Metaverse
VR
Brand Marketing
Risk Management
Supply Chain
Retail Disruption
NFTs
Internal Audit
Human Capital Management
Public Company Reporting
Customer Behavior
International

Our directors also regularly visit our stores to engage with our Stripers, enhance their understanding of our business, witness strategy execution firsthand, and further contribute to their oversight of the Lace Up Plan.

BOARD ATTENDANCE

The Board held 9 meetings during 2023. Each individual director attended at least 85% of the aggregate of all Board and committee meetings for the committees on which they served during 2023.

The Board holds regularly-scheduled executive sessions of independent directors in conjunction with each Board meeting. Ms. Young, as Non-Executive Chair, presides at these executive sessions, as well as at Board meetings.

Directors are expected to attend annual meetings. The annual meeting is typically scheduled on the same day as a quarterly Board meeting. In 2023, all of the directors attended the annual meeting.

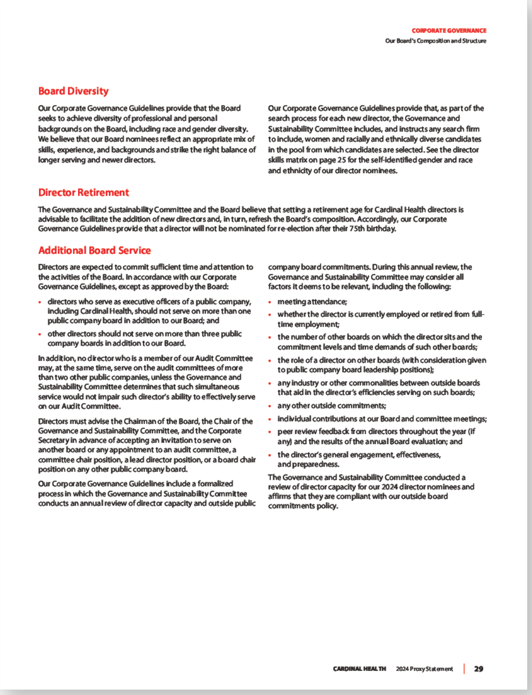
2024 PROXY STATEMENT 28

◀ Table of Contents   Topic Table of Contents

Key Examples

Cardinal Health 2023 Proxy Statement

Contains a detailed explanation of the board's annual review of directors' outside board commitments



CORPORATE GOVERNANCE
Our Board's Composition and Structure

Board Diversity

Our Corporate Governance Guidelines provide that the Board seeks to achieve diversity of professional and personal backgrounds on the Board, including race and gender diversity. We believe that our Board nominees reflect an appropriate mix of skills, experience, and backgrounds and strike the right balance of longer serving and newer directors.

Our Corporate Governance Guidelines provide that, as part of the search process for each new director, the Governance and Sustainability Committee includes, and instructs any search firm to include, women and racially and ethnically diverse candidates in the pool from which candidates are selected. See the director skills matrix on page 25 for the self-identified gender and race and ethnicity of our director nominees.

Director Retirement

The Governance and Sustainability Committee and the Board believe that setting a retirement age for Cardinal Health directors is advisable to facilitate the addition of new directors and, in turn, refresh the Board's composition. Accordingly, our Corporate Governance Guidelines provide that a director will not be nominated for re-election after their 75th birthday.

Additional Board Service

Directors are expected to commit sufficient time and attention to the activities of the Board. In accordance with our Corporate Governance Guidelines, except as approved by the Board:

- directors who serve as executive officers of a public company, including Cardinal Health, should not serve on more than one public company board in addition to our Board; and
- other directors should not serve on more than three public company boards in addition to our Board.

In addition, no director who is a member of our Audit Committee may, at the same time, serve on the audit committees of more than two other public companies, unless the Governance and Sustainability Committee determines that such simultaneous service would not impair such director's ability to effectively serve on our Audit Committee.

Directors must advise the Chairman of the Board, the Chair of the Governance and Sustainability Committee, and the Corporate Secretary in advance of accepting an invitation to serve on another board or any appointment to an audit committee, a committee chair position, a lead director position, or a board chair position on any other public company board.

Our Corporate Governance Guidelines include a formalized process in which the Governance and Sustainability Committee conducts an annual review of director capacity and outside public company board commitments. During this annual review, the Governance and Sustainability Committee may consider all factors it deems to be relevant, including the following:

- meeting attendance;
- whether the director is currently employed or retired from full-time employment;
- the number of other boards on which the director sits and the commitment levels and time demands of such other boards;
- the role of a director on other boards (with consideration given to public company board leadership positions);
- any industry or other commonalities between outside boards that aid in the director's efficiencies serving on such boards;
- any other outside commitments;
- individual contributions at our Board and committee meetings;
- peer review feedback from directors throughout the year (if any) and the results of the annual Board evaluation; and
- the director's general engagement, effectiveness, and preparedness.

The Governance and Sustainability Committee conducted a review of director capacity for our 2024 director nominees and affirms that they are compliant with our outside board commitments policy.

CARDINAL HEALTH 2024 Proxy Statement | 29

GE Aerospace 2024 Proxy Statement

Contains a visual overview of the cadence of a typical board meeting

Board Operations

Full Board
7 meetings in 2023

Independent Director Meetings

The independent directors meet periodically in executive sessions at scheduled Board meetings. They may have other special meetings throughout the year. These executive sessions are designed to promote candor and discussion of matters in a setting that is independent of the Chairman and CEO. The lead director chairs each of these executive sessions.

Chairman
H. Lawrence Culp, Jr.

Lead Director
Thomas Horton

2023 Areas of Focus

- Long-term strategy, including oversight of our strategic transformation
- Readiness and execution of planned spin-offs
- Capital structure and liquidity, particularly in connection with our plan to create three investment grade rated public companies
- Business operating and performance reviews, including visits to GE Aerospace and GE Vernova business facilities and factories
- Strategy for the energy transition and climate change
- Management succession planning
- Enterprise risk management

Governance

A Typical GE Board Meeting

During 2023, the Board held seven regularly scheduled meetings. Five regularly scheduled meetings were held in-person and two regularly scheduled meetings were held virtually, and the schedules were adjusted to accommodate director participation from different time zones.

1 BEFORE THE MEETING

Board committee chairs: prep meetings with management and auditors
Management: internal prep meetings

2 THURSDAY (DAY 1)

Daytime: Board committee meetings & Board meeting
Evening: informal gathering with senior business leaders and/or Board working dinner

3 FRIDAY (DAY 2)

Daytime: full Board meeting (including reports from each committee chair) followed by an executive session; also periodic independent director sessions

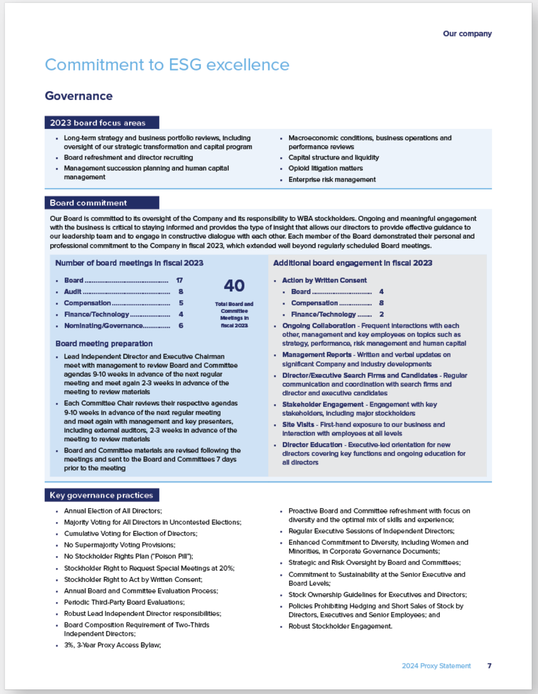
4 AFTER THE MEETING

Management: debrief sessions to discuss & respond to Board follow-up items

Our Board recognizes that its oversight of our strategic priorities and responsibility to GE shareholders requires a personal and professional commitment that extends well beyond regularly scheduled Board meetings. Ongoing and meaningful engagement with the business is critical to staying informed and provides the type of insight that allows our directors to provide effective guidance to our leadership team and to engage in constructive dialogue with each other. During 2023, in addition to the regularly scheduled Board and committee meetings, directors participated in business and strategy review sessions and visited various GE sites and facilities.

Walgreens Boots Alliance 2024 Proxy Statement

Really effective description in the beginning section of the proxy about the board's commitment to the company



Our company

Commitment to ESG excellence

Governance

2023 board focus areas

- Long-term strategy and business portfolio reviews, including oversight of our strategic transformation and capital program
- Board refreshment and director recruiting
- Management succession planning and human capital management
- Macroeconomic conditions, business operations and performance reviews
- Capital structure and liquidity
- Opioid litigation matters
- Enterprise risk management

Board commitment

Our Board is committed to its oversight of the Company and its responsibility to WBA stockholders. Ongoing and meaningful engagement with the business is critical to staying informed and provides the type of insight that allows our directors to provide effective guidance to our leadership team and to engage in constructive dialogue with each other. Each member of the Board demonstrated their personal and professional commitment to the Company in fiscal 2023, which extended well beyond regularly scheduled Board meetings.

Number of board meetings in fiscal 2023

- Board 17
- Audit 8
- Compensation 5
- Finance/Technology 4
- Nominating/Governance 6

40 Total Board and Committee Meetings in fiscal 2023

Board meeting preparation

- Lead Independent Director and Executive Chairman meet with management to review Board and Committee agendas 9-10 weeks in advance of the next regular meeting and meet again 2-3 weeks in advance of the meeting to review materials
- Each Committee Chair reviews their respective agendas 9-10 weeks in advance of the next regular meeting and meet again with management and key presenters, including external auditors, 2-3 weeks in advance of the meeting to review materials
- Board and Committee materials are revised following the meetings and sent to the Board and Committees 7 days prior to the meeting

Additional board engagement in fiscal 2023

- Action by Written Consent
  - Board 4
  - Compensation 8
  - Finance/Technology 2
- Ongoing Collaboration - Frequent interactions with each other, management and key employees on topics such as strategy, performance, risk management and human capital
- Management Reports - Written and verbal updates on significant Company and industry developments
- Director/Executive Search Firms and Candidates - Regular communication and coordination with search firms and director and executive candidates
- Stakeholder Engagement - Engagement with key stakeholders, including major stockholders
- Site Visits - First-hand exposure to our business and interaction with employees at all levels
- Director Education - Executive-led orientation for new directors covering key functions and ongoing education for all directors

Key governance practices

- Annual Election of All Directors;
- Majority Voting for All Directors in Uncontested Elections;
- Cumulative Voting for Election of Directors;
- No Supermajority Voting Provisions;
- No Stockholder Rights Plan ("Poison Pill");
- Stockholder Right to Request Special Meetings at 20%;
- Stockholder Right to Act by Written Consent;
- Annual Board and Committee Evaluation Process;
- Periodic Third-Party Board Evaluations;
- Robust Lead Independent Director responsibilities;
- Board Composition Requirement of Two-Thirds Independent Directors;
- 3%, 3-Year Proxy Access Bylaw;
- Proactive Board and Committee refreshment with focus on diversity and the optimal mix of skills and experience;
- Regular Executive Sessions of Independent Directors;
- Enhanced Commitment to Diversity, including Women and Minorities, in Corporate Governance Documents;
- Strategic and Risk Oversight by Board and Committees;
- Commitment to Sustainability at the Senior Executive and Board Levels;
- Stock Ownership Guidelines for Executives and Directors;
- Policies Prohibiting Hedging and Short Sales of Stock by Directors, Executives and Senior Employees; and
- Robust Stockholder Engagement.

2024 Proxy Statement 7

Table of Contents Topic Table of Contents

Shareholder Engagement

Shareholder engagement disclosures have been a staple for several years. While details related to a company's engagement efforts are not technically required, companies have been providing this information to demonstrate transparency and responsiveness to shareholder priorities or concerns. The details disclosed by companies typically include, among other things, the percentage of shareholders engaged, company representatives involved, topics discussed, feedback received, and actions taken in response.

What to Think About

Investors are demanding transparency and accountability on issues outside the traditional role of a corporation. In the past, engagements primarily focused on governance and compensation practices, especially the annual meeting ballot items for directors, say-on-pay, and shareholder proposals. Likewise, disclosures initially focused on investor sentiment related to director elections and executive compensation.

Over the last few years, engagements have expanded to include a company's responses to societal issues, such as those related to pay equity, diversity and inclusion, and climate change. As investors' focus areas continue to broaden, engagement programs are expanding to include a larger group of stakeholders. Company spokespersons are also changing and now may include the company's subject matter experts on the myriad ESG areas of investor concern.

Best practice companies detail the number and types of engagements during the year, company participants, topics discussed, feedback received, and actions taken in response. We recommend using visuals for presenting the who/what/when of engagement. We think it is especially important to highlight the "what" - the most important topics discussed with shareholders - as it can demonstrate the progression of investor feedback from year to year. Even when there are no pressing topics, we recommend including some discussion of responsiveness to stockholder feedback. At the very least, a cross-reference to the overview of governance and compensation practices can be an effective way to demonstrate a base level of responsiveness to shareholder interests.

If there is significant opposition to the company's compensation program, we recommend a separate shareholder engagement call out in the compensation section, apart from the normal engagement disclosures.

Some companies include engagement calendars or timelines, that detail month-by-month the touchpoints a company has with its investors. It demonstrates the continuous, year-around nature of the company's practices. To demonstrate broad-based value creation, we believe it is important to acknowledge ongoing dialogue with other stakeholders (e.g., lenders, rating agencies, etc.), in addition to stockholders. This disclosure is not expected to be as extensive as found in ESG reports but recognizes that feedback from a wide range of stakeholders is important to strategic decision-making (and reporting priorities).

Separately, some companies are continuing to highlight the effectiveness of virtual meeting formats, including the number of attendees and questions asked, to demonstrate the engagement advantages of a virtual meeting.

Labrador Transparency Award Criteria

- The shareholder engagement section includes, at a minimum: who from the company participated; how many shareholders were contacted (number of shareholders or percentage of shares outstanding); type of engagement; and topics discussed.
- The shareholder engagement section includes a graphic or other visual to show the timing of disclosed engagement efforts.
- The shareholder engagement section includes feedback received from shareholders and actions/ responses taken in recent years.

◂ Table of Contents Topic Table of Contents

Benchmarking

Shareholder Engagement

Location of shareholder engagement discussion:

40.0%
In the proxy summary/introductory pages

65.0%
In the governance section

55.0%
In the compensation section

The shareholder engagement section presents:

76.0%
Topics discussed

77.0%
Who from the company was involved (Board, management or both)

73.0%
Percentage of shareholders contacted

56.0%
Actions/responses taken in recent years

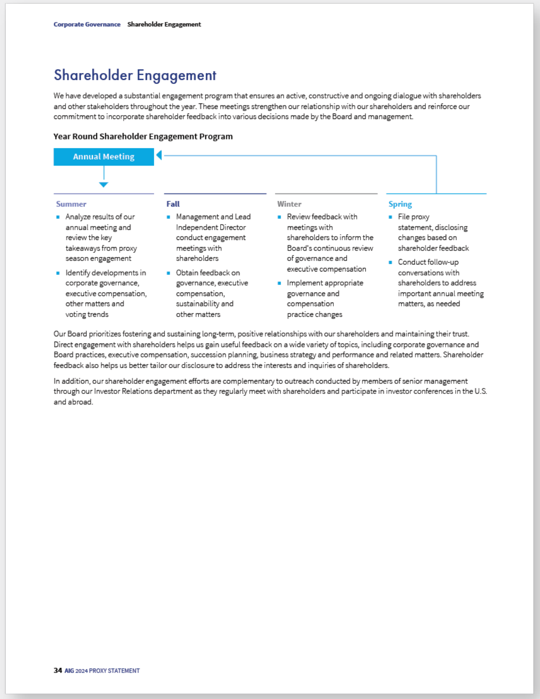
50.0%
Feedback received from shareholders

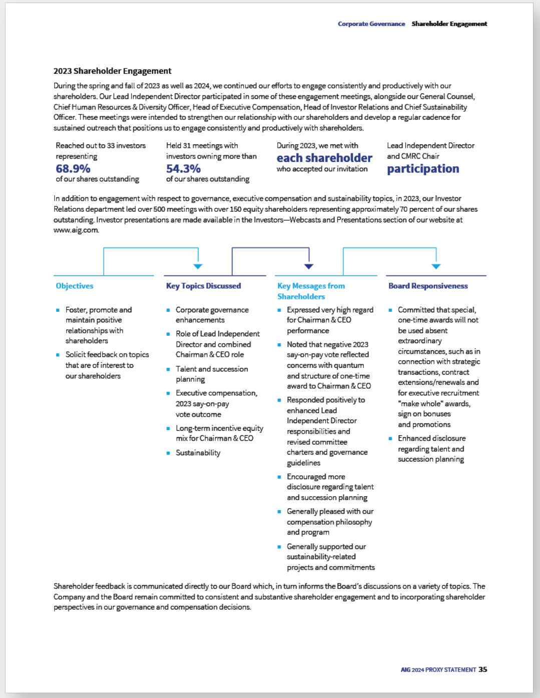
◄ Table of Contents Topic Table of Contents

Key Examples

AIG 2024 Proxy Statement

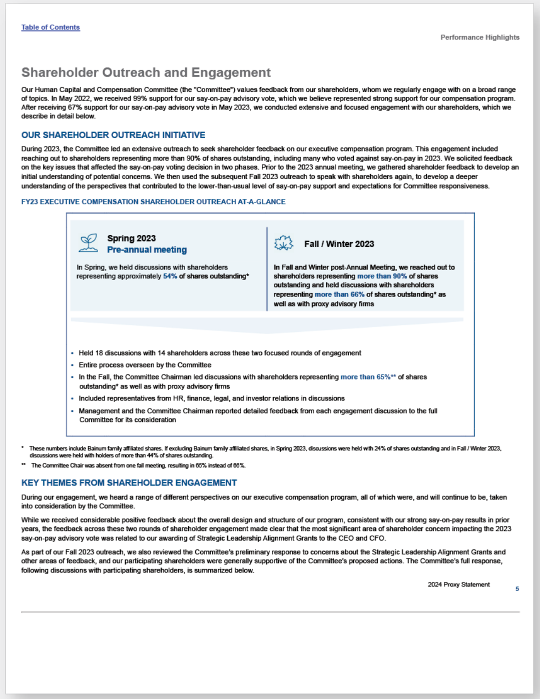
Includes key disclosures and identifies number of meetings conducted by IR group

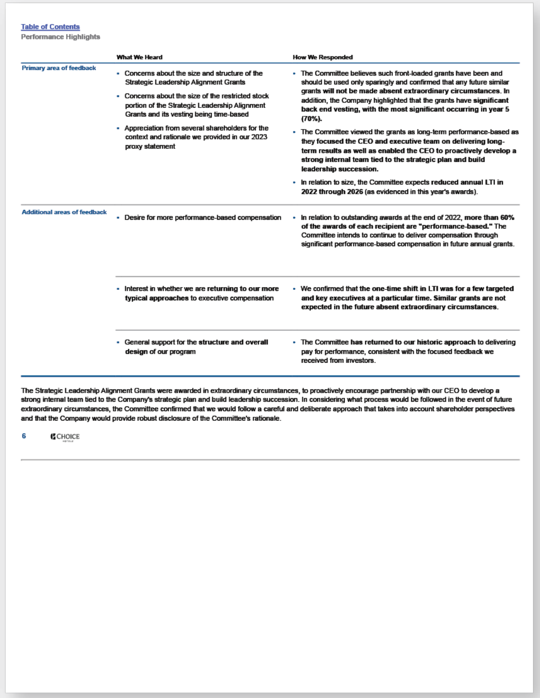




Choice Hotels 2024 Proxy Statement

Includes a stand-alone section on engagement related to executive compensation in response to low say on pay support



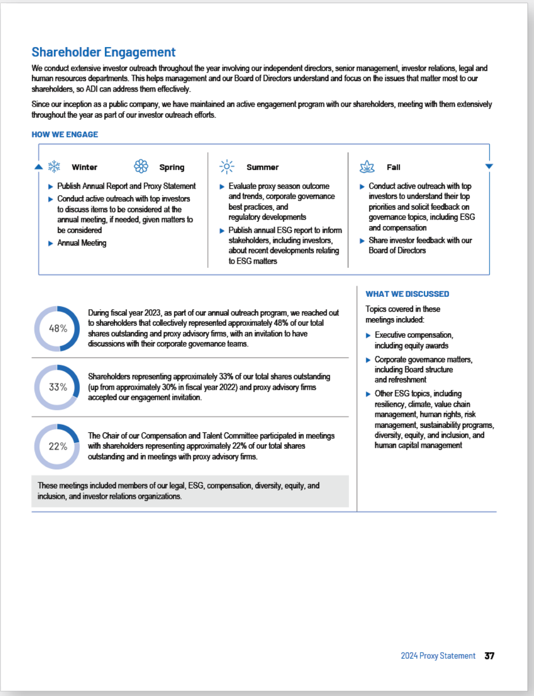


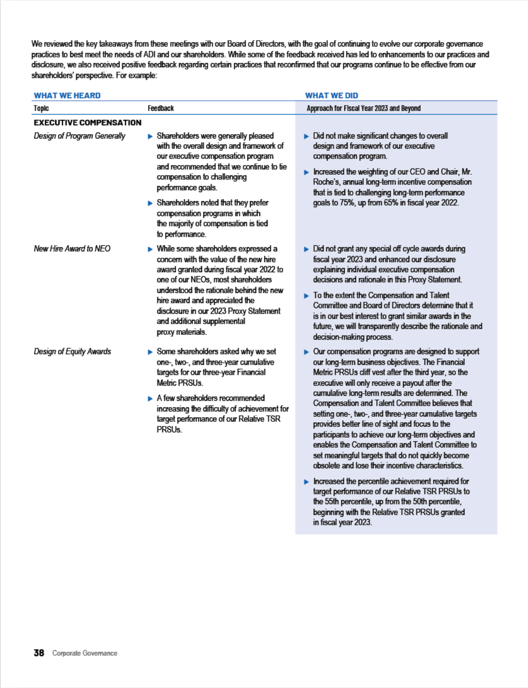
◄ Table of Contents Topic Table of Contents

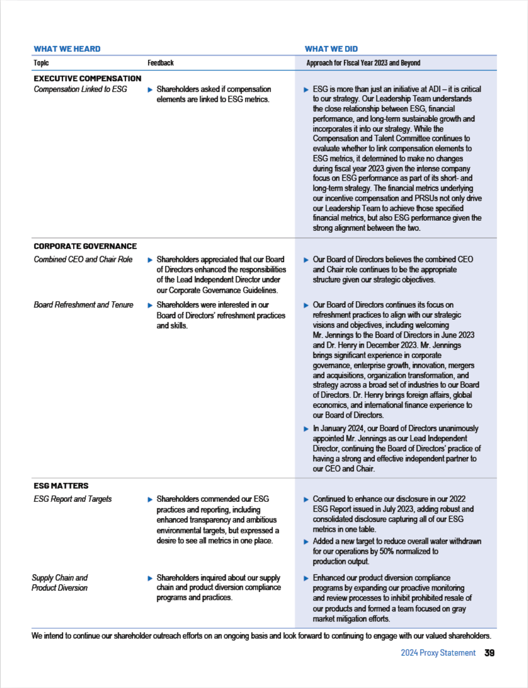
Key Examples

Analog Devices 2024 Proxy Statement

Includes key disclosures, including engagement cycle and detailed what we heard/how we responded infographics

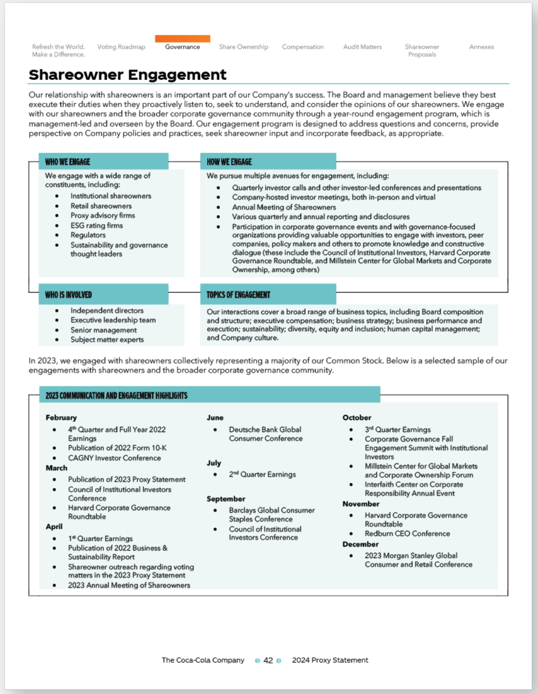






The Coca-Cola Company 2024 Proxy Statement

Includes month-by-month engagement calendar

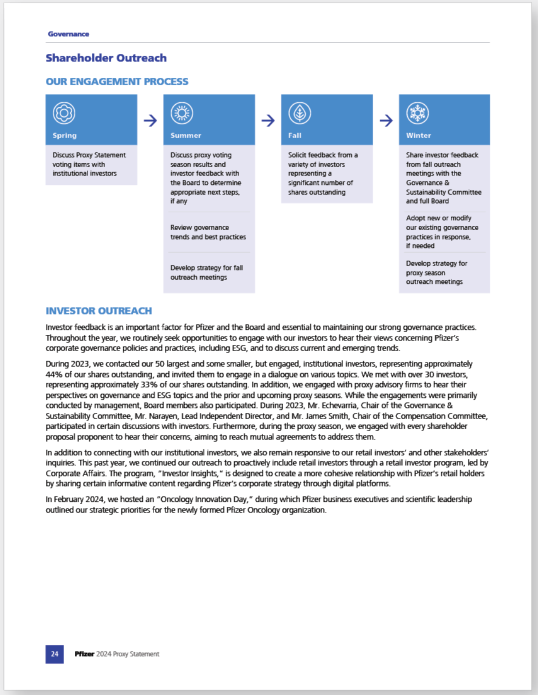


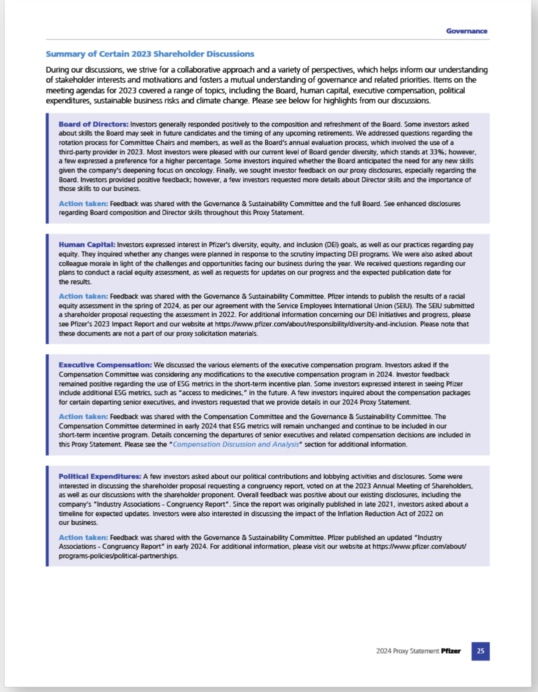
◄ Table of Contents Topic Table of Contents

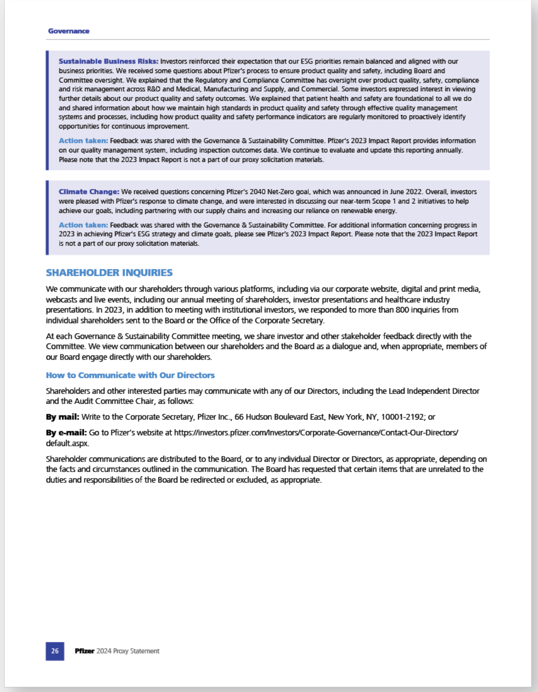
Key Examples

Pfizer 2024 Proxy Statement

Detailed section on feedback received and actions taken

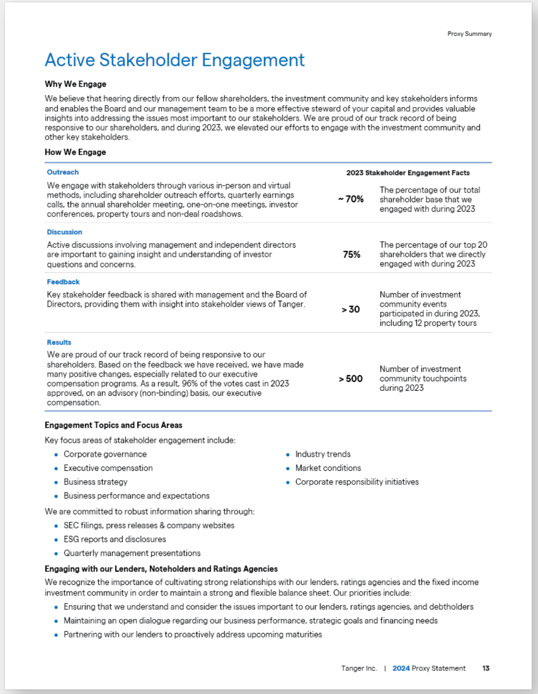






Tanger 2024 Proxy Statement

Includes a section on engaging with other stakeholders



◀ Table of Contents Topic Table of Contents

Key Examples

Walgreens Boots Alliance 2024 Proxy Statement

Effective disclosure on what the company heard, did in response, and where to read more and then includes more fulsome discourse on pgs. 35-38

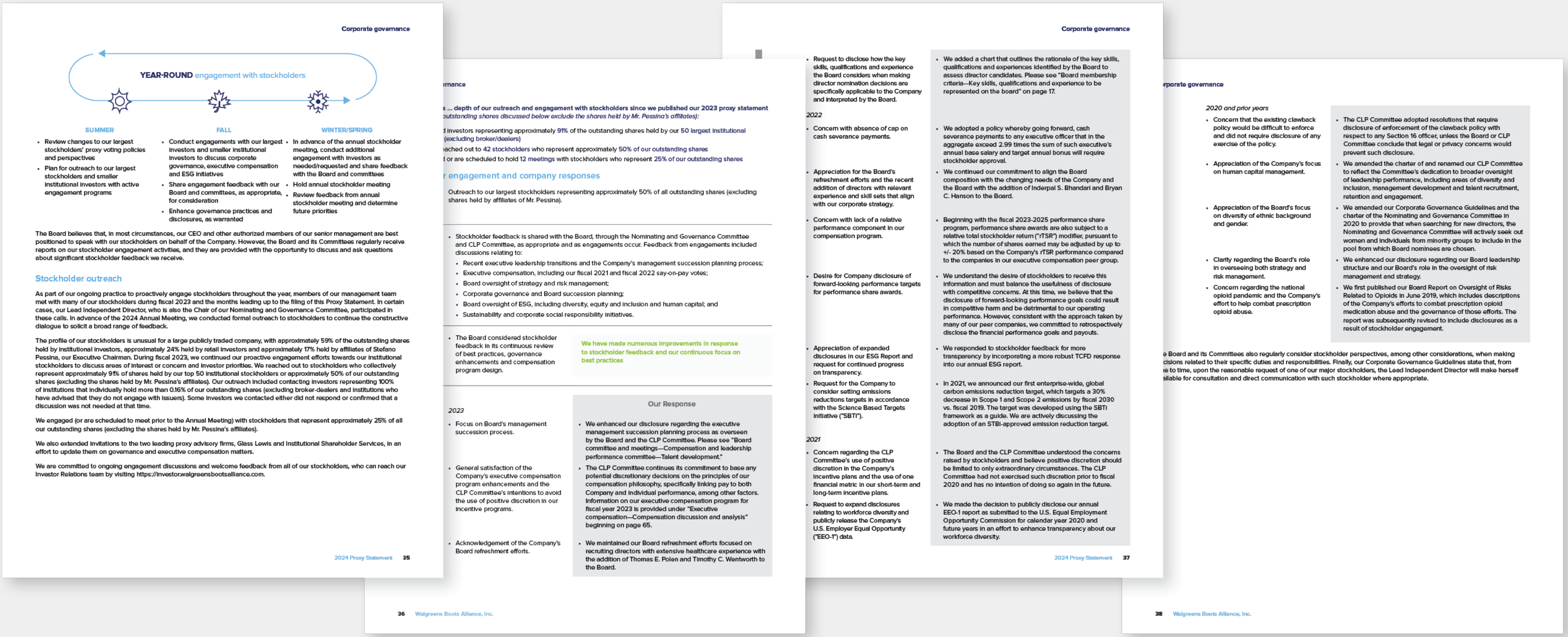


Table of Contents Topic Table of Contents

Board and Committee Evaluation Process

The board self-evaluation originated with New York Stock Exchange listing rules, which required annual performance evaluations of the board and each of its main committees. This important process has taken hold and now is incorporated into the governance practices of most companies. Although not technically required by SEC rules, companies increasingly are providing details about their evaluation processes to demonstrate that the board is accountable, effective, and has a continuous improvement and learning mindset. If evaluations are done well, the board can identify and remove obstacles to peak performance. For many companies, the board evaluation process also is a key factor in the nomination process.

What to Think About

Investors want directors to be engaged, knowledgeable, and effective, and they see rigorous self-evaluations as a means to promote board accountability and effectiveness. To that end, investors expect evaluations to go beyond simple compliance questions, such as whether the board complies with applicable legal requirements. Instead, they want assurance that evaluations are structured to uncover any impediments to the board's effectiveness.

Labrador Transparency Award Criteria

- The board evaluation process is depicted in a graphic or using other visual elements.
- The evaluation disclosure includes topics assessed and examples of enhancements or actions taken resulting from evaluation feedback.

For most companies, a board's self-evaluation process can be described visually, using a process flowchart or other graphic. The description should include:

- the committee responsible for overseeing the evaluation,
- whether a third party helps facilitate the process,
- how often evaluations are conducted,
- the key components of the process (such as written surveys, interviews, or one-on-one discussions),
- whether the individual board committees perform a similar evaluation,
- the topics covered, and
- enhancements made in response to the findings.

If the board evaluation is primarily focused on Board composition, the disclosures typically will be found near the election of directors section. Broader evaluations focused on board processes typically will appear in the Corporate Governance section.

◄ Table of Contents Topic Table of Contents

Benchmarking

Board and Committee Evaluations

50.0%

Board evaluation process is depicted in a graphic or using other visual elements

37.0%

Board evaluation disclosure includes topics assessed and examples of enhancements or actions taken resulting from evaluation feedback

Key Examples

Fiserv, Inc. 2024 Proxy Statement

Brief, with specific actions taken as a result of an evaluation

TABLE OF CONTENTS

OUR BOARD OF DIRECTORS
How We Are Selected, Elected and Evaluated

The board expects that it will consist of directors who are best-in-class and include individuals of diverse gender, sexual orientation, race, ethnicity, nationality, cultural background and age. With respect to our nominees for election at the annual meeting, 60% are diverse in gender, race and/or ethnicity, including three women and four who are diverse in race and/or ethnicity. Further to our commitment to diversity and inclusion, our governance guidelines specifically require that the initial list of candidates for any new independent director include qualified female and racially/ethnically diverse candidates.

How We Nominate Directors

The nominating and corporate governance committee recommends to the full board of directors the nominees to stand for election at our annual meeting of shareholders and to fill vacancies occurring on the board. The committee utilizes a variety of methods to identify and evaluate director candidates who may come to the attention of the committee through current directors, professional search firms, shareholders or other persons. In making recommendations to the board, the committee examines each director candidate on a case-by-case basis regardless of who recommended the candidate. The committee will consider shareholder-recommended director candidates in accordance with the foregoing and other criteria set forth in our governance guidelines and the nominating and corporate governance committee charter. Recommendations for consideration by the committee must be submitted in writing to the corporate Secretary together with appropriate biographical information concerning each proposed candidate. The committee does not evaluate shareholder-recommended director candidates differently than any other director candidate. Information regarding how shareholders may nominate director nominees is found below under "Voting, Meeting and Other Matters – Shareholder Proposals for the 2025 Annual Meeting."

How We Evaluate Our Performance

The board of directors annually considers the performance of the board, board committees and individual directors. Our board believes that a meaningful evaluation process promotes good governance practices and enhances the effective functioning of the board.

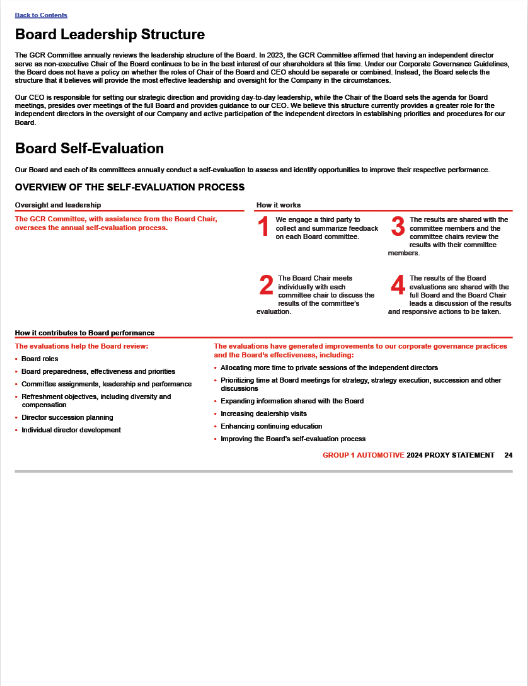
Input	Actions
• In 2023, we engaged a third party to interview our directors regarding individual director and board performance as well as perceived areas of opportunity for enhanced skills in connection with director recruiting efforts. • In addition, in 2024, we conducted a written director survey regarding individual director and board performance and our lead independent director discussed the results with each director individually and with the board as a group.	In response to the feedback received, the board took several actions including • Appointing three new directors • Continuing outside expert presentations as part of the board's director education program • Enhancing our new director orientation program • Expanding or rotating the membership of certain board committees

The board and its committees consider the results of the evaluations and, as appropriate, update their practices or areas of focus to improve the operation and performance of the board and its committees.

18 | Fiserv, Inc. 2024 Proxy Statement

Group 1 Automotive 2024 Proxy Statement

Explains the process, why it is helpful, and what changes they have made as a result



Back to Contents

Board Leadership Structure

The GCR Committee annually reviews the leadership structure of the Board. In 2023, the GCR Committee affirmed that having an independent director serve as non-executive Chair of the Board continues to be in the best interest of our shareholders at this time. Under our Corporate Governance Guidelines, the Board does not have a policy on whether the roles of Chair of the Board and CEO should be separate or combined. Instead, the Board selects the structure that it believes will provide the most effective leadership and oversight for the Company in the circumstances.

Our CEO is responsible for setting our strategic direction and providing day-to-day leadership, while the Chair of the Board sets the agenda for Board meetings, presides over meetings of the full Board and provides guidance to our CEO. We believe this structure currently provides a greater role for the independent directors in the oversight of our Company and active participation of the independent directors in establishing priorities and procedures for our Board.

Board Self-Evaluation

Our Board and each of its committees annually conduct a self-evaluation to assess and identify opportunities to improve their respective performance.

OVERVIEW OF THE SELF-EVALUATION PROCESS

Oversight and leadership

The GCR Committee, with assistance from the Board Chair, oversees the annual self-evaluation process.

How it works

1 We engage a third party to collect and summarize feedback on each Board committee.

2 The Board Chair meets individually with each committee chair to discuss the results of the committee's evaluation.

3 The results are shared with the committee members and the committee chairs review the results with their committee members.

4 The results of the Board evaluations are shared with the full Board and the Board Chair leads a discussion of the results and responsive actions to be taken.

How it contributes to Board performance

The evaluations help the Board review:

- Board roles
- Board preparedness, effectiveness and priorities
- Committee assignments, leadership and performance
- Refreshment objectives, including diversity and compensation
- Director succession planning
- Individual director development

The evaluations have generated improvements to our corporate governance practices and the Board's effectiveness, including:

- Allocating more time to private sessions of the independent directors
- Prioritizing time at Board meetings for strategy, strategy execution, succession and other discussions
- Expanding information shared with the Board
- Increasing dealership visits
- Enhancing continuing education
- Improving the Board's self-evaluation process

GROUP 1 AUTOMOTIVE 2024 PROXY STATEMENT 24

◄ Table of Contents Topic Table of Contents

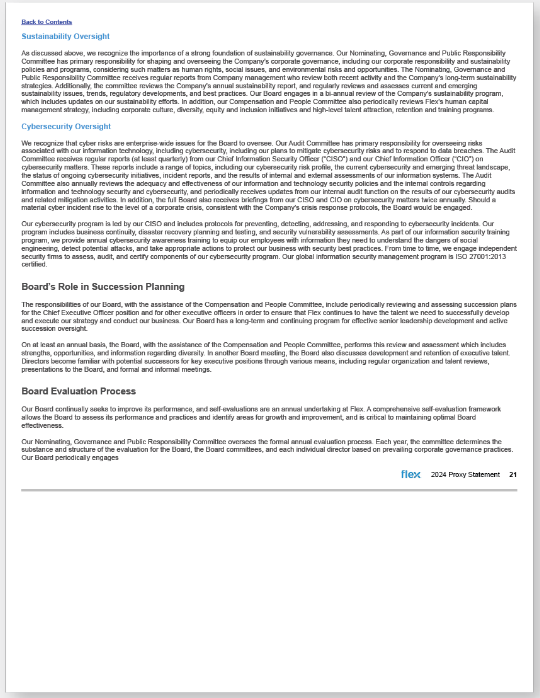
Key Examples

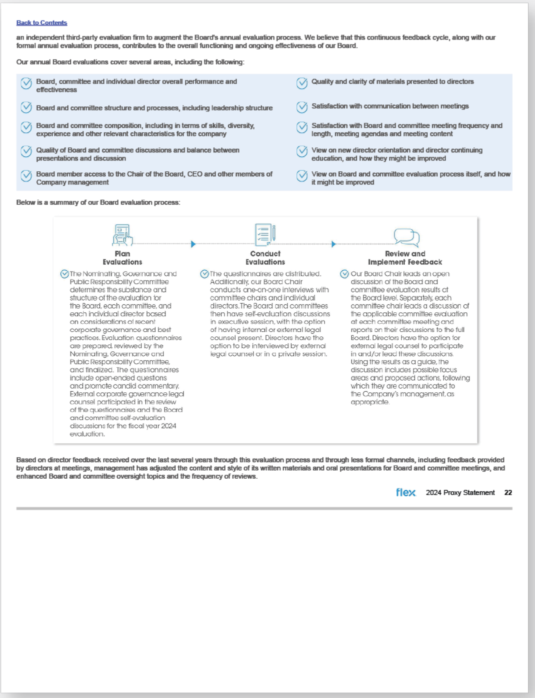
Cardinal Health 2023 Proxy Statement

Explains the process and topics evaluated and responsive changes made

Flex 2024 Proxy Statement

Detailed discussion of process, topics, and actions taken





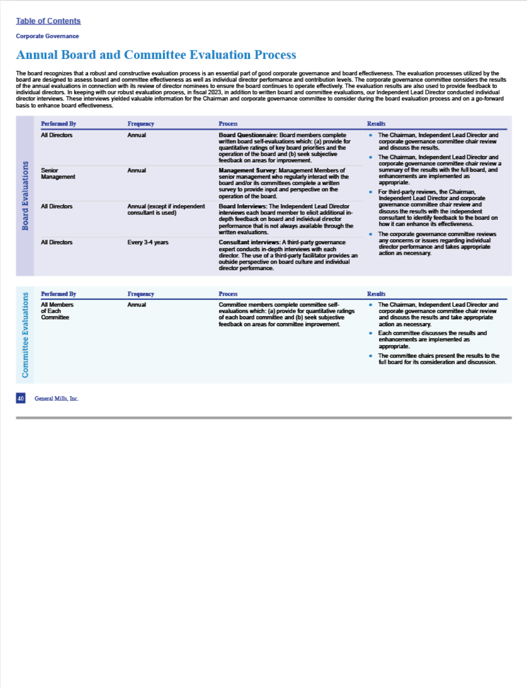
Key Examples

Diamondback Energy 2024 Proxy Statement

Very detailed discussion of process and topics covered

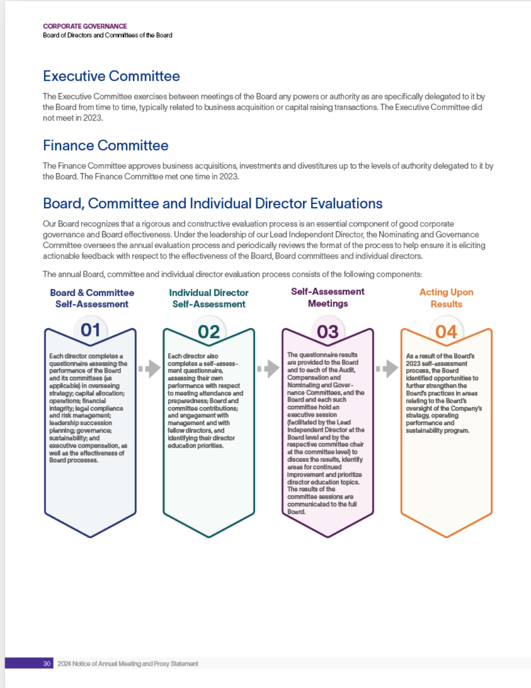
General Mills 2023 Proxy Statement

Thorough, presented in organized table format



Danaher 2024 Proxy Statement

Organized and detailed process graphic, includes responsive actions taken



Sustainability and HCM

This section includes:

◂ Table of Contents Topic Table of Contents

Approach to Sustainability

Disclosures about corporate sustainability topics, and board oversight of related risks and opportunities, continue to evolve. As the primary document for governance information, the proxy statement often includes an overview of the board's role and responsibilities. Further, sustainability highlights have moved into proxies as companies expand their definition of "performance" and value creation for a broader group of stakeholders.

Investor Perspective: Sustainability

BlackRock (U.S., 1/25)	**Robust disclosure allows for investors to effectively evaluate companies' strategy and business practices related to material sustainability-related risks and opportunities**. We find it helpful when companies' **disclosures demonstrate that they have a resilient business model** that integrates material sustainability-related risks and opportunities into their strategy, risk management, and metrics and targets, including industry-specific metrics. While we do not prescribe timelines . . . we encourage . . . **sustainability-related disclosures sufficiently in advance of their annual meeting**, to the best of their abilities to provide investors with the time to assess the data and make informed decisions. While not a voting item, we find it helpful to our understanding of investment risk when companies disclose any material supranational standards adopted, the industry initiatives in which they participate, any peer group benchmarking undertaken, and any assurance processes.
State Street (Global, 3/24)	**We expect all companies to provide public disclosures** in accordance with the following **four pillars of the Taskforce for Climate-related Financial Disclosures (TCFD) framework . . .**

Investor Perspective: Sustainability

Vanguard (U.S., 2/24)	If a situation arises in which the board has failed to **effectively identify, monitor, and ensure management of material risks and business practices** under its purview based on committee responsibilities, a fund will generally vote against the relevant committee members and/or other relevant directors. **These risks may include material social and environmental risks, inclusive of climate change.** A **fund may support shareholder proposals** that: . . . **addresses a shortcoming in the company's current disclosure relative to market norms or to widely accepted investor-oriented frameworks** endorsed or referenced by Vanguard's Investment Stewardship program (e.g., the International Sustainability Standards Board (ISSB)) . . .
ISS (U.S., 1/25)	For companies that are **significant greenhouse gas (GHG) emitters**, through their operations or value chain, **generally vote against or withhold** from the incumbent chair of the responsible committee (or other directors on a case-by-case basis) in cases where ISS determines that the company is **not taking the minimum steps needed to understand, assess, and mitigate risks related to climate change to the company and the larger economy**. Minimum steps . . . are considered to be the following . . . **Detailed disclosure of climate-related risks**, such as according to the framework established by the Task Force on Climate-related Financial Disclosures (TCFD) . . .
Glass Lewis (U.S. 2025)	**We believe that insufficient oversight of material environmental and social issues can present direct legal, financial, regulatory and reputational risks that could serve to harm shareholder interests**. We will **generally recommend voting against** the governance committee chair of a company in the Russell 1000 index that **fails to provide explicit disclosure concerning the board's role in overseeing [environmental and social] issues**.

Table of Contents Topic Table of Contents

Sustainability

Disclosures of the board's oversight of and engagement on environmental, social and governance (ESG) priorities sharply increased in recent years. Whether in a standalone section or part of a broader discussion under strategy and/or risk, discussion of a company's governance of sustainability-related topics allows stakeholders to evaluate whether these non-financial considerations are appropriately integrated into key processes and decisions.

What to Think About

While most public companies have free-standing sustainability/ESG reports, stakeholders expect to find summarized disclosures about a company's ESG governance and priorities.

Shareholders in particular want to understand how a company's approach to environmental and social topics helps support sustainable, long-term value creation. Large institutional investors have said that they will vote against relevant directors and/or support sustainability-related proposals if disclosures are lacking. Although anti-ESG proposals continued their rise in 2024, they earned less support, with average support falling to under 2%.[1]

What components of sustainability program to include? Because sustainability disclosures cross-over multiple documents, it can be difficult to determine the level of detail to provide in the proxy statement.

As a baseline for proxy statements, companies usually provide:

- **An oversight section,** which describes how sustainability-related responsibilities are allocated among management personnel and the board and its committees.
  - **Is board oversight part of strategy or risk or separate topic?:** Sustainability-related topics bring both risk and opportunity. Best practice companies are tying board oversight of sustainability/ESG to the company's strategy and stakeholder feedback. Stakeholders also expect that the board is actively identifying key sustainability-related priorities through formal risk assessments and regularly reviewing related risks and opportunities. Accordingly, it is appropriate to have the discussion of sustainability-related oversight as part of strategy, risk, or its own section, and as a best practice, craft the disclosure to tie together the interplay of ESG-strategy-risk-value creation.
- **Sustainability highlights:** More and more companies are disclosing highlights of their specific priorities, goals, and targets; recent initiatives and accomplishments; and/or awards and recognition.
  - Most companies note that more detailed data and metrics are included in a standalone sustainability/ ESG report.
- **Other sustainability-related topics:**
  - **Process for identifying and evaluating sustainability-related risks and opportunities:**
  - Several companies describe the process for identifying priorities and summarize a formal assessment process that collects the views of internal and external stakeholders.
  - — Companies should continue to refine their list of priorities as broader societal needs evolve or their specific industry or company needs change. Companies should consider recent hot topics and their relation to a company's sustainability-related and HCM priorities.

[1] https://corpgov.law.harvard.edu/2024/07/31/anti-esg-proposal-surged-in-2024-but-earned-less-support/#:~:text=As%20Figure%201%20illustrates%2C%20the,environmental%20proposal%20filings%20this%20year.

- How board exercises its oversight: Stakeholders want to understand the process the board uses for i) assessing the company's impacts and determining priorities with stakeholder input, ii) setting goals and the path to achieve them, iii) approving resources and reviewing disclosures, iv) establishing appropriate quality controls, and v) holding management accountable.
- **Commitment to transparency:** Stakeholders want decision-useful and comparative disclosures. .Many proxy statements express an ongoing commitment to transparency and accountability, noting the company's current reporting practices, naming any recognized frameworks (IFRS, TCFD, SASB, GRI, etc.) that the company reports in accordance with or is working toward, and where the most recent report/data can be located.

How to structure sustainability-related disclosures? Companies take a variety of approaches in structuring their sustainability disclosures. The most common are:

- **Two separate locations:** i) ***Sustainability highlights*** in the introductory pages, usually following company performance or as part of a proxy summary, and ii) ***Sustainability oversight*** in the corporate governance section
- **One, standalone Sustainability section** either within the corporate governance section or following it.

Key drafting considerations:

- Companies should consider consistency of sustainability-related disclosures between their proxy statement and sustainability/ESG reports. Attention should be given to a thoughtful review of a company's disclosure documents to ensure a consistent and coherent message. While extensive duplication should be avoided, the proxy statement should be used to highlight the most salient governance, processes and priorities to allow stockholders to make an informed decision when voting on a company's directors.

Labrador Transparency Award Criteria

- The document includes an ESG highlights/summary section using graphics or other visual elements.
- The document provides an overview of ESG focus areas and updates on key priorities and initiatives.
- The company summarizes its reporting practices, including use of applicable reporting frameworks, and the website to find the most recent ESG report.
- The document includes a section, subsection or callout discussing the board's role in ESG oversight.
- The company discloses the Board or applicable Board Committee that oversees climate risk.
- A matrix, table, graphic or other visual elements are used to depict the distribution of specific ESG responsibilities among the board, Board committees and management.

Looking Ahead

Anti-ESG" shareholder proposals accounted for approximately 17% of all ESG proposals submitted during the 2024 annual meeting season.* Many of the anti-ESG proposals relate to diversity matters. In light of the "anti-ESG" movement and recent legal challenges companies should review their disclosures to ensure a robust explanation of how their sustainability programs tie to strategy.

- https://www.georgeson.com/us/insights/2023-agm-season-new-record-for-esg-shareholder proposals

◂ Table of Contents Topic Table of Contents

Benchmarking

Sustainability/ESG Oversight

72.0%
The document includes a section, subsection or callout discussing the board's role in ESG oversight

61.0%
The document includes a discussion of a specific committee's role in ESG oversight

54.0%
The document includes a discussion of the management's role in ESG oversight

21.0%
The discussion of ESG oversight includes a graphic or other visual elements to depict the distribution of specific ESG responsibilities among the Board, Board committees, and management

Location of ESG oversight discussion:

40.3%
Within risk oversight in Corporate Governance

20.8%
Within ESG section in Corporate Governance

52.8%
Together with discussion of ESG topics

Sustainability/ESG Highlights

72.0%
The document includes an ESG highlights/ summary section

Location of ESG Highlights/Summary:

51.4%
Within Proxy summary/introductory pages

33.3%
Within Corporate Governance

29.2%
Within separate ESG section

Sustainability/ESG Topics

58.0%
ESG Focus areas/priorities are outlined

45.0%
Climate change/GHG/Net Zero goals are disclosed

37.0%
Company discloses quantitative progress (ex: percentage increase or decrease) against goals

36.0%
Company discloses qualitative progress (ex: actions) against goals

26.0%
Environmental goals are disclosed

24.0%
DEI goals are disclosed

66.0%

The criteria for this year's TAW asked only if there are any graphics or visual elements in the ESG highlights/summary, not specific to key figures ("The document includes an ESG highlights/summary section using graphics or other visual elements").

26.0%

Awards and recognitions are presented

Reference to Sustainability/ESG Reporting

57.0%

A URL link to the latest report is provided

Reporting frameworks are mentioned

52.0%

Highlighted frameworks include:

88.5%
Task Force on Climate-related Financial Disclosures (TCFD)

78.8%
Sustainability Accounting Standards Board (SASB)

50.0%
Global Reporting Initiative (GRI)

34.6%
UN Sustainable Development Goals

◄ Table of Contents   Topic Table of Contents

Key Examples

Air Products 2024 Proxy Statement

Common approach of 2-3 page, visual ESG summary in the introductory pages, with a short discussion of the Board's oversight in the Risk Oversight section

Table of Contents

Sustainability Highlights

Providing innovative solutions through deeply-rooted values

Air Products' higher purpose is to bring people together to collaborate and innovate solutions to the world's most significant energy and environmental sustainability challenges. We are living this commitment, putting sustainability in action through our mega projects that support the energy transition. While working to support these objectives and our customers, we also remain committed to our employees. Safety will always be a priority at Air Products, with the ultimate goal of zero incidents and zero accidents. Our goal is to be the safest, most diverse and most profitable industrial gas company in the world, providing excellent service to our customers. To drive this objective, we set rigorous goals for female representation globally and for minority representation in the United States.

Achievements

- Strong financial performance in fiscal 2023 as indicated above in our Financial and Operational Highlights
- Have projects in execution in Alberta, Canada for a net-zero hydrogen energy complex; a blue hydrogen energy facility in Louisiana, United States; a green ammonia project in NEOM City, Saudi Arabia; and a sustainable aviation fuel project in California, United States
- Enabled customers to avoid more than three times our own carbon dioxide equivalent ("CO_2e") emissions while contributing 56% of revenues in calendar year 2022 from sustainable offerings that improve energy efficiency, reduce environmental impact or address societal needs such as food, healthcare and safety

- Continued to reduce Scope 1 and 2 CO_2e emissions intensity in calendar year 2022, reaching a reduction of 5% from calendar year 2015
- Reduced Scope 3 CO_2e emissions intensity in calendar year 2022, reaching a reduction of 28% from calendar year 2015
- Improved year-on-year water intensity by 4% in calendar year 2022 and maintained energy efficiency
- Engaged with the Science Based Targets Initiative to develop a sectoral framework and methodology for the chemicals sector

- Reduced employee recordable injury rate in fiscal 2023 by 19% from fiscal 2022
- Achieved U.S. minority representation of 25% and global female representation of 26% in fiscal 2022
- Through the Air Products Foundation, contributed over $9 million in donations to communities in fiscal 2023

4 AIR PRODUCTS

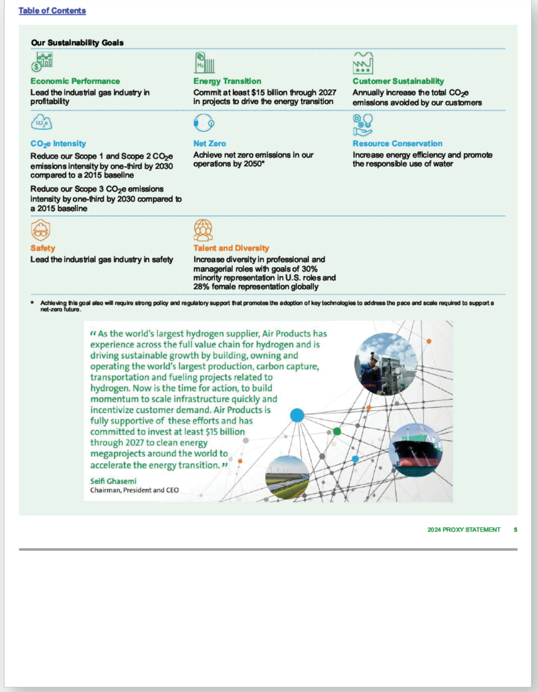


Table of Contents

Our Sustainability Goals

Economic Performance
Lead the industrial gas industry in profitability

Energy Transition
Commit at least $15 billion through 2027 in projects to drive the energy transition

Customer Sustainability
Annually increase the total CO_2e emissions avoided by our customers

CO_2e Intensity
Reduce our Scope 1 and Scope 2 CO_2e emissions intensity by one-third by 2030 compared to a 2015 baseline
Reduce our Scope 3 CO_2e emissions intensity by one-third by 2030 compared to a 2015 baseline

Net Zero
Achieve net zero emissions in our operations by 2050*

Resource Conservation
Increase energy efficiency and promote the responsible use of water

Safety
Lead the industrial gas industry in safety

Talent and Diversity
Increase diversity in professional and managerial roles with goals of 30% minority representation in U.S. roles and 28% female representation globally

* Achieving this goal also will require strong policy and regulatory support that promotes the adoption of key technologies to address the pace and scale required to support a net-zero future.

"As the world's largest hydrogen supplier, Air Products has experience across the full value chain for hydrogen and is driving sustainable growth by building, owning and operating the world's largest production, carbon capture, transportation and fueling projects related to hydrogen. Now is the time for action, to build momentum to scale infrastructure quickly and incentivize customer demand. Air Products is fully supportive of these efforts and has committed to invest at least $15 billion through 2027 to clean energy megaprojects around the world to accelerate the energy transition."

Seifi Ghasemi
Chairman, President and CEO

2024 PROXY STATEMENT 5

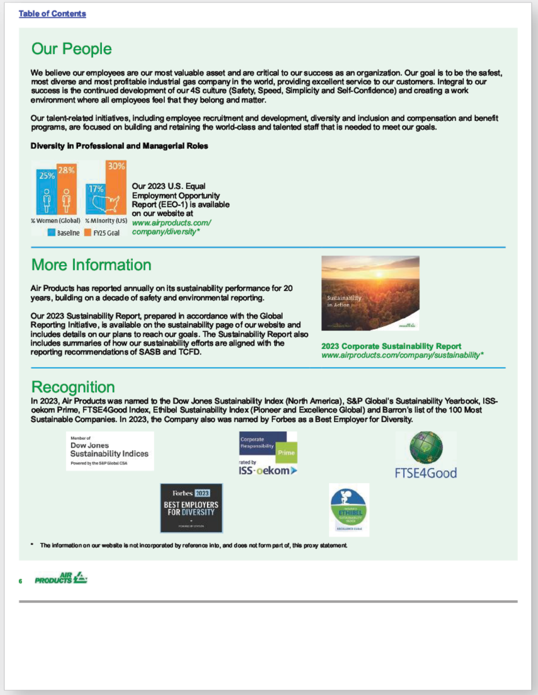


Table of Contents

Our People

We believe our employees are our most valuable asset and are critical to our success as an organization. Our goal is to be the safest, most diverse and most profitable industrial gas company in the world, providing excellent service to our customers. Integral to our success is the continued development of our 4S culture (Safety, Speed, Simplicity and Self-Confidence) and creating a work environment where all employees feel that they belong and matter.

Our talent-related initiatives, including employee recruitment and development, diversity and inclusion and compensation and benefit programs, are focused on building and retaining the world-class and talented staff that is needed to meet our goals.

Diversity in Professional and Managerial Roles

Our 2023 U.S. Equal Employment Opportunity Report (EEO-1) is available on our website at www.airproducts.com/company/diversity*

More Information

Air Products has reported annually on its sustainability performance for 20 years, building on a decade of safety and environmental reporting.

Our 2023 Sustainability Report, prepared in accordance with the Global Reporting Initiative, is available on the sustainability page of our website and includes details on our plans to reach our goals. The Sustainability Report also includes summaries of how our sustainability efforts are aligned with the reporting recommendations of SASB and TCFD.

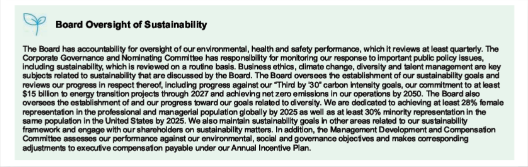
2023 Corporate Sustainability Report
www.airproducts.com/company/sustainability*

Recognition

In 2023, Air Products was named to the Dow Jones Sustainability Index (North America), S&P Global's Sustainability Yearbook, ISS-oekom Prime, FTSE4Good Index, Ethibel Sustainability Index (Pioneer and Excellence Global) and Barron's list of the 100 Most Sustainable Companies. In 2023, the Company also was named by Forbes as a Best Employer for Diversity.

* The information on our website is not incorporated by reference into, and does not form part of, this proxy statement.

6 AIR PRODUCTS



Board Oversight of Sustainability

The Board has accountability for oversight of our environmental, health and safety performance, which it reviews at least quarterly. The Corporate Governance and Nominating Committee has responsibility for monitoring our response to important public policy issues, including sustainability, which is reviewed on a routine basis. Business ethics, climate change, diversity and talent management are key subjects related to sustainability that are discussed by the Board. The Board oversees the establishment of our sustainability goals and reviews our progress in respect thereof, including progress against our "Third by '30" carbon intensity goals, our commitment to at least $15 billion to energy transition projects through 2027 and achieving net zero emissions in our operations by 2050. The Board also oversees the establishment of and our progress toward our goals related to diversity. We are dedicated to achieving at least 28% female representation in the professional and managerial population globally by 2025 as well as at least 30% minority representation in the same population in the United States by 2025. We also maintain sustainability goals in other areas related to our sustainability framework and engage with our shareholders on sustainability matters. In addition, the Management Development and Compensation Committee assesses our performance against our environmental, social and governance objectives and makes corresponding adjustments to executive compensation payable under our Annual Incentive Plan.

◂ Table of Contents Topic Table of Contents

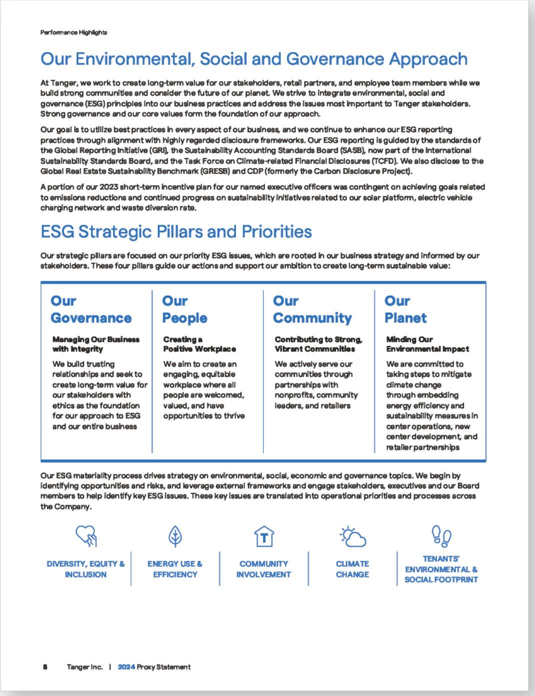
Key Examples

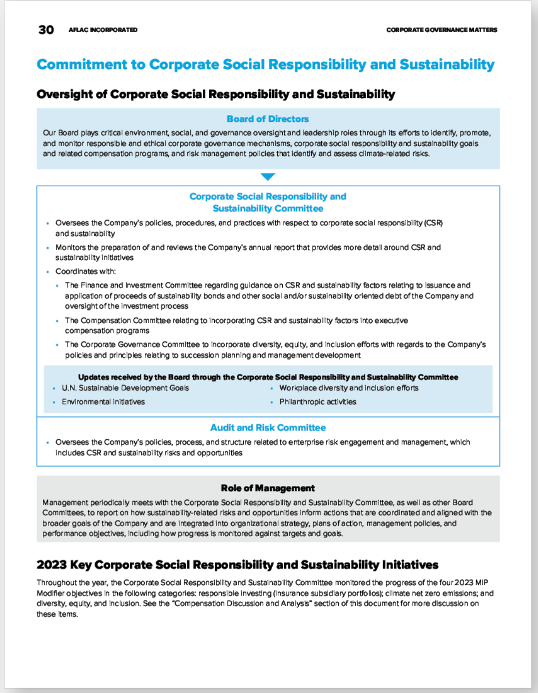
Tanger 2023 Proxy Statement

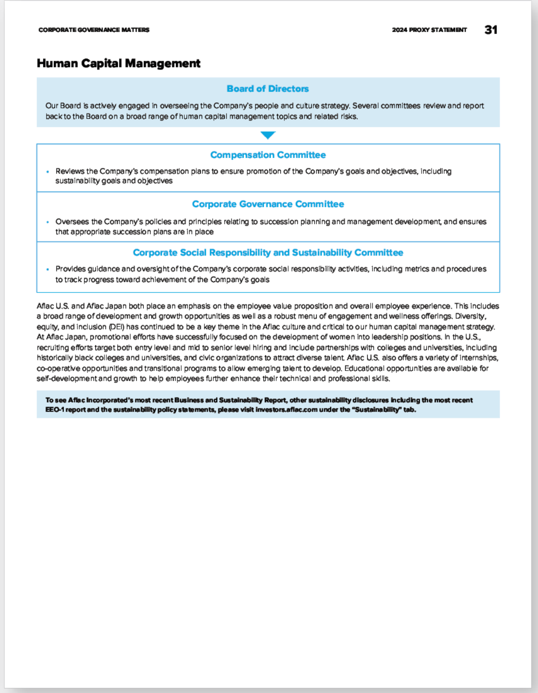
1-page ESG overview in introductory pages

Aflac 2024 Proxy Statement

1-page ESG overview in introductory pages, with 2-page Board oversight of ESG and HCM later in the proxy statement





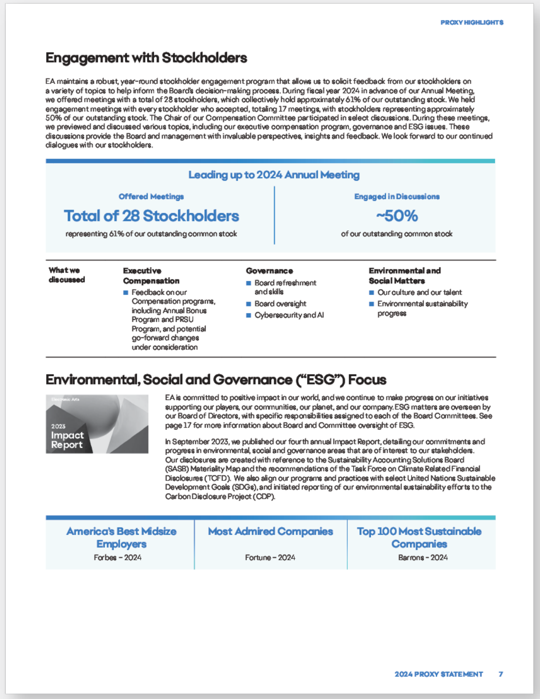


◂ Table of Contents Topic Table of Contents

Key Examples

Electronic Arts 2024 Proxy Statement

A simple and direct approach, with a brief ESG section in the proxy summary and, later under Board Roles and Responsibilities, a table showing key ESG areas of Board oversight


PROXY HIGHLIGHTS

Engagement with Stockholders

Leading up to 2024 Annual Meeting

Offered Meetings

Total of 28 Stockholders

representing 61% of our outstanding common stock

Engaged in Discussions

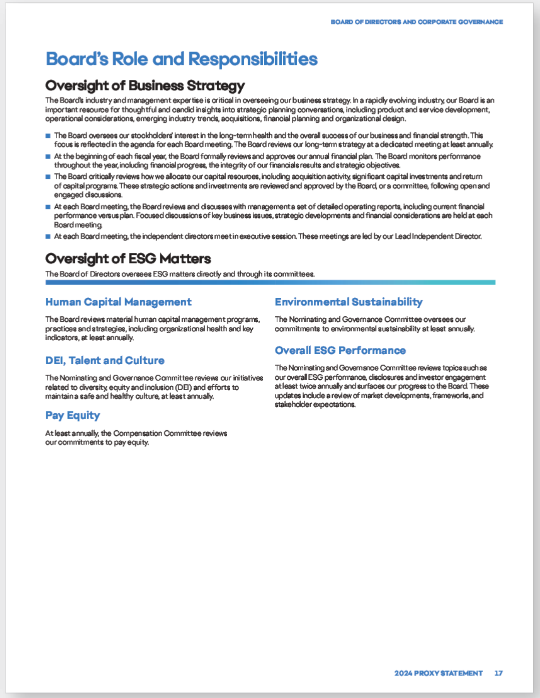
~50%

of our outstanding common stock

Environmental, Social and Governance ("ESG") Focus

America's Best Midsize Employers	Most Admired Companies	Top 100 Most Sustainable Companies
Forbes – 2024	Fortune – 2024	Barrons – 2024

2024 PROXY STATEMENT 7


BOARD OF DIRECTORS AND CORPORATE GOVERNANCE

Board's Role and Responsibilities

Oversight of Business Strategy

Oversight of ESG Matters

The Board of Directors oversees ESG matters directly and through its committees.

Human Capital Management

Environmental Sustainability

DEI, Talent and Culture

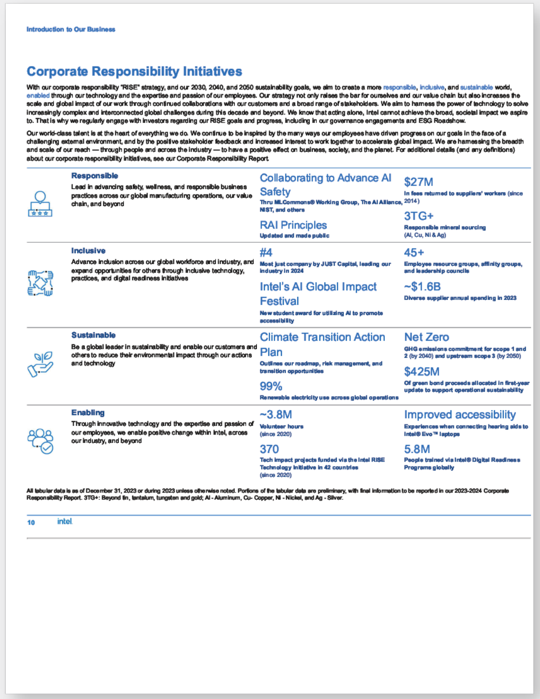
Overall ESG Performance

Pay Equity

2024 PROXY STATEMENT 17

Intel 2024 Proxy Statement

1-page, data-heavy overviews of ESG initiatives in the introductory pages, plus later discussion of Board oversight, including number of directors with relevant experience


Introduction to Our Business

Corporate Responsibility Initiatives

Responsible

Collaborating to Advance AI Safety

$27M

3TG+

RAI Principles

Inclusive

#4

45+

Intel's AI Global Impact Festival

~$1.6B

Sustainable

Climate Transition Action Plan

Net Zero

99%

$425M

Enabling

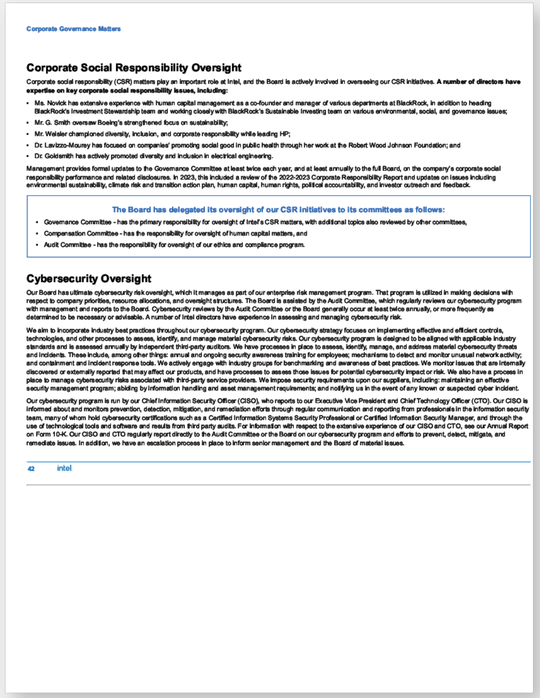
~3.8M

Improved accessibility

370

5.8M

10 intel


Corporate Governance Matters

Corporate Social Responsibility Oversight

The Board has delegated its oversight of our CSR initiatives to its committees as follows:

Cybersecurity Oversight

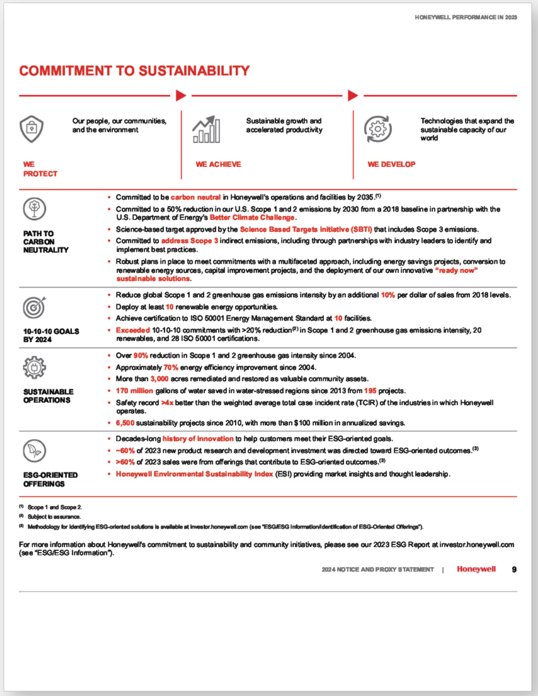
42 intel

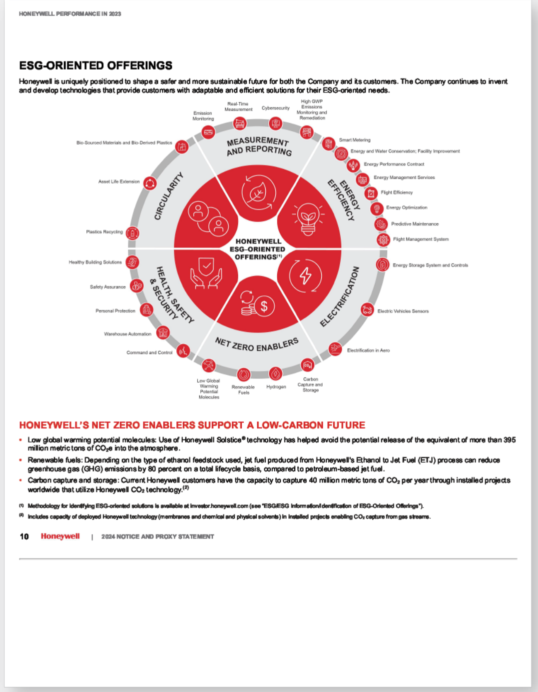
◀ Table of Contents Topic Table of Contents

Key Examples

Honeywell 2024 Proxy Statement

2-page, graphic-heavy section on "Commitment to Sustainability" focused on environmental matters in the introductory pages; table and narrative describing oversight of all ESG matters in Board risk oversight section



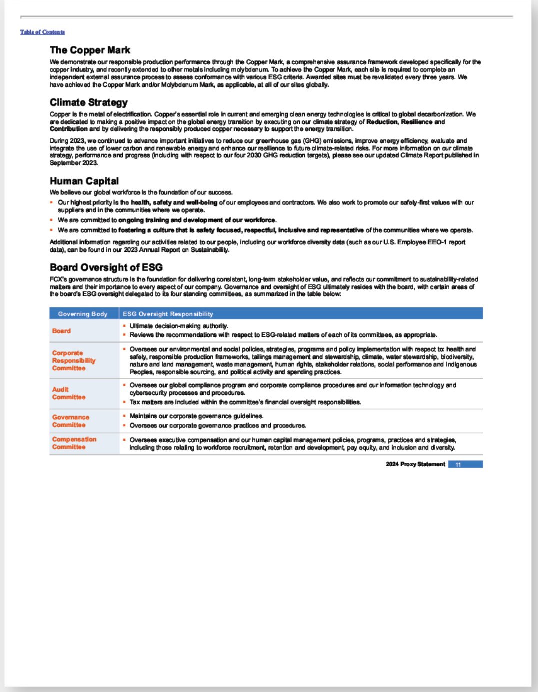


◂ Table of Contents Topic Table of Contents

Key Examples

Freeport McMoRan 2024 Proxy Statement

A compact (3-page), standalone ESG section that highlights the company's sustainability strategy in the introductory pages; prominently describes Board and Committee oversight of ESG and emphasizes their roles in overseeing compliance programs and procedures in alignment with the company's global strategies



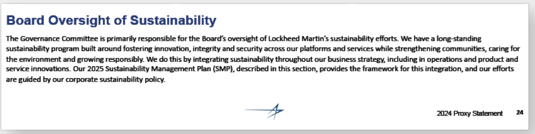
◂ Table of Contents   Topic Table of Contents

Key Examples

Lockheed Martin 2024 Proxy Statement

2+ page, graphic and detailed section following Strategy/People Oversight, without any highlights in the introductory pages; uses headings effectively to show i) that sustainability oversight is managed through a risk lens, ii) key climate goals, iii) transparency and iv) value creation

No separate sustainability section in proxy summary - instead discussed as part of sound corporate governance practices



Board Oversight of Sustainability

The Governance Committee is primarily responsible for the Board's oversight of Lockheed Martin's sustainability efforts. We have a long-standing sustainability program built around fostering innovation, integrity and security across our platforms and services while strengthening communities, caring for the environment and growing responsibly. We do this by integrating sustainability throughout our business strategy, including in operations and product and service innovations. Our 2025 Sustainability Management Plan (SMP), described in this section, provides the framework for this integration, and our efforts are guided by our corporate sustainability policy.

2024 Proxy Statement 24

ABOUT LOCKHEED MARTIN | VOTING ROADMAP | CORPORATE GOVERNANCE | DIRECTOR NOMINEES | EXECUTIVE COMPENSATION | AUDIT MATTERS | STOCKHOLDER PROPOSALS | OTHER INFORMATION

We integrate sustainability governance through a risk-management lens

We take an integrated approach to managing corporate culture, ethics and business integrity, governance and sustainability issues through a risk management lens. The Governance Committee is responsible for ultimate oversight of our sustainability program, including regular reviews of performance against the SMP. The Governance Committee also approves the Company's Code of Conduct and reviews our annual sustainability reporting and our topical reporting such as our Human Rights and Climate-Related Risks and Opportunities Report, which are available on our website. Our formal sustainability governance structure is depicted below and its elements are collectively responsible for guiding and implementing our SMP.

Board of Directors	Executive Leadership Team	Risk and Compliance Committee	Sustainability Management Team
Chairman, President and CEO Nominating and Corporate Governance Committee	Chairman, President and CEO Chief Operating Officer Chief Financial Officer SVP Business Functions Business Segment Presidents	Chair: Senior Vice President, Ethics and Enterprise Assurance Vice Presidents of business segments and corporate functions	Chair: Director of Sustainability Directors and Senior Managers responsible for functions related to specific sustainability management plan goals
Monitors the Company's adherence to our Code of Ethics and Business Conduct and oversees performance in corporate sustainability, employee safety and health, ethical business practices and diversity and inclusion.	Oversees the sustainability program and enables business segments and functions to pursue and implement opportunities and practices that support the sustainability policy.	Oversees enterprise risk management to inform Executive Leadership Team and the Board on risk management efforts and provides a forum to review and guide enterprise sustainability initiatives and provide input on SMP execution.	Reviews SMP progress and opportunities for program enhancement and shares internal and external insights and best practices.

We are committed to promoting climate and environmental stewardship

At Lockheed Martin, climate risks and opportunities impact our long-term resiliency as a leader in global security and aerospace. The Board recognizes that companies have a role in meeting the challenge of mitigating and adapting to climate change risks. We seek to understand and address climate risks while leveraging opportunities to foster a strong business model for the future. At our Board's direction, in 2022 we set—and continue to progress against—the following two aggressive carbon-reduction goals:

Carbon Reduction	Renewable Energy
By 2030, reduce Scope 1 and 2 absolute carbon emissions by 36% from a 2020 baseline.	By 2030, match 40% of electricity used across Lockheed Martin global operations with electricity produced from renewable sources.

Our 2030 goals demonstrate our ongoing commitment to improve our carbon strategy and accelerate our carbon reduction efforts. In 2023, we updated our associated Go Green operational goals to reflect these updated commitments and will report on our progress in our next Sustainability Performance Report expected to be released in April 2024.

We are recognized for our transparent corporate sustainability disclosures

Our Board believes transparency is a good corporate governance practice. We have been recognized globally for our sustainability efforts and disclosures. We publish annual sustainability reporting which is prepared in reference to the Global Reporting Initiative (GRI) Standards and undergoes third-party assurance. We also maintain a dedicated sustainability website and disclosure hub, that serves as an online repository for our sustainability-related disclosures, guidelines, policies and webpage links, including select GRI and Sustainability Accounting Standards Board (SASB) indicators. We publish a Climate-Related Risks and Opportunities report, aligned with the Task Force on Climate-Related Financial Disclosures (TCFD) recommendations, which is available on our website.

GRI SASB TCFD

25 2024 Proxy Statement

ABOUT LOCKHEED MARTIN | VOTING ROADMAP | CORPORATE GOVERNANCE | DIRECTOR NOMINEES | EXECUTIVE COMPENSATION | AUDIT MATTERS | STOCKHOLDER PROPOSALS | OTHER INFORMATION

Our comprehensive sustainability management plan creates value

Our 2025 SMP, developed through an extensive core issues assessment using stakeholder input and industry trends and released in 2020, defines our sustainability goals and drives our progress toward them. As depicted below, the SMP is centered around four strategic priorities, each of which has subsidiary core issues. The 2025 SMP includes goals and key performance indicators (KPIs) established for each core issue that reflect stakeholder feedback, internal and external trends, and the continued evolution of our business to create value well into the future. These metrics help focus our efforts in the areas that provide value to our stakeholders and our business. We comprehensively report our progress annually in our Sustainability Performance Report.

We engage with our supply chain to enhance their sustainability efforts

We work closely with suppliers to strengthen our communities and foster responsible growth. Our efforts and accomplishments in these areas during the year-long measuring period ended September 30, 2023 included the following:

21.8 percent or $6.6 billion of supplier spend was awarded to 7,355 small businesses including:

$1.3B awarded to woman-owned businesses (both large and small)	$678M awarded to veteran-owned businesses (both large and small)	$169M awarded to Alaskan Native and Tribally Owned Corporations	$378M awarded to service-disabled veteran-owned small businesses

Received an "Exceptional" rating from the Defense Contract Management Agency (DCMA) for small business performance on Department of Defense contracts

In 2023, we launched the RENEWay program that provides suppliers across the aerospace and defense industry a runway to educational resources and action pathways for reducing carbon emissions by accelerating the adoption of renewable electricity. The program, a partnership with Schneider Electric, provides critical resources and expert consultation for suppliers at any stage of their decarbonization journey to navigate the diverse array of options within the renewable energy market and create a procurement strategy. In the initial launch in 2023, we invited 2,000 small manufacturing suppliers to the program, while making RENEWay available to all suppliers on our website. Suppliers gain critical support and renewable electricity education at no cost to them through corporate sponsorship.

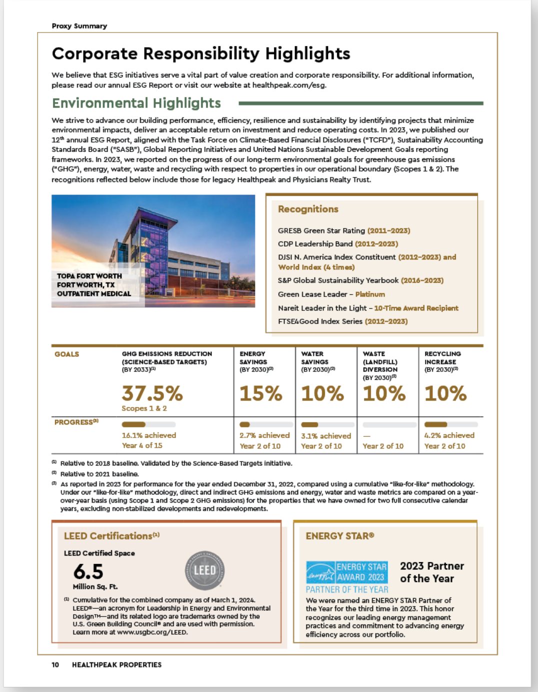
2024 Proxy Statement 26

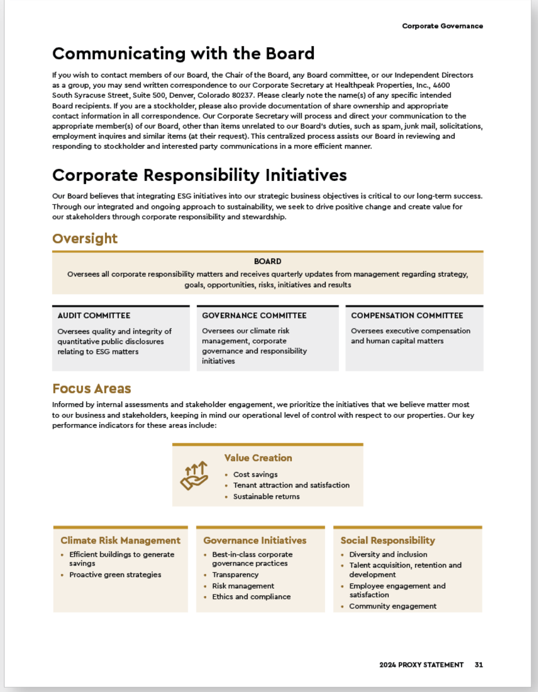
◂ Table of Contents Topic Table of Contents

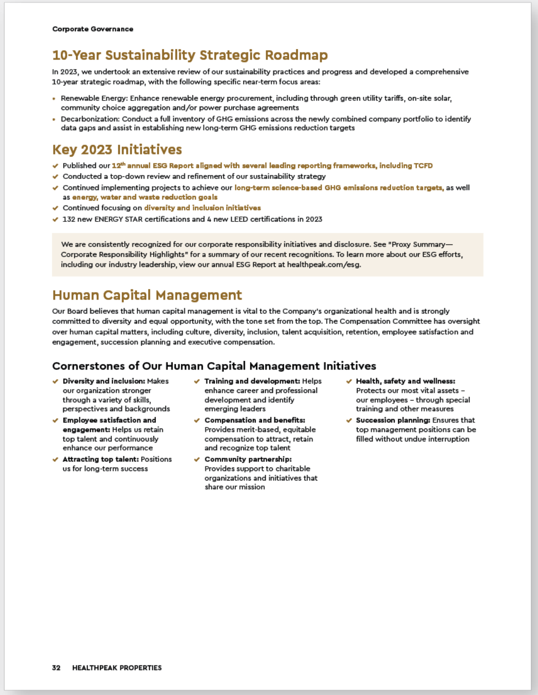
Key Examples

Healthpeak Properties 2024 Proxy Statement

2-page, graphic-heavy corporate responsibility highlights in introductory pages, with a separate discussion in Oversight section covering both Board oversight and key ESG and HCM initiatives





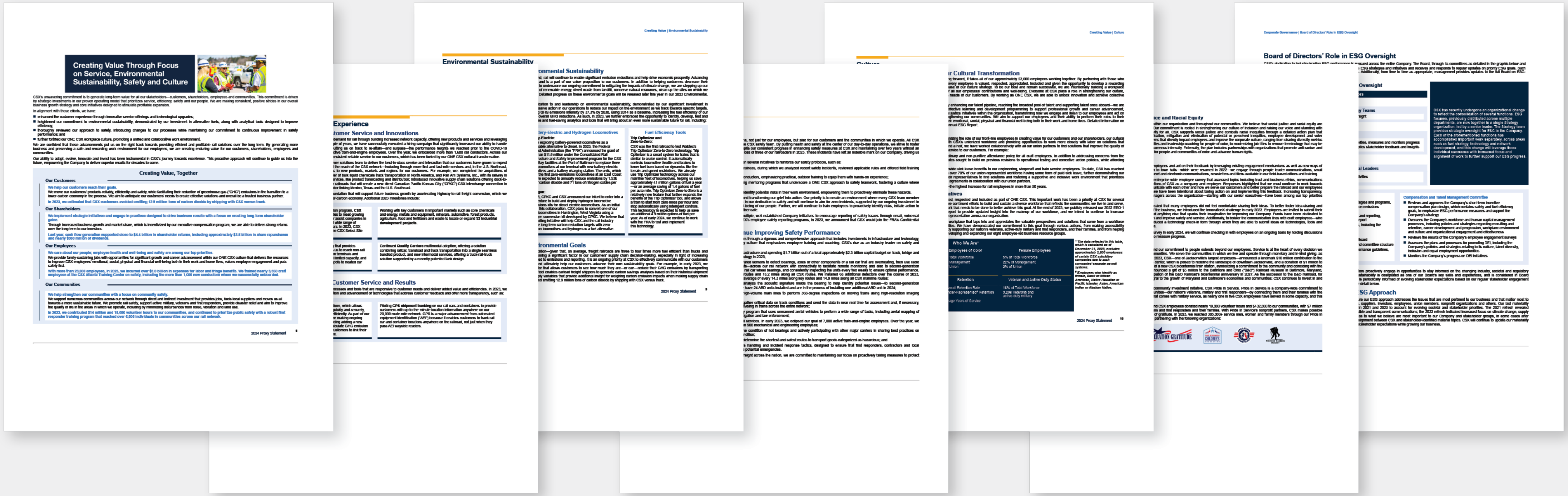


◀ Table of Contents Topic Table of Contents

Key Examples

CSX 2024 Proxy Statement

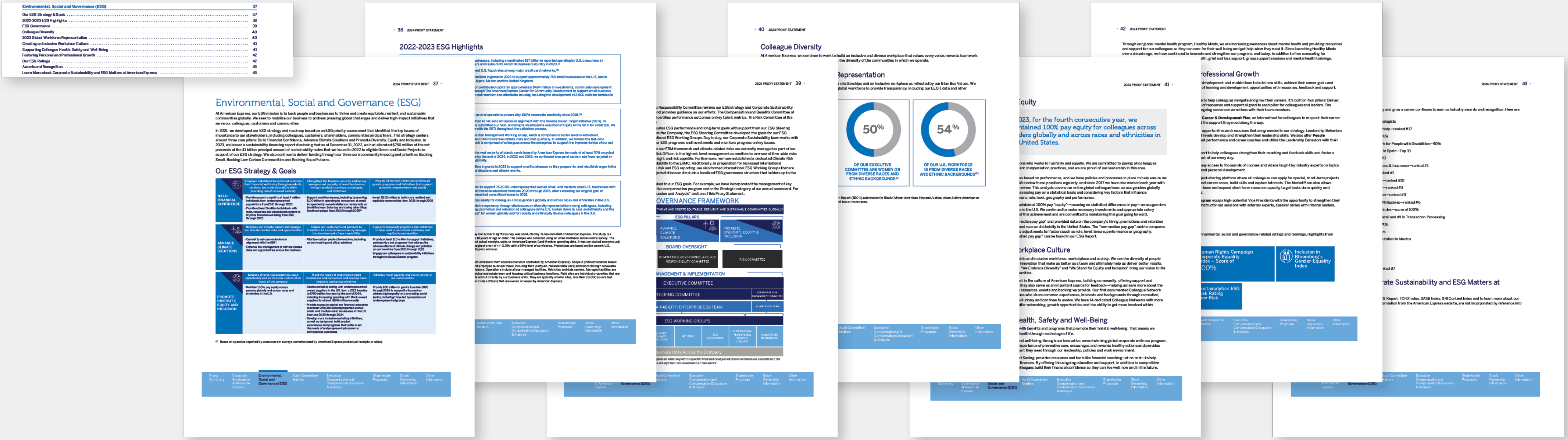
Text-heavy and detailed sustainability section, titled to connect with value creation in the introductory pages, with a separate discussion of ESG oversight by the Board, shown in a tabular format, later in the proxy



Key Examples

American Express 2024 Proxy Statement

Comprehensive standalone ESG section following the Election of Directors/Corporate Governance section. Includes ESG strategy and goals; ESG governance; HCM/DEI matters; and ratings, awards, and recognition



◂ Table of Contents Topic Table of Contents

Approach to HCM

Human capital management disclosures in proxy statements follow a similar protocol as sustainability disclosures. The primary focus is on board oversight, but also including an overview of the company's approach to talent management as it relates to strategy, risk and performance.

Investor Perspective: Human Capital Management

BlackRock (U.S., 1/25)	BIS finds it helpful when companies **discuss how they consider the needs of their workforce today, and the skills required for their future business strategy**. We are also **interested to understand how the board monitors and** engages on these matters, given it is well positioned to ensure that the approach taken by management is informed by and aligns with the company strategy. Consequently, **we ask companies to demonstrate a robust approach to HCM and provide shareholders with clear and consistent disclosures** to help investors understand how a company's approach aligns with its stated strategy and business model. Some components of HCM are consistent across most companies, such as the approach to diversity, equity, and inclusion ("DEI"). **We ask companies to disclose their approach to DEI as well as workforce demographics, which are baselined by their responses to the U.S. Equal Employment Opportunity Commission's EEO-1 Survey**.
State Street (Global, 3/24)	We believe **quality public disclosure includes the following:** • **Board oversight** Methods outlining how the board oversees human capital-related risks and opportunities • **Strategy** Approaches to human capital management and how these advance the long-term business strategy • **Compensation** Strategies throughout the organization that aim to attract and retain employees, and incentivize contribution to an effective human capital strategy • **Voice** Channels to ensure the concerns and ideas from workers are solicited and acted upon, and how the workforce is engaged and empowered in the organization, and • **Diversity, equity, and inclusion** Efforts to advance diversity, equity, and inclusion

Investor Perspective: Human Capital Management

Vanguard (U.S., 2/24)	If [certain criteria is met], a fund is **likely to support the following types of proposals**;: . . . Specific to a social risk proposal (not exhaustive): • Requests **disclosure of workforce demographics** inclusive of gender, racial, and ethnic categories, considering other widely accepted industry standards, and if appropriate under applicable laws and regulations. This could include publishing EEO-1 reports. • Requests **disclosure of the board's role in overseeing material diversity, equity, and inclusion (DEI) risks or other material social risks**. . . .
ISS (U.S. 1/25)	ISS applies a **common approach** globally to evaluating social and environmental proposals which cover a wide range of topics, including **. . . labor standards and human rights, workplace and board diversity . . .** While a variety of factors goes into each analysis, the overall principle guiding all vote recommendations focuses on how the proposal may **enhance or protect shareholder value in either the short or long term.** Generally vote for proposals requesting a company **disclose its diversity policies or initiatives**, or proposals requesting disclosure of a company's comprehensive **workforce diversity data**, including requests for EEO-1 data . . .
Glass Lewis (U.S. 2025)	**Glass Lewis believes that companies should ensure that boards maintain clear oversight of material risks to their operations**, including those that are environmental and social in nature. These risks could include, but are not limited to, matters related to climate change, **human capital management, diversity**, stakeholder relations, and **health, safety** & environment.

Human Capital Management (HCM)

Investors' focus on human capital management predates the SEC rules on the subject that went into effect in 2020. The SEC's principles-based approach requires, if material to a business, disclosure in the Form 10-K of a company's human capital resources, measures, and objectives that a company focuses on in managing its business (such as measures that address the development, attraction, and retention of employees). Most companies also provide an overview of the company's human capital management strategies—including the board's oversight role—in the proxy.

What to Think About

Shareholders expect robust disclosure about a company's human capital management programs, and they use engagement and shareholder proposals expeditiously to advance their human capital agendas.

Investors want to understand the company's approach to HCM, the board's related oversight processes, and how a company's approach aligns with their strategy and business model.

In addition to SEC rulemaking, the global pandemic and increasingly polarizing political issues have elevated the importance of the employer-employee relationship. HCM disclosures need to address this, acknowledging the link between an engaged, productive workforce and strategic execution.

Level of detail: As with other sustainability-related disclosures, the principal question is what level of detail is appropriate for the proxy. Some companies are including multi-page disclosures, while others provide a shorter highlights section.

- ***Use of infographics and callouts***: Regardless of length, effective HCM sections use icons, infographics, and callouts to highlight key information.

What to cover: We believe, at a minimum, the proxy statement should address

- ***Strategy***: the importance of talent to the company's long-term strategy, including any related risks.
- ***Oversight***: the board's role in overseeing talent-related policies and practices.
  - We recommend demonstrating board engagement by describing the frequency of reviews and opportunities for direct employee interactions.
  - This disclosure may reside with the other governance disclosures about board oversight responsibilities or together with HCM highlights.
- ***HCM pillars & initiatives***: Common topics in recent years included:
  - Talent acquisition, retention, engagement, and development
  — with detail on turnover, engagement survey results, training
  - Diversity, equity, and inclusion with workforce representation data (often broken down by management and the broader workforce), and related pay equity policies.
  - Pay and other elements that a company uses to incentivize its workforce.
  - Health and wellness (including mental health and programs that promote financial wellbeing).
  - Workplace safety.
  - Work-from-home and hybrid work arrangements (i.e., post-pandemic "new world of work").
  - External awards and recognition.

Recent shareholder proposals have advanced workplace diversity reports (including EEO-1 data) and gender/racial pay gap reports. Other proposals have requested disclosures on workplace sexual harassment, employment practices, and concealment clauses. Disclosure practices often follow shareholder proposal trends.

Labrador Transparency Award Criteria

- The document includes a section, subsection or callout discussing the board's role in oversight of human capital management.

Looking Ahead

During the 2024 proxy season, shareholder proponents asked for a variety of enhanced practices and disclosures related to HCM, ranging from reports on the effectiveness of DEI efforts or gender/racial pay gaps, third-party racial equity or civil rights audits, oversight of workplace health and safety, labor organizing rights, and prevention of workplace harassment and discrimination. More targeted proposals focused on issues of relevance to a particular industry or that have been the subject of recent national debate, such as the human rights risks related to conducting operations in China or the risks of restrictive reproductive healthcare legislation on a company's workforce and operations.

Companies should review these proposal trends and identify disclosure opportunities related to the risks most relevant to their business. Companies should also seek advice of counsel to understand potential risks, particularly related to recent anti-DEI sentiment (including shareholder proposals in the 2025 proxy season to rollback DEI programs) and legal challenges.

Benchmarking

HCM Oversight

40.0%
The document includes a dedicated section, subsection or callout discussing the board's role in oversight of HCM

31.0%
The document discusses the role of a specific committee in oversight of HCM

25.0%
The document discusses the management's role in oversight of HCM

18.0%
The frequency of reporting HCM from management to board is disclosed

Location of HCM oversight discussion:

32.5%
Within risk oversight in Corporate Governance section

22.5%
Within ESG disclosures section

30.0%
Within separate section in Corporate Governance section

HCM Highlights/Summary

58.0%
Compensation program overview or highlights (changes)

Location of HCM highlights/ summary

48.3%
Within social or governance or generally part of the ESG disclosures

22.4%
Within the Corporate Governance section

22.4%
Within its own section in ESG disclosure

20.7%
Within proxy summary/introductory pages

3.4%
Within CD&A

Benchmarking

Diversity, Equity & Inclusion:

94.8%
Discusses DEI

37.9%
States DEI goals

36.2%
Includes qualitative (actions) progress against goals

20.7%
Includes quantitative (measurement/data) progress against goals

Other HCM topics:

67.2%
Training and development

60.3%
Health and wellbeing

55.2%
Employee engagement

53.4%
Values and culture

44.8%
Safety

36.2%
Recruitment and retention

15.5%
Compensation and benefits

8.6%
Pay equity

6.9%
Social and community impact

5.2%
Retention and turnover data

3.4%
Code of conduct/ethics

3.4%
Flexible/hybrid work environment

Management Succession

63.0%
The document includes a dedicated section, sub-section or callout discussing the board's role in management succession planning

Location of management succession discussion:

55.6%
Separate section

27.0%
Within risk oversight section of Corporate Governance

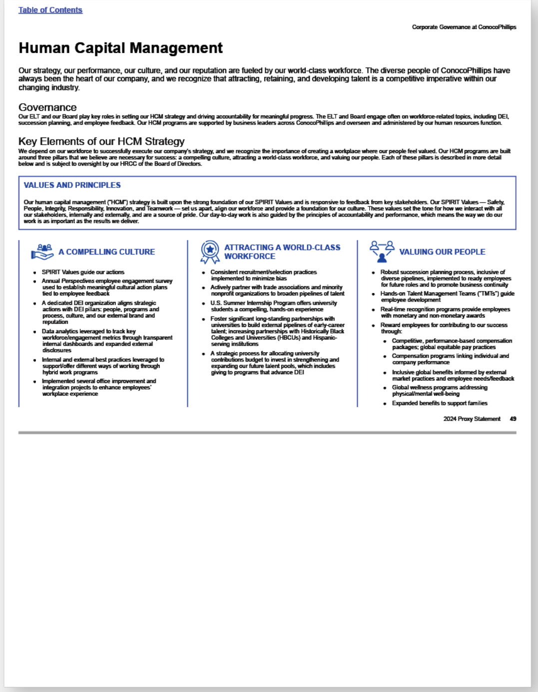
6.3%
Subsection within HCM section

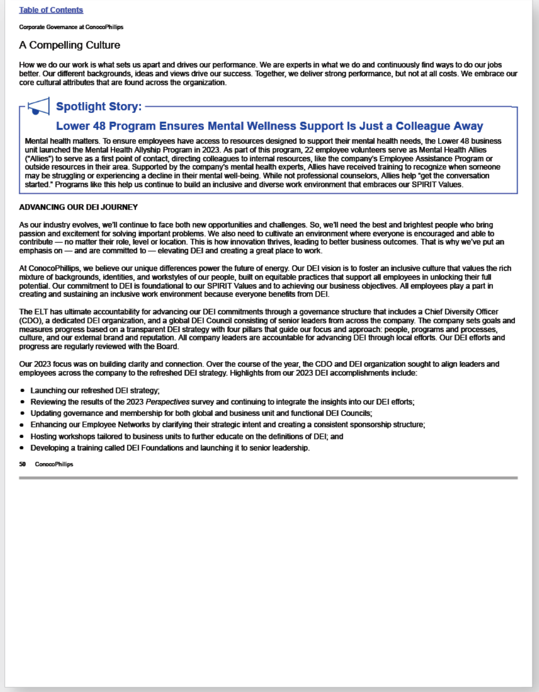
◀ Table of Contents Topic Table of Contents

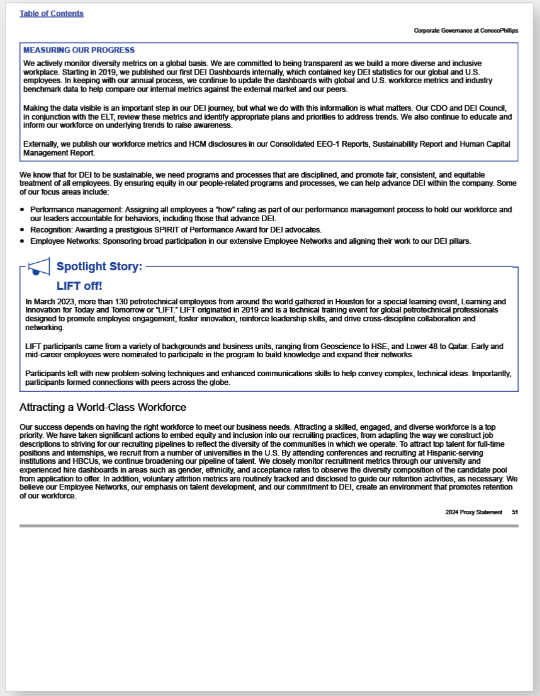
Key Examples

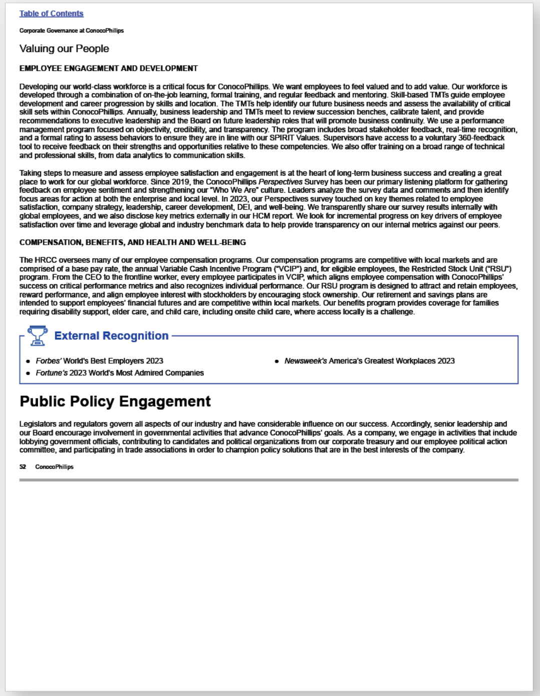
ConocoPhillips 2024 Proxy Statement

Standalone 4-page section that discusses governance, strategy, culture/DEI, and valuing employees (succession planning discussed under risk oversight - one of the callouts along with climate, social, cyber, etc.)









◄ Table of Contents Topic Table of Contents

Key Examples

PayPal 2024 Proxy Statement

Subsection of a standalone ESG section that covers global talent strategy, acquisition and retention, and belonging; note that in prior years, PayPal addressed that final topic as "diversity, equity, inclusion & belonging", but now DEI are shown to support its overarching talent and belonging strategy (separate section on succession planning, following Board oversight, and discusses prior 2 years of executive succession)

Corporate Sustainability and Impact Reporting Frameworks

Human Capital Management

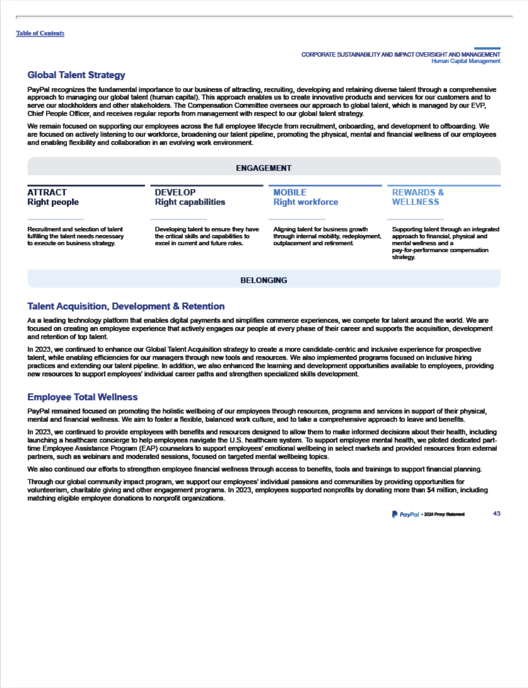
Our Leadership Principles

Put people first

Work customer back

Win together

Integrated with Our Values: Inclusion | Innovation | Collaboration | Wellness



Global Talent Strategy

ENGAGEMENT

ATTRACT Right people

DEVELOP Right capabilities

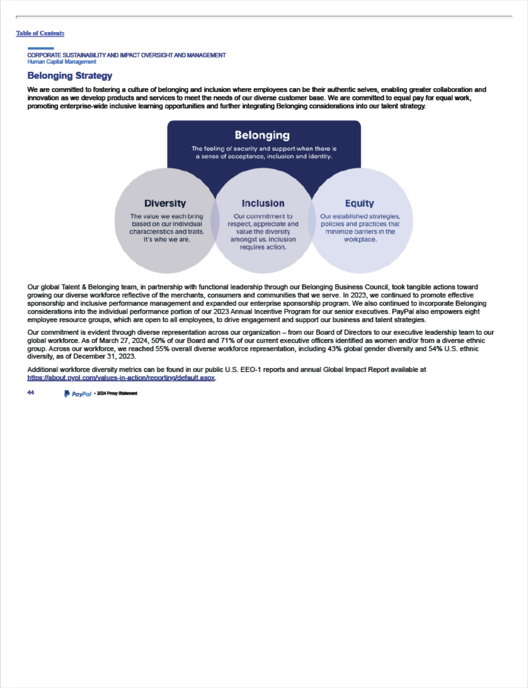
MOBILE Right workforce

REWARDS & WELLNESS

BELONGING

Talent Acquisition, Development & Retention

Employee Total Wellness



Belonging Strategy

Belonging

Diversity

Inclusion

Equity

◂ Table of Contents Topic Table of Contents

Key Examples

Honeywell 2024 Proxy Statement

Standalone section under Risk Oversight - includes DEI spotlight and discussions on ethics, insider trading and human rights (separate section on succession planning - see above)

CORPORATE GOVERNANCE

OVERSIGHT OF HUMAN CAPITAL AND CULTURE

The Board and the MDCC provide oversight over human capital, with particular focus on culture, inclusion and diversity, talent development and assessment, and succession planning. Honeywell has built a reputation for "doing what we say." At the center of that commitment to excellence is a high-performance culture driven by the Six Honeywell Behaviors: Drive Accountability Culture, Be Courageous, Build Exceptional Talent, Win Together, Innovate and Create Value for Customers, and Embrace Transformation, and grounded in our Foundational Principles: Integrity and Ethics, Inclusion and Diversity, and Workplace Respect — these are our core values. Working at Honeywell requires fully embracing the Foundational Principles, and Honeywell expects all employees to exemplify these principles in words and actions.

The strength of the Company's culture is essential to fulfilling our strategic vision, and the Board and the MDCC work with management to oversee adherence to our core values and measure progress against the Honeywell Behaviors.

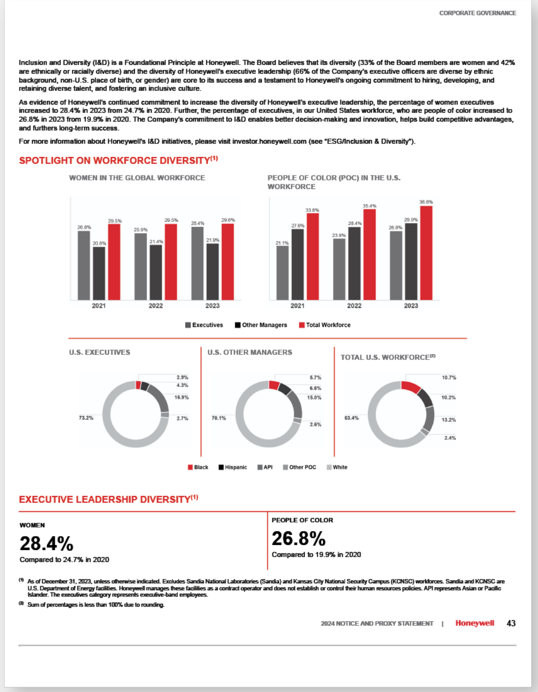
Each of the Board's committees plays a role in ensuring that our core values remain at the center of Honeywell's culture.

- The CGRC meets regularly with our Chief Compliance Officer to review the Company's integrity and compliance program, policies, and scorecard.
- The Audit Committee receives detailed investigation reports on a quarterly basis to monitor trends, ensure that allegations are investigated promptly, and as necessary, confirm that appropriate disciplinary measures are taken in a timely fashion.
- The MDCC has responsibility for CEO and officer succession and development, working with management to monitor workplace culture, establish diversity expectations, and review progress.

The Board is also closely engaged in the development and management of human capital. The Board's involvement in leadership development and succession planning is systematic and ongoing, and the Board provides input on important decisions in each of these areas. The Board has primary responsibility for CEO succession planning and oversight over succession planning for other executive officer positions. Annually, the full Board reviews the leadership succession plan for the CEO and the CEO's direct reports, which includes identification of "ready now" successors, management's view of potential successors that are not "ready now" but will be ready within a reasonable timeframe, and development actions necessary to address any gaps in the leadership succession plan. Also discussed are recent and future potential changes involving various leaders and their organizations. In addition, the Board meets regularly with high-potential executives.

The Board believes that workforce diversity represents a fundamental business opportunity as the Company plans and executes its long-term strategy. The Board and the MDCC oversee the Company's progress and actions in this important area through engagement in succession planning, management development, and compensation review processes that take into account outcomes and metrics for diverse groups. Review of diversity performance is also a standing Board agenda item, providing an opportunity for the Board to engage directly with senior management to analyze workforce metrics that measure diversity of new hires and internal promotions as compared to that of the available pool of qualified talent, discuss trends, review Office of Federal Contract Compliance Programs audits, and oversee enterprise-wide efforts to drive hiring, promotion, and retention of diverse talent.

42 Honeywell | 2024 NOTICE AND PROXY STATEMENT



CORPORATE GOVERNANCE

Inclusion and Diversity (I&D) is a Foundational Principle at Honeywell. The Board believes that its diversity (33% of the Board members are women and 42% are ethnically or racially diverse) and the diversity of Honeywell's executive leadership (66% of the Company's executive officers are diverse by ethnic background, non-U.S. place of birth, or gender) are core to its success and a testament to Honeywell's ongoing commitment to hiring, developing, and retaining diverse talent, and fostering an inclusive culture.

As evidence of Honeywell's continued commitment to increase the diversity of Honeywell's executive leadership, the percentage of women executives increased to 28.4% in 2023 from 24.7% in 2020. Further, the percentage of executives, in our United States workforce, who are people of color increased to 26.8% in 2023 from 19.9% in 2020. The Company's commitment to I&D enables better decision-making and innovation, helps build competitive advantages, and furthers long-term success.

For more information about Honeywell's I&D initiatives, please visit investor.honeywell.com (see "ESG/Inclusion & Diversity").

SPOTLIGHT ON WORKFORCE DIVERSITY(1)

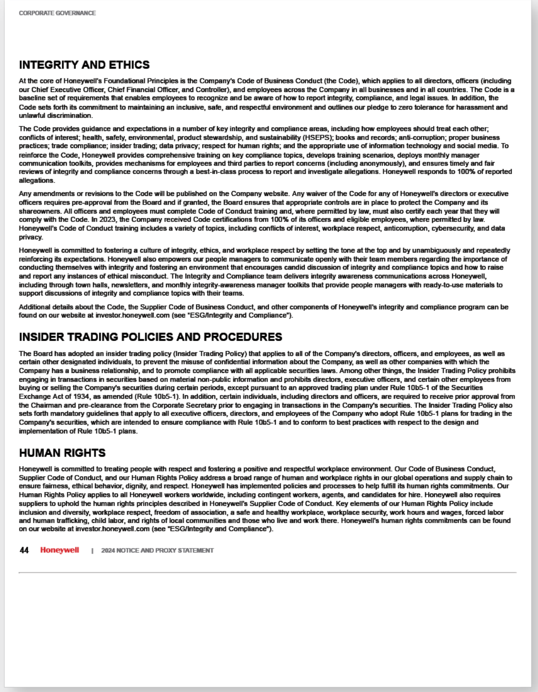
EXECUTIVE LEADERSHIP DIVERSITY(1)

WOMEN	PEOPLE OF COLOR
28.4% Compared to 24.7% in 2020	26.8% Compared to 19.9% in 2020

(1) As of December 31, 2023, unless otherwise indicated. Excludes Sandia National Laboratories (Sandia) and Kansas City National Security Campus (KCNSC) workforces. Sandia and KCNSC are U.S. Department of Energy facilities. Honeywell manages these facilities as a contract operator and does not establish or control their human resources policies. API represents Asian or Pacific Islander. The executives category represents executive-band employees.

(2) Sum of percentages is less than 100% due to rounding.

2024 NOTICE AND PROXY STATEMENT | Honeywell 43



CORPORATE GOVERNANCE

INTEGRITY AND ETHICS

INSIDER TRADING POLICIES AND PROCEDURES

HUMAN RIGHTS

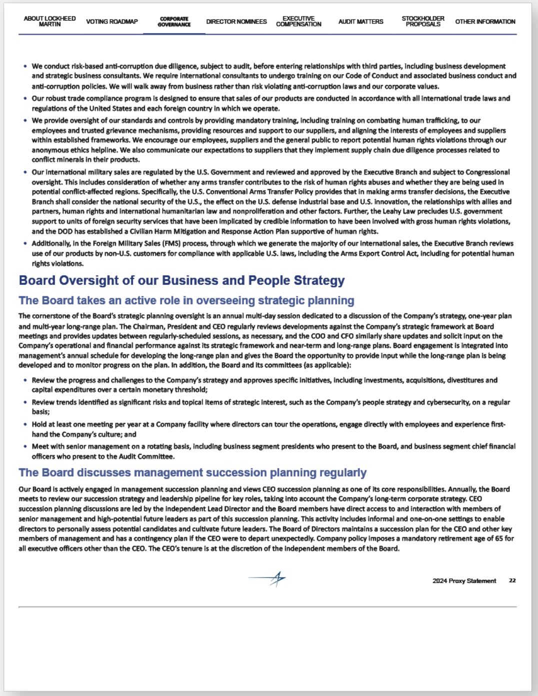
44 Honeywell | 2024 NOTICE AND PROXY STATEMENT

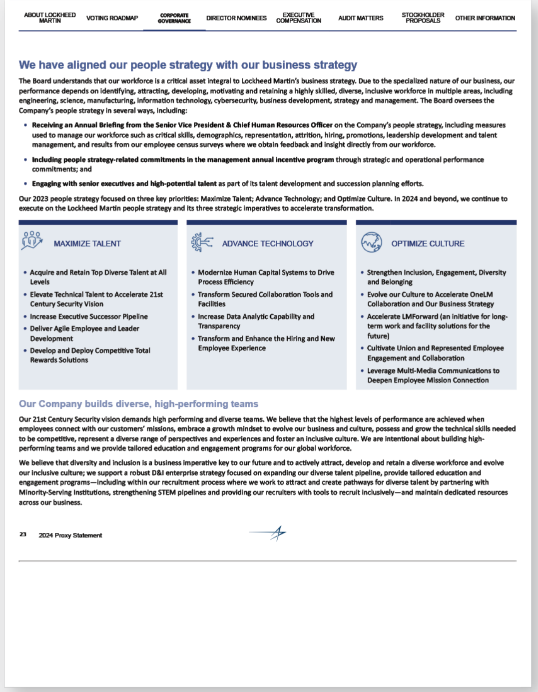
◄ Table of Contents Topic Table of Contents

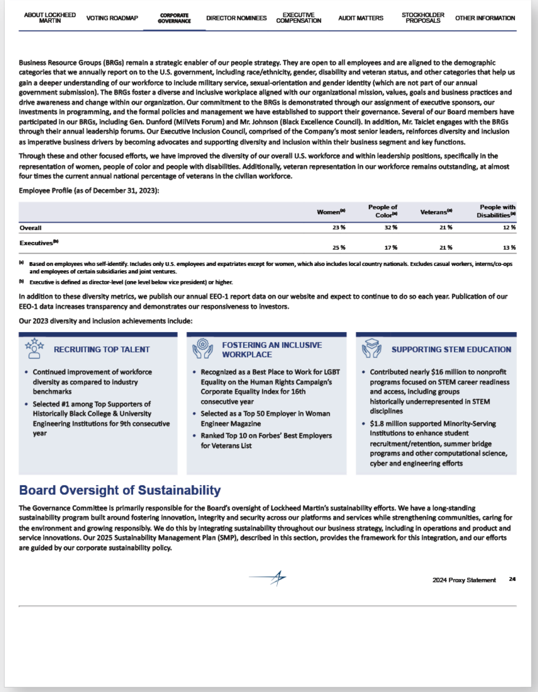
Key Examples

Lockheed Martin 2024 Proxy Statement

2+ pages of "Board Oversight of Our Business and People Strategy" that follows risk oversight section; shows strong alignment between effective HCM practices and executing on business strategy; also highlights DEI efforts





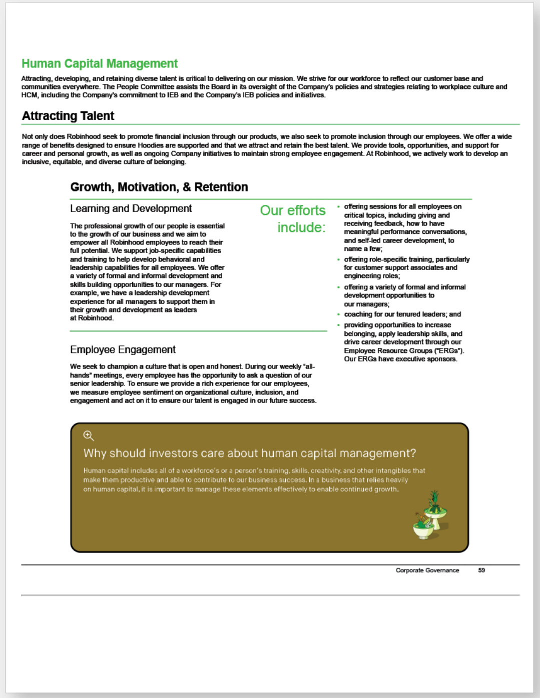


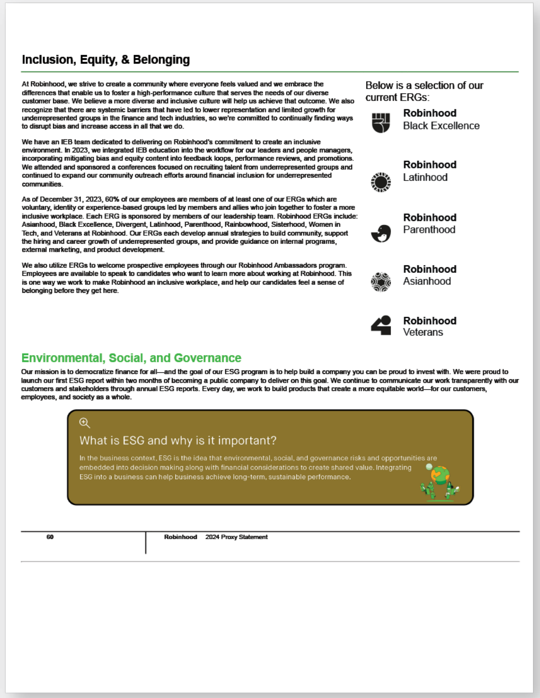
◀ Table of Contents Topic Table of Contents

Key Examples

Robinhood 2024 Proxy Statement

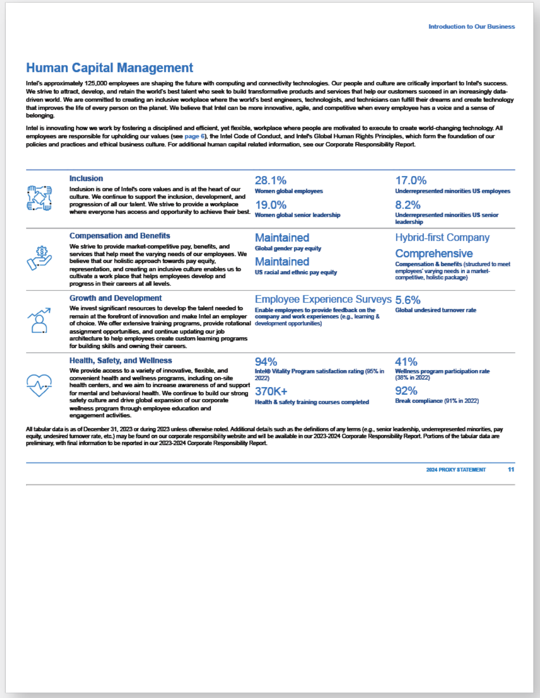
2 pages of HCM discussion (separate section within corporate governance) - in line with its mission to "democratize finance for all," this section, as well many other sections of the proxy, displays a large callout box that includes an explanation of HCM and why investors should care about it (separate, short section on succession planning)

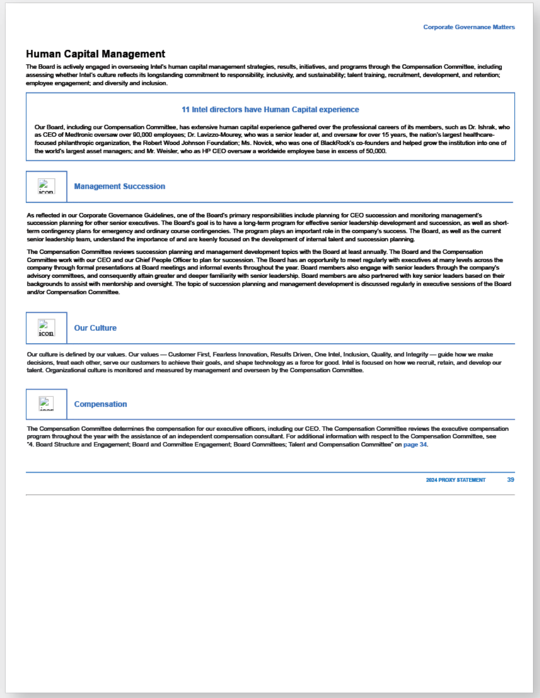




Intel 2024 Proxy Statement

1-page, data-heavy overview of HCM initiatives in the introductory pages, plus later discussion of Board oversight, including number of directors with relevant experience (and includes succession planning)





Key Examples

General Mills 2024 Proxy Statement

People and inclusion highlights in the proxy summary; oversight information in governance section includes leadership development, culture and employee engagement

Proxy Statement Summary

Proxy Summary: People and Inclusion Highlights

Diversity, Inclusion & Belonging

38%
of our officers are women

28%
of our officers are racially or ethnically diverse

We believe that fostering a culture of inclusion and belonging strengthens our business performance and execution, improves our ability to recruit and develop talent and provides for a rewarding workplace experience that allows all of our employees to thrive and succeed. We actively cultivate a culture that acknowledges, respects and values all dimensions of diversity – including gender, race, sexual orientation, ability, backgrounds and beliefs.[1] Ensuring diversity of input and perspectives is core to our business strategy, and we are committed to recruiting, retaining, developing and advancing a workforce that reflects the diversity of the consumers we serve.

Our Inclusion Goal
Is to foster a culture of inclusion and belonging that allows all of our employees to thrive. Ensuring diversity of input and perspectives is core to our business strategy.

Our Inclusion Strategy
Is to use our inclusion framework to advance engagement around the world, leveraging data to assess progress and holding ourselves accountable as we continue to foster a culture of inclusion and belonging.

Employee Engagement

85%
of salaried employees are proud of General Mills[2]

90%
of salaried employees say General Mills is a great place to work[2]

The efficient production of high-quality products and successful execution of our strategy requires a talented, skilled, dedicated and engaged team of employees. We work to equip our employees with critical skills and expand their contributions over time by providing a range of training and career development opportunities, including hands-on experiences through challenging work assignments and job rotations, coaching and mentoring opportunities and training programs. To foster employee engagement and commitment, we follow a robust process to listen to employees, take action and measure our progress with ongoing employee conversations, transparent communications and employee engagement surveys.

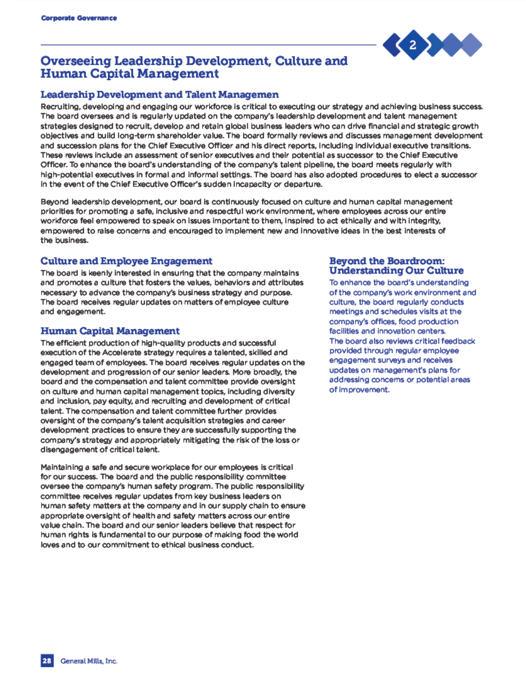
Workplace Safety

We are committed to maintaining a safe and secure workplace for our employees. We set specific safety standards to identify and manage critical risks. We use global safety management systems and employee training to ensure consistent implementation of safety protocols and accurate measurement and tracking of incidents. To provide a safe and secure working environment for our employees, we prohibit workplace discrimination, and we do not tolerate abusive conduct or harassment. Our attention to the health and safety of our workforce extends to the workers and communities in our supply chain.

We have a history of strong safety performance. We recently took bold steps forward by implementing new injury and illness reporting criteria and metrics to improve our safety culture and focus more intently on eliminating incidents and situations with the greatest potential to significantly harm our people. The new safety metric criteria are based on current best practices and globally recognized principles for recording occupational injuries and illnesses.

(1) Additional data on the diversity breakdown of our U.S. salaried employee base can be found in our annual Global Responsibility Report (available on our website at www.generalmills.com under the Global inclusion & diversity section), including a link to employment data from our EEO-1 report.
(2) Global survey of salaried employees, September 2023.

Notice of 2024 Annual Meeting of Shareholders 7



Corporate Governance

2

Overseeing Leadership Development, Culture and Human Capital Management

Leadership Development and Talent Managemen

Recruiting, developing and engaging our workforce is critical to executing our strategy and achieving business success. The board oversees and is regularly updated on the company's leadership development and talent management strategies designed to recruit, develop and retain global business leaders who can drive financial and strategic growth objectives and build long-term shareholder value. The board formally reviews and discusses management development and succession plans for the Chief Executive Officer and his direct reports, including individual executive transitions. These reviews include an assessment of senior executives and their potential as successor to the Chief Executive Officer. To enhance the board's understanding of the company's talent pipeline, the board meets regularly with high-potential executives in formal and informal settings. The board has also adopted procedures to elect a successor in the event of the Chief Executive Officer's sudden incapacity or departure.

Beyond leadership development, our board is continuously focused on culture and human capital management priorities for promoting a safe, inclusive and respectful work environment, where employees across our entire workforce feel empowered to speak on issues important to them, inspired to act ethically and with integrity, empowered to raise concerns and encouraged to implement new and innovative ideas in the best interests of the business.

Culture and Employee Engagement

The board is keenly interested in ensuring that the company maintains and promotes a culture that fosters the values, behaviors and attributes necessary to advance the company's business strategy and purpose. The board receives regular updates on matters of employee culture and engagement.

Human Capital Management

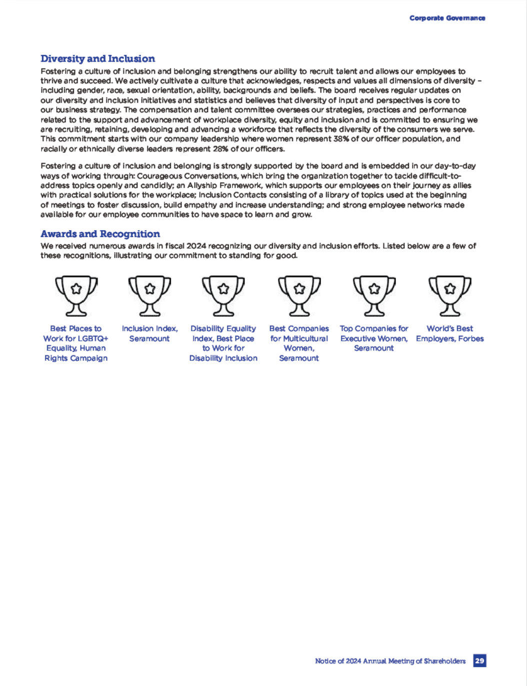
The efficient production of high-quality products and successful execution of the Accelerate strategy requires a talented, skilled and engaged team of employees. The board receives regular updates on the development and progression of our senior leaders. More broadly, the board and the compensation and talent committee provide oversight on culture and human capital management topics, including diversity and inclusion, pay equity, and recruiting and development of critical talent. The compensation and talent committee further provides oversight of the company's talent acquisition strategies and career development practices to ensure they are successfully supporting the company's strategy and appropriately mitigating the risk of the loss or disengagement of critical talent.

Maintaining a safe and secure workplace for our employees is critical for our success. The board and the public responsibility committee oversee the company's human safety program. The public responsibility committee receives regular updates from key business leaders on human safety matters at the company and in our supply chain to ensure appropriate oversight of health and safety matters across our entire value chain. The board and our senior leaders believe that respect for human rights is fundamental to our purpose of making food the world loves and to our commitment to ethical business conduct.

Beyond the Boardroom: Understanding Our Culture

To enhance the board's understanding of the company's work environment and culture, the board regularly conducts meetings and schedules visits at the company's offices, food production facilities and innovation centers. The board also reviews critical feedback provided through regular employee engagement surveys and receives updates on management's plans for addressing concerns or potential areas of improvement.

28 General Mills, Inc.



Corporate Governance

Diversity and Inclusion

Fostering a culture of inclusion and belonging strengthens our ability to recruit talent and allows our employees to thrive and succeed. We actively cultivate a culture that acknowledges, respects and values all dimensions of diversity – including gender, race, sexual orientation, ability, backgrounds and beliefs. The board receives regular updates on our diversity and inclusion initiatives and statistics and believes that diversity of input and perspectives is core to our business strategy. The compensation and talent committee oversees our strategies, practices and performance related to the support and advancement of workplace diversity, equity and inclusion and is committed to ensuring we are recruiting, retaining, developing and advancing a workforce that reflects the diversity of the consumers we serve. This commitment starts with our company leadership where women represent 38% of our officer population, and racially or ethnically diverse leaders represent 28% of our officers.

Fostering a culture of inclusion and belonging is strongly supported by the board and is embedded in our day-to-day ways of working through: Courageous Conversations, which bring the organization together to tackle difficult-to-address topics openly and candidly; an Allyship Framework, which supports our employees on their journey as allies with practical solutions for the workplace; Inclusion Contacts consisting of a library of topics used at the beginning of meetings to foster discussion, build empathy and increase understanding; and strong employee networks made available for our employee communities to have space to learn and grow.

Awards and Recognition

We received numerous awards in fiscal 2024 recognizing our diversity and inclusion efforts. Listed below are a few of these recognitions, illustrating our commitment to standing for good.

Best Places to Work for LGBTQ+ Equality, Human Rights Campaign
Inclusion Index, Seramount
Disability Equality Index, Best Place to Work for Disability Inclusion
Best Companies for Multicultural Women, Seramount
Top Companies for Executive Women, Seramount
World's Best Employers, Forbes

Notice of 2024 Annual Meeting of Shareholders 29

Director Compensation

Director Compensation—2023

Annual Compensation

In consultation with Ferguson Partners Consulting, the Compensation Committee's independent compensation consultant, the Compensation Committee periodically reviews our Independent Director compensation program for continued alignment with comparable companies and sound governance practices and last reviewed director compensation in 2022. The Committee determined not to make any changes to director compensation for 2023.

Compensation paid to our Independent Directors for services in 2023 is further described below. Mr. Brinker, our President and CEO and a director, received no separate compensation for his services as a director in 2023. Mr. Thomas will not receive compensation in connection with his service on the Board. Following the closing of our merger with Physicians Realty Trust on March 1, 2024, Mr. Thomas receives compensation as our employee beginning in 2024, with total aggregate compensation of $100,000 annual base salary, $400,000 annual restricted unit grant and standard employee benefits, which amounts will be included in the 2024 Director Compensation table in next year's proxy statement.

ANNUAL INDEPENDENT DIRECTOR COMPENSATION

$85,000
Annual Cash Retainer
Annual Equity Retainer
$180,000

ADDITIONAL ANNUAL CASH COMPENSATION

Independent Chair: $140,000
Independent Vice Chair: $70,000*

Audit Committee
- Chair – $35,000
- Member – $17,500

Governance Committee
- Chair – $20,000
- Member – $9,000

Compensation Committee
- Chair – $30,000
- Member – $10,000

Investment Committee
- Chair – $25,000
- Member – $7,500

* Ms. Sandstrom served as Independent Vice Chair for a portion of 2023

Independent Director Cash Compensation

We pay an annual cash retainer of $85,000 to each director, as well as an additional annual cash retainer of $140,000 to our independent Chair (and an additional $70,000, prorated, to Ms. Sandstrom in connection with her role as independent Vice Chair for the portion of the year in which she served in that role) and committee fees as set forth in the table above.

We also pay Independent Directors an additional $1,500 per meeting fee for each Board or individual committee meeting they attend beyond 10 meetings of our Board or that committee, as applicable, in a given calendar year (for example, for each Audit Committee meeting after 10 Audit Committee meetings in one calendar year). In 2023, there were five such additional meetings.

All cash retainers are paid quarterly in arrears and prorated based on the number of days that a member serves in the applicable capacity. We also reimburse Independent Directors for director education and reasonable travel expenses in connection with their Board duties.

Independent Director Equity Compensation

We grant an annual equity retainer in restricted stock units ("RSUs") with a grant date fair value of $180,000, rounded up to the nearest whole share, to each Independent Director who is elected at the annual meeting of stockholders or is initially appointed as an Independent Director other than at the annual meeting. The award for a new Independent Director who is initially appointed other than at an annual meeting may be pro-rated. In 2023, each independent director was granted an annual equity award in the form of RSUs with a grant date fair market value of $180,000 on April 28, 2023. The RSUs cliff-vest in full on the earliest of the first anniversary of the grant date, the Company's next annual meeting of stockholders, or the termination of the independent director's service due to death or disability. The awards are subject to forfeiture if the director's service terminates for any other reason. The Compensation Committee believes that the 1-year cliff vesting promotes retention during the annual term in which our directors serve.

36 HEALTHPEAK PROPERTIES

Director Compensation—2023

2023 Independent Director Compensation

The following table summarizes the compensation of the Independent Directors for the fiscal year ended December 31, 2023.

NAME[1] (A)	FEES EARNED OR PAID IN CASH ($) (b)	STOCK AWARDS ($)[2] (c)	TOTAL ($) (h)
Brian G. Cartwright	178,670	180,000	358,670
James B. Connor	58,536	180,000	238,536
Christine N. Garvey	120,000	180,000	300,000
R. Kent Griffin, Jr.	127,500	180,000	307,500
David B. Henry	136,500	180,000	316,500
Sara G. Lewis	124,000	180,000	304,000
Katherine M. Sandstrom	210,934	180,000	390,934

[1] Messrs. Thomas and Weiss, Governor Thompson and Mses. Kessler and Lias-Booker did not serve as directors during 2023.

[2] RSUs issued pursuant to the 2023 Performance Incentive Plan (the "2023 Plan"). The value in the stock award column represents the aggregate grant date fair value of RSUs awarded to the director in the fiscal year, computed in accordance with Financial Accounting Standards Board ("FASB") Accounting Standards Codification ("ASC") Topic 718—Compensation. For a discussion of the assumptions and methodologies used to calculate the amounts referred to above, see Note 14—Compensation Plans to the Consolidated Financial Statements included in our Annual Report. As of December 31, 2023, each of our Independent Directors who were serving on the Board at that time held 8,193 unvested RSUs.

Director Compensation Policies and Plans

Director Stock Ownership Guidelines

Independent Directors are required to accumulate and hold shares of Healthpeak stock (including RSUs) equal in value to at least five times the amount of the annual cash retainer for Independent Directors (*i.e.*, $425,000). The guidelines are effective on the first May 15 that occurs more than five years after an Independent Director first becomes a member of our Board. Once subject to the guidelines, an Independent Director's level of stock ownership will be reviewed annually on May 15 for as long as the director remains in office. Shares that count toward the satisfaction of the stock ownership guidelines include shares of our common stock beneficially held (directly or indirectly) by the Independent Director, vested or unvested restricted stock units, and shares of our common stock deferred under a deferred compensation plan. The Governance Committee is responsible for reviewing, overseeing and monitoring compliance with the director stock ownership guidelines. All of our Independent Directors for whom the guidelines were effective as of May 15, 2023 satisfied the required level of ownership as of that date.

Director Deferred Compensation Plan

We maintain a deferred compensation plan (the "Director Deferral Plan"), which permits our Independent Directors to elect to defer their annual retainers. Amounts deferred under the Director Deferral Plan generally are payable in cash as a lump sum, in monthly installments, or a combination of both, as elected by the director, upon the termination of the director's service on our Board, the director's death or such earlier date as elected by the director. A director participating in the Director Deferral Plan may elect to have his or her deferred compensation credited to (i) an interest rate account wherein the deferrals accrue interest at a rate equal to the current prime rate minus 1%, or (ii) a stock credit account wherein the deferrals are treated as if invested in our common stock with the account increasing for dividends paid, and increasing or decreasing in value with changes in our stock price. None of our Independent Directors currently participate in this plan.

Director Stock-For-Fees Program

Under the Non-Employee Director Stock-for-Fees Program, each of our Independent Directors may elect to receive all or a portion of their annual retainer and meeting fees in the form of shares of our common stock in lieu of payment in cash. The election will apply to the elected amount of such fees that would otherwise be paid in cash, commencing with the fiscal quarter after the election is made. Shares will be issued as soon as practicable after we pay an ordinary cash dividend to our stockholders following the date that cash director fees for the preceding quarter would otherwise be payable to the director. The number of shares issued will be determined by dividing the amount of the fees by the average closing price of our common stock for the 10 trading days immediately preceding the relevant dividend payment date. None of our Independent Directors currently participate in this program.

2024 PROXY STATEMENT 37

This section includes:

Table of Contents Topic Table of Contents

Overview

Compared to other proxy statement sections, director compensation has received far less investor and regulatory attention. In recent years, director pay has increased to match the additional hours that directors devote to board service, as well as expanded accountabilities and responsibilities, and shareholder derivative lawsuits alleging excessive director compensation have escalated during the same period. In response, companies are paying careful attention and providing transparent disclosures about all compensation paid and the practices used to achieve fair and appropriate compensation aligned with long-term shareholder interest.

It is expected that director compensation reflect the unique demands on a particular company's directors but also remained aligned with shareholder interests and industry specific and general market trends. Shareholders want a full understanding of all compensation earned or paid to directors, how compensation amounts and specific components are established and the ways and frequency in which the program is reviewed. In addition, investors want companies to adopt and disclose robust stock ownership guidelines, with details on the amount of time directors are allowed to meet the required ownership level.

What To Think About

- **Plan Details**: Beyond the required compensation table and footnote explanations, companies should provide details about how their director compensation program is aligned with shareholder interests. Companies demonstrate this strong alignment through robust stock ownership guidelines and a compensation program that includes a meaningful portion of long-term equity.
- **Compensation-Setting Process**: Companies also should provide details on the processes the board and responsible committee use to set director compensation, including any meaningful annual limits on compensation, the frequency of reviews and peer benchmarking, and the use of independent consultants.
- **Other Governance Features**: Companies should discuss stock ownership requirements, hedging and pledging prohibitions, and other key governance features of their director compensation program.
- **Use of Infographics**: Companies should use strong visuals to demonstrate the different components of pay and the pay mix as well as to highlight key attributes of the director stock ownership guidelines. We recommend incorporating call-out boxes or other design elements to highlight best practices, as in other sections of the proxy statement.
- **Location**: We recommend including the director compensation disclosures in the last section of "Corporate Governance" or its own standalone section.

Labrador Transparency Award Criteria

- The director compensation section discusses benchmarking with peer companies.
- Pay mix and applicable components of director compensation (including all committee chair retainers and equity awards are disclosed in a matrix, table graphic or using other visual elements).
- Director stock ownership requirements are discussed within the director compensation section.

◀ Table of Contents   Topic Table of Contents

Benchmarking

Director Compensation

74.0%

Pay mix and components of director compensation are disclosed in a matrix, table graphic or using other visual elements

60.0%

Director stock ownership requirements are discussed within the director compensation section

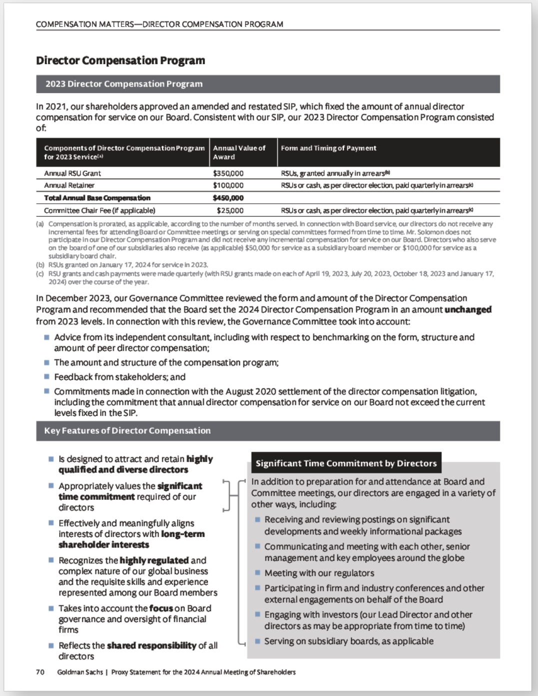
41.0%

The director compensation section discusses benchmarking with peer companies

Key Examples

Goldman Sachs 2024 Proxy Statement

List of key features and what we do/don't, use of comp consultant



COMPENSATION MATTERS—DIRECTOR COMPENSATION PROGRAM

Director Compensation Program

2023 Director Compensation Program

In 2021, our shareholders approved an amended and restated SIP, which fixed the amount of annual director compensation for service on our Board. Consistent with our SIP, our 2023 Director Compensation Program consisted of:

Components of Director Compensation Program for 2023 Service(a)	Annual Value of Award	Form and Timing of Payment
Annual RSU Grant	$350,000	RSUs, granted annually in arrears(b)
Annual Retainer	$100,000	RSUs or cash, as per director election, paid quarterly in arrears(c)
Total Annual Base Compensation	**$450,000**	
Committee Chair Fee (if applicable)	$25,000	RSUs or cash, as per director election, paid quarterly in arrears(c)

(a) Compensation is prorated, as applicable, according to the number of months served. In connection with Board service, our directors do not receive any incremental fees for attending Board or Committee meetings or serving on special committees formed from time to time. Mr. Solomon does not participate in our Director Compensation Program and did not receive any incremental compensation for service on our Board. Directors who also serve on the board of one of our subsidiaries also receive (as applicable) $50,000 for service as a subsidiary board member or $100,000 for service as a subsidiary board chair.
(b) RSUs granted on January 17, 2024 for service in 2023.
(c) RSU grants and cash payments were made quarterly (with RSU grants made on each of April 19, 2023, July 20, 2023, October 18, 2023 and January 17, 2024) over the course of the year.

In December 2023, our Governance Committee reviewed the form and amount of the Director Compensation Program and recommended that the Board set the 2024 Director Compensation Program in an amount **unchanged** from 2023 levels. In connection with this review, the Governance Committee took into account:

- Advice from its independent consultant, including with respect to benchmarking on the form, structure and amount of peer director compensation;
- The amount and structure of the compensation program;
- Feedback from stakeholders; and
- Commitments made in connection with the August 2020 settlement of the director compensation litigation, including the commitment that annual director compensation for service on our Board not exceed the current levels fixed in the SIP.

Key Features of Director Compensation

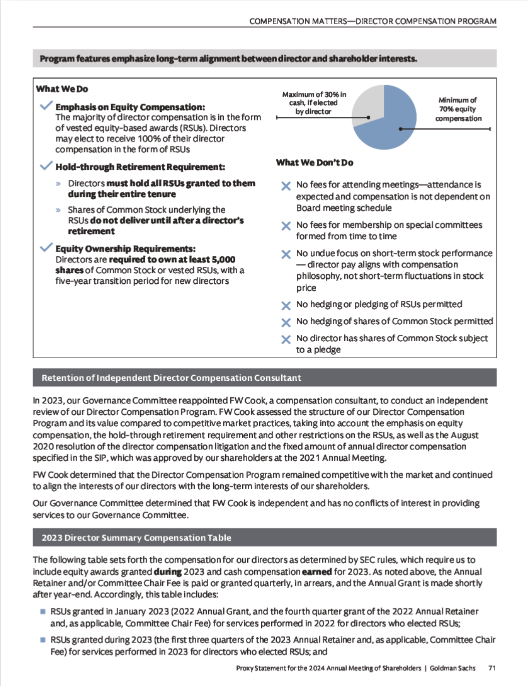
- Is designed to attract and retain **highly qualified and diverse directors**
- Appropriately values the **significant time commitment** required of our directors
- Effectively and meaningfully aligns interests of directors with **long-term shareholder interests**
- Recognizes the **highly regulated** and complex nature of our global business and the requisite skills and experience represented among our Board members
- Takes into account the **focus** on Board governance and oversight of financial firms
- Reflects the **shared responsibility** of all directors

Significant Time Commitment by Directors

In addition to preparation for and attendance at Board and Committee meetings, our directors are engaged in a variety of other ways, including:

- Receiving and reviewing postings on significant developments and weekly informational packages
- Communicating and meeting with each other, senior management and key employees around the globe
- Meeting with our regulators
- Participating in firm and industry conferences and other external engagements on behalf of the Board
- Engaging with investors (our Lead Director and other directors as may be appropriate from time to time)
- Serving on subsidiary boards, as applicable

70 Goldman Sachs | Proxy Statement for the 2024 Annual Meeting of Shareholders



COMPENSATION MATTERS—DIRECTOR COMPENSATION PROGRAM

Program features emphasize long-term alignment between director and shareholder interests.

What We Do

✓ **Emphasis on Equity Compensation:** The majority of director compensation is in the form of vested equity-based awards (RSUs). Directors may elect to receive 100% of their director compensation in the form of RSUs

✓ **Hold-through Retirement Requirement:**
» Directors **must hold all RSUs granted to them during their entire tenure**
» Shares of Common Stock underlying the RSUs **do not deliver until after a director's retirement**

✓ **Equity Ownership Requirements:** Directors are **required to own at least 5,000 shares** of Common Stock or vested RSUs, with a five-year transition period for new directors

Maximum of 30% in cash, if elected by director

Minimum of 70% equity compensation

What We Don't Do

✗ No fees for attending meetings—attendance is expected and compensation is not dependent on Board meeting schedule
✗ No fees for membership on special committees formed from time to time
✗ No undue focus on short-term stock performance — director pay aligns with compensation philosophy, not short-term fluctuations in stock price
✗ No hedging or pledging of RSUs permitted
✗ No hedging of shares of Common Stock permitted
✗ No director has shares of Common Stock subject to a pledge

Retention of Independent Director Compensation Consultant

In 2023, our Governance Committee reappointed FW Cook, a compensation consultant, to conduct an independent review of our Director Compensation Program. FW Cook assessed the structure of our Director Compensation Program and its value compared to competitive market practices, taking into account the emphasis on equity compensation, the hold-through retirement requirement and other restrictions on the RSUs, as well as the August 2020 resolution of the director compensation litigation and the fixed amount of annual director compensation specified in the SIP, which was approved by our shareholders at the 2021 Annual Meeting.

FW Cook determined that the Director Compensation Program remained competitive with the market and continued to align the interests of our directors with the long-term interests of our shareholders.

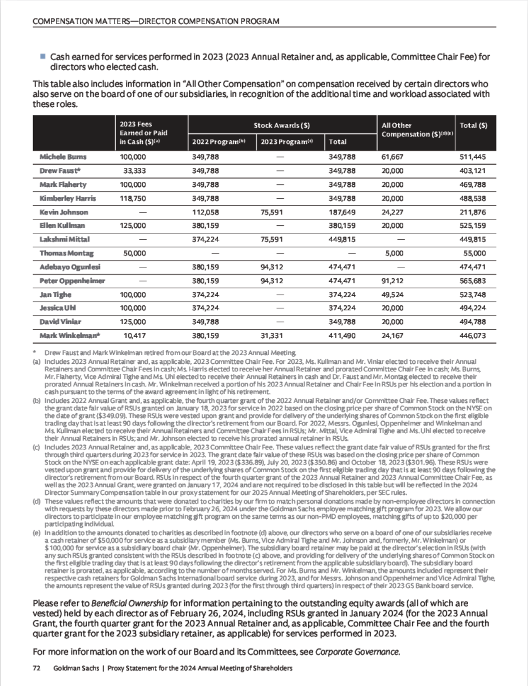
Our Governance Committee determined that FW Cook is independent and has no conflicts of interest in providing services to our Governance Committee.

2023 Director Summary Compensation Table

The following table sets forth the compensation for our directors as determined by SEC rules, which require us to include equity awards granted **during** 2023 and cash compensation **earned** for 2023. As noted above, the Annual Retainer and/or Committee Chair Fee is paid or granted quarterly, in arrears, and the Annual Grant is made shortly after year-end. Accordingly, this table includes:

- RSUs granted in January 2023 (2022 Annual Grant, and the fourth quarter grant of the 2022 Annual Retainer and, as applicable, Committee Chair Fee) for services performed in 2022 for directors who elected RSUs;
- RSUs granted during 2023 (the first three quarters of the 2023 Annual Retainer and, as applicable, Committee Chair Fee) for services performed in 2023 for directors who elected RSUs; and

Proxy Statement for the 2024 Annual Meeting of Shareholders | Goldman Sachs 71



COMPENSATION MATTERS—DIRECTOR COMPENSATION PROGRAM

- Cash earned for services performed in 2023 (2023 Annual Retainer and, as applicable, Committee Chair Fee) for directors who elected cash.

This table also includes information in "All Other Compensation" on compensation received by certain directors who also serve on the board of one of our subsidiaries, in recognition of the additional time and workload associated with these roles.

	2023 Fees Earned or Paid in Cash ($)(a)	Stock Awards ($)			All Other Compensation ($)(d)(e)	Total ($)
		2022 Program(b)	2023 Program(c)	Total		
Michele Burns	100,000	349,788	—	349,788	61,667	511,445
Drew Faust*	33,333	349,788	—	349,788	20,000	403,121
Mark Flaherty	100,000	349,788	—	349,788	20,000	469,788
Kimberley Harris	118,750	349,788	—	349,788	20,000	488,538
Kevin Johnson	—	112,058	75,591	187,649	24,227	211,876
Ellen Kullman	125,000	380,159	—	380,159	20,000	525,159
Lakshmi Mittal	—	374,224	75,591	449,815	—	449,815
Thomas Montag	50,000	—	—	—	5,000	55,000
Adebayo Ogunlesi	—	380,159	94,312	474,471	—	474,471
Peter Oppenheimer	—	380,159	94,312	474,471	91,212	565,683
Jan Tighe	100,000	374,224	—	374,224	49,524	523,748
Jessica Uhl	100,000	374,224	—	374,224	20,000	494,224
David Viniar	125,000	349,788	—	349,788	20,000	494,788
Mark Winkelman*	10,417	380,159	31,331	411,490	24,167	446,073

* Drew Faust and Mark Winkelman retired from our Board at the 2023 Annual Meeting.
(a) Includes 2023 Annual Retainer and, as applicable, 2023 Committee Chair Fee. For 2023, Ms. Kullman and Mr. Viniar elected to receive their Annual Retainers and Committee Chair Fees in cash; Ms. Harris elected to receive her Annual Retainer and prorated Committee Chair Fee in cash; Ms. Burns, Mr. Flaherty, Vice Admiral Tighe and Ms. Uhl elected to receive their Annual Retainers in cash and Dr. Faust and Mr. Montag elected to receive their prorated Annual Retainers in cash. Mr. Winkelman received a portion of his 2023 Annual Retainer and Chair Fee in RSUs per his election and a portion in cash pursuant to the terms of the award agreement in light of his retirement.
(b) Includes 2022 Annual Grant and, as applicable, the fourth quarter grant of the 2022 Annual Retainer and/or Committee Chair Fee. These values reflect the grant date fair value of RSUs granted on January 18, 2023 for service in 2022 based on the closing price per share of Common Stock on the NYSE on the date of grant ($349.09). These RSUs were vested upon grant and provide for delivery of the underlying shares of Common Stock on the first eligible trading day that is at least 90 days following the director's retirement from our Board. For 2022, Messrs. Ogunlesi, Oppenheimer and Winkelman and Ms. Kullman elected to receive their Annual Retainers and Committee Chair Fees in RSUs; Mr. Mittal, Vice Admiral Tighe and Ms. Uhl elected to receive their Annual Retainers in RSUs; and Mr. Johnson elected to receive his prorated annual retainer in RSUs.
(c) Includes 2023 Annual Retainer and, as applicable, 2023 Committee Chair Fee. These values reflect the grant date fair value of RSUs granted for the first through third quarters during 2023 for service in 2023. The grant date fair value of these RSUs was based on the closing price per share of Common Stock on the NYSE on each applicable grant date: April 19, 2023 ($336.89), July 20, 2023 ($350.86) and October 18, 2023 ($301.96). These RSUs were vested upon grant and provide for delivery of the underlying shares of Common Stock on the first eligible trading day that is at least 90 days following the director's retirement from our Board. RSUs in respect of the fourth quarter grant of the 2023 Annual Retainer and 2023 Annual Committee Chair Fee, as well as the 2023 Annual Grant, were granted on January 17, 2024 and are not required to be disclosed in this table but will be reflected in the 2024 Director Summary Compensation table in our proxy statement for our 2025 Annual Meeting of Shareholders, per SEC rules.
(d) These values reflect the amounts that were donated to charities by our firm to match personal donations made by non-employee directors in connection with requests by these directors made prior to February 26, 2024 under the Goldman Sachs employee matching gift program for 2023. We allow our directors to participate in our employee matching gift program on the same terms as our non-PMD employees, matching gifts of up to $20,000 per participating individual.
(e) In addition to the amounts donated to charities as described in footnote (d) above, our directors who serve on a board of one of our subsidiaries receive a cash retainer of $50,000 for service as a subsidiary member (Ms. Burns, Vice Admiral Tighe and Mr. Johnson and, formerly, Mr. Winkelman) or $100,000 for service as a subsidiary board chair (Mr. Oppenheimer). The subsidiary board retainer may be paid at the director's election in RSUs (with any such RSUs granted consistent with the RSUs described in footnote (c) above, and providing for delivery of the underlying shares of Common Stock on the first eligible trading day that is at least 90 days following the director's retirement from the applicable subsidiary board). The subsidiary board retainer is prorated, as applicable, according to the number of months served. For Ms. Burns and Mr. Winkelman, the amounts included represent their respective cash retainers for Goldman Sachs International board service during 2023, and for Messrs. Johnson and Oppenheimer and Vice Admiral Tighe, the amounts represent the value of RSUs granted during 2023 (for the first through third quarters) in respect of their 2023 GS Bank board service.

Please refer to *Beneficial Ownership* for information pertaining to the outstanding equity awards (all of which are vested) held by each director as of February 26, 2024, including RSUs granted in January 2024 (for the 2023 Annual Grant, the fourth quarter grant for the 2023 Annual Retainer and, as applicable, Committee Chair Fee and the fourth quarter grant for the 2023 subsidiary retainer, as applicable) for services performed in 2023.

For more information on the work of our Board and its Committees, see *Corporate Governance*.

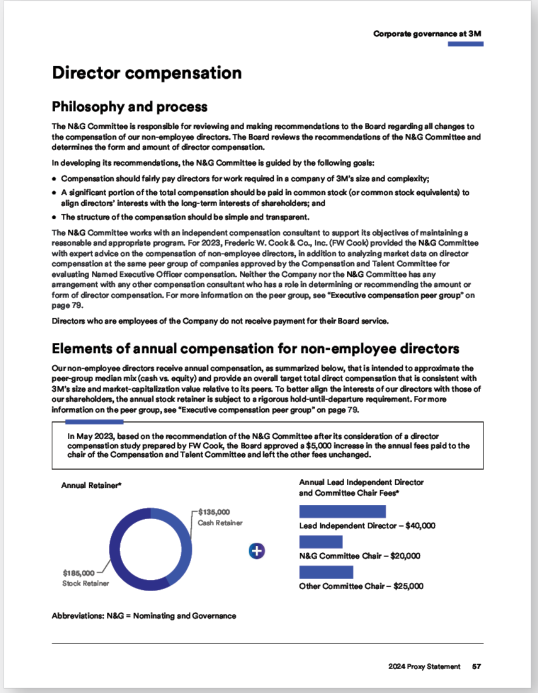
72 Goldman Sachs | Proxy Statement for the 2024 Annual Meeting of Shareholders

◀ Table of Contents   Topic Table of Contents

Key Examples

3M 2024 Proxy Statement

Includes Philosophy and Process, 4 pages



Corporate governance at 3M

Director compensation

Philosophy and process

The N&G Committee is responsible for reviewing and making recommendations to the Board regarding all changes to the compensation of our non-employee directors. The Board reviews the recommendations of the N&G Committee and determines the form and amount of director compensation.

In developing its recommendations, the N&G Committee is guided by the following goals:

- Compensation should fairly pay directors for work required in a company of 3M's size and complexity;
- A significant portion of the total compensation should be paid in common stock (or common stock equivalents) to align directors' interests with the long-term interests of shareholders; and
- The structure of the compensation should be simple and transparent.

The N&G Committee works with an independent compensation consultant to support its objectives of maintaining a reasonable and appropriate program. For 2023, Frederic W. Cook & Co., Inc. (FW Cook) provided the N&G Committee with expert advice on the compensation of non-employee directors, in addition to analyzing market data on director compensation at the same peer group of companies approved by the Compensation and Talent Committee for evaluating Named Executive Officer compensation. Neither the Company nor the N&G Committee has any arrangement with any other compensation consultant who has a role in determining or recommending the amount or form of director compensation. For more information on the peer group, see "Executive compensation peer group" on page 79.

Directors who are employees of the Company do not receive payment for their Board service.

Elements of annual compensation for non-employee directors

Our non-employee directors receive annual compensation, as summarized below, that is intended to approximate the peer-group median mix (cash vs. equity) and provide an overall target total direct compensation that is consistent with 3M's size and market-capitalization value relative to its peers. To better align the interests of our directors with those of our shareholders, the annual stock retainer is subject to a rigorous hold-until-departure requirement. For more information on the peer group, see "Executive compensation peer group" on page 79.

In May 2023, based on the recommendation of the N&G Committee after its consideration of a director compensation study prepared by FW Cook, the Board approved a $5,000 increase in the annual fees paid to the chair of the Compensation and Talent Committee and left the other fees unchanged.

Annual Retainer*

$135,000 Cash Retainer

$185,000 Stock Retainer

Annual Lead Independent Director and Committee Chair Fees*

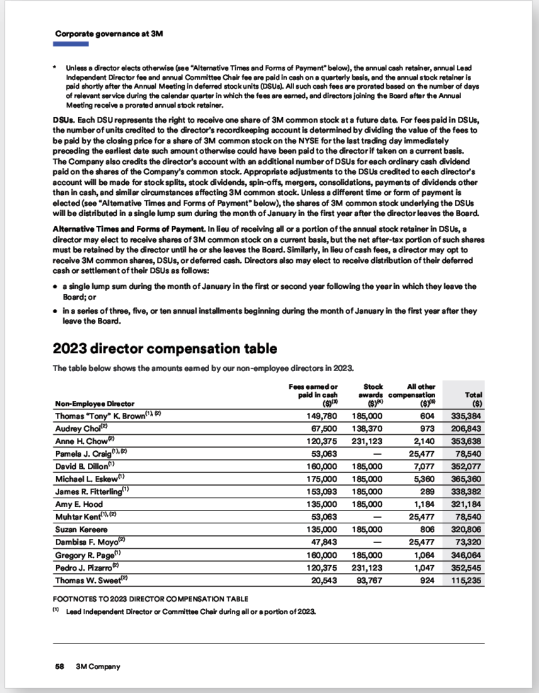
Lead Independent Director – $40,000

N&G Committee Chair – $20,000

Other Committee Chair – $25,000

Abbreviations: N&G = Nominating and Governance

2024 Proxy Statement 57



Corporate governance at 3M

* Unless a director elects otherwise (see "Alternative Times and Forms of Payment" below), the annual cash retainer, annual Lead Independent Director fee and annual Committee Chair fee are paid in cash on a quarterly basis, and the annual stock retainer is paid shortly after the Annual Meeting in deferred stock units (DSUs). All such cash fees are prorated based on the number of days of relevant service during the calendar quarter in which the fees are earned, and directors joining the Board after the Annual Meeting receive a prorated annual stock retainer.

DSUs. Each DSU represents the right to receive one share of 3M common stock at a future date. For fees paid in DSUs, the number of units credited to the director's recordkeeping account is determined by dividing the value of the fees to be paid by the closing price for a share of 3M common stock on the NYSE for the last trading day immediately preceding the earliest date such amount otherwise could have been paid to the director if taken on a current basis. The Company also credits the director's account with an additional number of DSUs for each ordinary cash dividend paid on the shares of the Company's common stock. Appropriate adjustments to the DSUs credited to each director's account will be made for stock splits, stock dividends, spin-offs, mergers, consolidations, payments of dividends other than in cash, and similar circumstances affecting 3M common stock. Unless a different time or form of payment is elected (see "Alternative Times and Forms of Payment" below), the shares of 3M common stock underlying the DSUs will be distributed in a single lump sum during the month of January in the first year after the director leaves the Board.

Alternative Times and Forms of Payment. In lieu of receiving all or a portion of the annual stock retainer in DSUs, a director may elect to receive shares of 3M common stock on a current basis, but the net after-tax portion of such shares must be retained by the director until he or she leaves the Board. Similarly, in lieu of cash fees, a director may opt to receive 3M common shares, DSUs, or deferred cash. Directors also may elect to receive distribution of their deferred cash or settlement of their DSUs as follows:

- a single lump sum during the month of January in the first or second year following the year in which they leave the Board; or
- in a series of three, five, or ten annual installments beginning during the month of January in the first year after they leave the Board.

2023 director compensation table

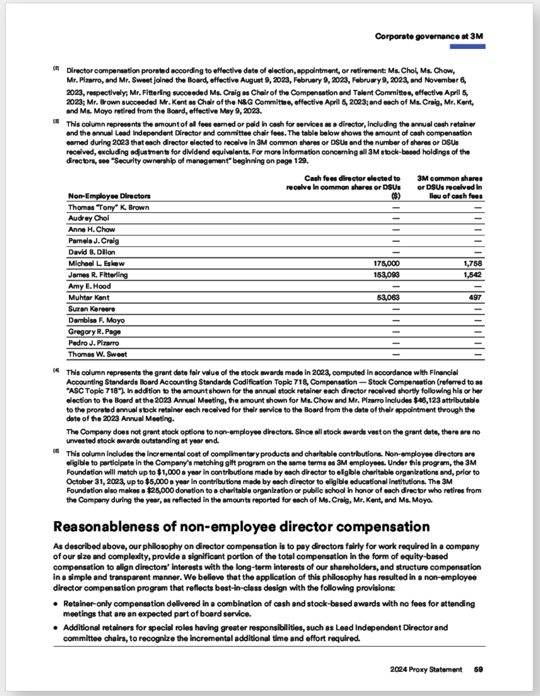
The table below shows the amounts earned by our non-employee directors in 2023.

Non-Employee Director	Fees earned or paid in cash ($)[3]	Stock awards ($)[4]	All other compensation ($)[5]	Total ($)
Thomas "Tony" K. Brown[1, 2]	149,780	185,000	604	335,384
Audrey Choi[2]	67,500	138,370	973	206,843
Anne H. Chow[2]	120,375	231,123	2,140	353,638
Pamela J. Craig[1, 2]	53,063	—	25,477	78,540
David B. Dillon[1]	160,000	185,000	7,077	352,077
Michael L. Eskew[1]	175,000	185,000	5,360	365,360
James R. Fitterling[1]	153,093	185,000	289	338,382
Amy E. Hood	135,000	185,000	1,184	321,184
Muhtar Kent[1, 2]	53,063	—	25,477	78,540
Suzan Kereere	135,000	185,000	806	320,806
Dambisa F. Moyo[2]	47,843	—	25,477	73,320
Gregory R. Page[1]	160,000	185,000	1,064	346,064
Pedro J. Pizarro[2]	120,375	231,123	1,047	352,545
Thomas W. Sweet[2]	20,543	93,767	924	115,235

FOOTNOTES TO 2023 DIRECTOR COMPENSATION TABLE

(1) Lead Independent Director or Committee Chair during all or a portion of 2023.

58 3M Company



Corporate governance at 3M

(2) Director compensation prorated according to effective date of election, appointment, or retirement: Ms. Choi, Ms. Chow, Mr. Pizarro, and Mr. Sweet joined the Board, effective August 9, 2023, February 9, 2023, February 9, 2023, and November 6, 2023, respectively; Mr. Fitterling succeeded Ms. Craig as Chair of the Compensation and Talent Committee, effective April 5, 2023; Mr. Brown succeeded Mr. Kent as Chair of the N&G Committee, effective April 5, 2023; and each of Ms. Craig, Mr. Kent, and Ms. Moyo retired from the Board, effective May 9, 2023.

(3) This column represents the amount of all fees earned or paid in cash for services as a director, including the annual cash retainer and the annual Lead Independent Director and committee chair fees. The table below shows the amount of cash compensation earned during 2023 that each director elected to receive in 3M common shares or DSUs and the number of shares or DSUs received, excluding adjustments for dividend equivalents. For more information concerning all 3M stock-based holdings of the directors, see "Security ownership of management" beginning on page 129.

Non-Employee Directors	Cash fees director elected to receive in common shares or DSUs ($)	3M common shares or DSUs received in lieu of cash fees
Thomas "Tony" K. Brown	—	—
Audrey Choi	—	—
Anne H. Chow	—	—
Pamela J. Craig	—	—
David B. Dillon	—	—
Michael L. Eskew	175,000	1,758
James R. Fitterling	153,093	1,542
Amy E. Hood	—	—
Muhtar Kent	53,063	497
Suzan Kereere	—	—
Dambisa F. Moyo	—	—
Gregory R. Page	—	—
Pedro J. Pizarro	—	—
Thomas W. Sweet	—	—

(4) This column represents the grant date fair value of the stock awards made in 2023, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718, Compensation — Stock Compensation (referred to as "ASC Topic 718"). In addition to the amount shown for the annual stock retainer each director received shortly following his or her election to the Board at the 2023 Annual Meeting, the amount shown for Ms. Chow and Mr. Pizarro includes $46,123 attributable to the prorated annual stock retainer each received for their service to the Board from the date of their appointment through the date of the 2023 Annual Meeting.

The Company does not grant stock options to non-employee directors. Since all stock awards vest on the grant date, there are no unvested stock awards outstanding at year end.

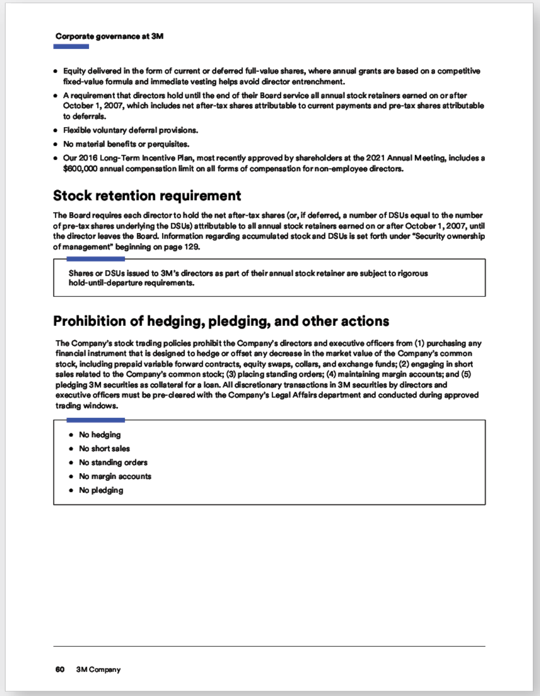
(5) This column includes the incremental cost of complimentary products and charitable contributions. Non-employee directors are eligible to participate in the Company's matching gift program on the same terms as 3M employees. Under this program, the 3M Foundation will match up to $1,000 a year in contributions made by each director to eligible charitable organizations and, prior to October 31, 2023, up to $5,000 a year in contributions made by each director to eligible educational institutions. The 3M Foundation also makes a $25,000 donation to a charitable organization or public school in honor of each director who retires from the Company during the year, as reflected in the amounts reported for each of Ms. Craig, Mr. Kent, and Ms. Moyo.

Reasonableness of non-employee director compensation

As described above, our philosophy on director compensation is to pay directors fairly for work required in a company of our size and complexity, provide a significant portion of the total compensation in the form of equity-based compensation to align directors' interests with the long-term interests of our shareholders, and structure compensation in a simple and transparent manner. We believe that the application of this philosophy has resulted in a non-employee director compensation program that reflects best-in-class design with the following provisions:

- Retainer-only compensation delivered in a combination of cash and stock-based awards with no fees for attending meetings that are an expected part of board service.
- Additional retainers for special roles having greater responsibilities, such as Lead Independent Director and committee chairs, to recognize the incremental additional time and effort required.

2024 Proxy Statement 59



Corporate governance at 3M

- Equity delivered in the form of current or deferred full-value shares, where annual grants are based on a competitive fixed-value formula and immediate vesting helps avoid director entrenchment.
- A requirement that directors hold until the end of their Board service all annual stock retainers earned on or after October 1, 2007, which includes net after-tax shares attributable to current payments and pre-tax shares attributable to deferrals.
- Flexible voluntary deferral provisions.
- No material benefits or perquisites.
- Our 2016 Long-Term Incentive Plan, most recently approved by shareholders at the 2021 Annual Meeting, includes a $600,000 annual compensation limit on all forms of compensation for non-employee directors.

Stock retention requirement

The Board requires each director to hold the net after-tax shares (or, if deferred, a number of DSUs equal to the number of pre-tax shares underlying the DSUs) attributable to all annual stock retainers earned on or after October 1, 2007, until the director leaves the Board. Information regarding accumulated stock and DSUs is set forth under "Security ownership of management" beginning on page 129.

Shares or DSUs issued to 3M's directors as part of their annual stock retainer are subject to rigorous hold-until-departure requirements.

Prohibition of hedging, pledging, and other actions

The Company's stock trading policies prohibit the Company's directors and executive officers from (1) purchasing any financial instrument that is designed to hedge or offset any decrease in the market value of the Company's common stock, including prepaid variable forward contracts, equity swaps, collars, and exchange funds; (2) engaging in short sales related to the Company's common stock; (3) placing standing orders; (4) maintaining margin accounts; and (5) pledging 3M securities as collateral for a loan. All discretionary transactions in 3M securities by directors and executive officers must be pre-cleared with the Company's Legal Affairs department and conducted during approved trading windows.

- No hedging
- No short sales
- No standing orders
- No margin accounts
- No pledging

60 3M Company

◄ Table of Contents   Topic Table of Contents

Key Examples

Brown and Brown 2024 Proxy Statement

Includes process with peers and role of consultant

Director Tenure and Board Refreshment

The Nominating/Corporate Governance Committee regularly considers the composition of the Board. However, we have not established a mandatory retirement age or other term limits because we believe longer-tenured directors can bring important experience and institutional knowledge that are critical to the success of our Board and the long-term interests of our shareholders. Consideration is given to rotating committee members, committee chairs and the Lead Independent Director position generally every three to five years because we believe we benefit from having a level of consistency in our committee compositions and committee chairs, but that fresh perspectives likewise facilitate enhanced Board and committee performance. Our Nominating/ Corporate Governance Committee evaluates the performance of each incumbent director at least annually before recommending such director's nomination for an additional term. In addition, any director who has a job change must submit a letter of resignation resigning from the Board. The submission of a letter of resignation provides an opportunity for the Board to review the continued appropriateness of the director's membership on the Board under the circumstances.

Board Evaluations

The Nominating/Corporate Governance Committee conducts an annual evaluation of the Board and its committees, as well as the individual performance of each director. As part of this process, all directors complete detailed confidential questionnaires to provide feedback on the effectiveness of the Board, the committees and the performance of individual directors. The results of the questionnaires are compiled anonymously by the Chair of the Nominating/Corporate Governance Committee in the form of summaries, and the feedback is reviewed and discussed by the Nominating/ Corporate Governance Committee and subsequently reported to the full Board. We believe these assessments allow us to continually improve the effectiveness of our Board and committee meetings throughout the year.

Director Orientation and Continuing Education

New directors participate in a director orientation program when they join the Company's Board that familiarize the directors with the Company and their role. The Company offers, at its own expense, continuing education programs to assist the directors in maintaining skills and knowledge necessary to perform their duties.

Meetings and Attendance

During 2023, our Board of Directors held eight meetings. Each incumbent director serving during 2023 attended at least 75% of the total number of Board meetings, and 75% of the total number of meetings of committees of which such director is or was a member. The Board expects, but does not require, directors, all of whom are director nominees, to attend the Annual Meeting of Shareholders. All then-current members of the Board attended the 2023 Annual Meeting of Shareholders. HB at 88%

Shareholder Engagement

We regularly meet with investors, prospective investors and investment analysts on a broad range of topics, including our business and capital allocation strategy, operating model, financial performance and technology initiatives. We also routinely engage with shareholders after each quarterly earnings call and material news announcement, as well as in connection with conferences and other events and on an ad-hoc basis. We view these conversations, which typically include our Chief Financial Officer, and may also include our Chief Executive Officer and/or the leaders of our operating segments, as opportunities for us to receive and discuss valuable insights into our shareholders' priorities and perspectives throughout the year.

We also engage with shareholders on corporate governance matters and have implemented various enhancements to our corporate governance practices and disclosures based on feedback from investors.

Director Compensation

Our Board of Directors reviews the compensation of our non-employee directors at least every two years or as such other time as circumstances may warrant.

Our non-employee directors are paid an annual retainer of $100,000, payable in quarterly installments. In addition, the Chairs of the Acquisition, Audit and Compensation Committees are each paid a $20,000 retainer, the Chair of the Nominating/Corporate Governance receives a $15,000 retainer and the Company's Lead Independent Director receives a $15,000 retainer, in each case for services associated with those positions. All directors receive reimbursement of reasonable out-of-pocket expenses incurred in connection with meetings of the Board.

Also, each director who is not an employee of the Company receives a grant of fully vested shares valued at $120,000 of our common stock under our 2019 SIP.

No director who is an employee receives separate compensation for services rendered as a director.

2023 Director Compensation

In March 2023, Frederic W. Cook & Co., Inc. ("FW Cook"), an independent outside compensation consulting firm retained by the Compensation Committee, conducted a comprehensive analysis of the Company's non-employee director compensation, as described below.

SURVEY COMPARISON

As part of FW Cook's analysis, the Compensation Committee reviewed and considered data from the *2021 – 2022 NACD Director Compensation Report*, which consisted of data from general industry companies with a blend of medium and large company data with annual revenues between $2.5 and $10 billion.

PEER COMPARISON GROUP

FW Cook also reviewed the compensation practices of seven publicly traded insurance carriers and several other companies in the capital markets industry (the "Peer Comparison Group"). The Peer Comparison Group, which did not change in 2023 and which FW Cook also uses for conducting analyses of our pay practices and executive compensation levels, was as follows:

At the time of analysis, our total revenue was at the 46th percentile, and our market capitalization was at the 56th percentile of the peer comparison group.

Peer Company	Business Focus
Arch Capital Group Ltd.	Property & Casualty Insurance Carrier
Aon plc	Insurance Intermediary
Argo Group International Holdings	Property & Casualty Insurance Carrier
Arthur J. Gallagher & Co.	Insurance Intermediary
AXIS Capital Holdings Limited	Property & Casualty Insurance Carrier
CBIZ, Inc.	Research & Consulting Services
Crawford & Company	Insurance Intermediary
Erie Indemnity Company	Property & Casualty Insurance Carrier
Marsh & McLennan Companies Inc.	Insurance Intermediary
Primerica, Inc.	Life & Health Insurance Company
Raymond James Financial, Inc.	Investment Banking & Brokerage
RLI Corp.	Property & Casualty Insurance Carrier
Selective Insurance Group Inc.	Property & Casualty Insurance Carrier
Willis Towers Watson PLC	Insurance Intermediary

Results of FW Cook's Analysis

Based upon the results of FW Cook's analysis, the Compensation Committee concluded that:

- the total pay for our non-employee directors (excluding retainers for our committee chairs and our Lead Independent Director) was below the market median,
- the pay mix for our non-employee director compensation was more heavily weighted toward equity than cash, which was consistent with market practice,
- the retainers paid to our Audit Committee chair and our Lead Independent Director were below the market median,
- the retainers paid to our Nominating/Corporate Governance Committee chair and Compensation Committee chair were generally aligned with the market median and
- the Company's stock ownership guidelines, which require non-employee directors accumulate Brown & Brown common stock valued at least five times the current annual cash retainer within five years of joining the Board, were aligned with market practices.

Based upon FW's Cook's analysis and the Compensation Committee's recommendation, in March 2023, the Board approved the following changes to the compensation for our non-employee directors, to be effective immediately following the 2023 Annual Meeting of Shareholders:

- an increase to the size of the annual cash retainer from $90,000 to $100,000 and
- an increase to the size of the annual grant of fully vested common stock from $100,000 to $120,000, valued as of the close of business on the last business day before the regular May meeting of the Compensation Committee.

The following table sets forth cash and other compensation earned during 2023 by directors who are not Named Executive Officers.

2023 DIRECTOR COMPENSATION

Name	Fees Earned or Paid in Cash ($)	Stock Awards ($)	All Other Compensation ($)	Total ($)
Hugh M. Brown[1]	40,500	—	—	40,500
J. Hyatt Brown	—	—	218,034[2]	218,034
Lawrence L. Gellerstedt III	117,500	119,972	—	237,472
James C. Hays	—	—	1,667,203[3]	1,667,203
Theodore J. Hoepner	97,500	119,972	—	217,472
James S. Hunt	117,500	119,972	—	237,472
Toni Jennings	97,500	119,972	—	217,472
Paul J. Krump[4]	50,000	—	—	50,000
Timothy R.M. Main	117,500	119,972	—	237,472
Bronislaw E. Masojada[4]	50,000	—	—	50,000
Jaymin B. Patel	97,500	119,972	—	217,472
H. Palmer Proctor, Jr.	127,500	119,972	—	247,472
Wendell S. Reilly	97,500	119,972	—	217,472
Chilton D. Varner	97,500	119,972	—	217,472

[1] The Board designated Hugh M. Brown as a Director Emeritus of the Company, effective immediately following the 2023 Annual Meeting of Shareholders.

[2] During 2023, J. Hyatt Brown, who is the father of J. Powell Brown, a director and President and Chief Executive Officer of the Company, and P. Barrett Brown, an Executive Vice President and President – Retail Segment, received compensation of $218,034, consisting of $180,000 for services rendered to the Company in 2023, including assistance with acquisitions and recruitment, $6,480 in matching contributions made by the Company to his 401(k) Plan account, $27,643 for reimbursement of amounts earned by the Company for personal lines insurance he purchased through the Company or its subsidiaries and $3,911 for the cost of certain club membership dues. Mr. Hyatt Brown serves as Chairman of the Board of the Company.

[3] During 2023, James C. Hays received compensation of $1,667,203, consisting of $1,661,000 for services rendered to the Company in 2023 and $6,203 in matching contributions made by the Company to his 401(k) Plan account. Mr. James Hays, who serves as Vice Chairman of the Company, is a party to an Employment Agreement with the Company, effective as of November 16, 2018, that provides for payment of an annual base salary of $517,000 for a three-year term of employment, after which time this amount will be as mutually agreed upon between Mr. James Hays and the Company, and which provides that the Company will terminate the agreement only "with cause" during the initial three-year term. Pursuant to his Employment Agreement, Mr. James Hays is also eligible during the initial three-year term to participate in the Company's Senior Leader Bonus Program in effect from time to time, and his bonus target under the Senior Leader Bonus Program is $700,000. The Company has determined that Mr. James Hays is not an executive officer.

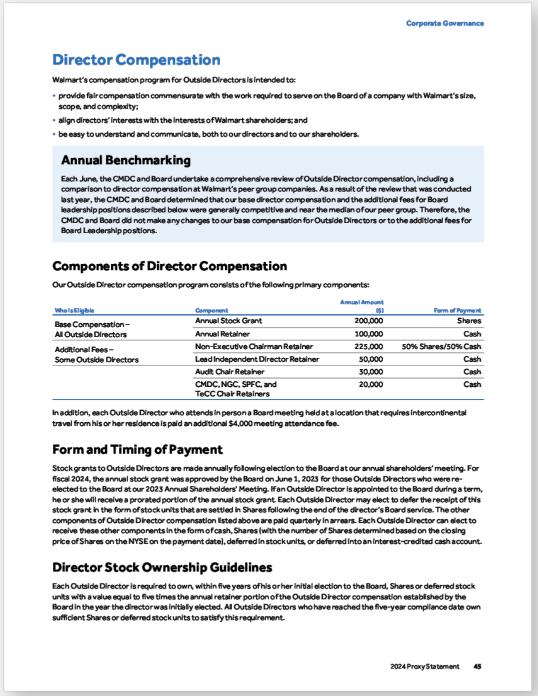
[4] Paul J. Krump and Bronislaw E. Masojada were appointed to the Board effective June 13, 2023.

◀ Table of Contents   Topic Table of Contents

Key Examples

Walmart 2024 Proxy Statement

Annual Benchmarking callout



Corporate Governance

Director Compensation

Walmart's compensation program for Outside Directors is intended to:

- provide fair compensation commensurate with the work required to serve on the Board of a company with Walmart's size, scope, and complexity;
- align directors' interests with the interests of Walmart shareholders; and
- be easy to understand and communicate, both to our directors and to our shareholders.

Annual Benchmarking

Each June, the CMDC and Board undertake a comprehensive review of Outside Director compensation, including a comparison to director compensation at Walmart's peer group companies. As a result of the review that was conducted last year, the CMDC and Board determined that our base director compensation and the additional fees for Board leadership positions described below were generally competitive and near the median of our peer group. Therefore, the CMDC and Board did not make any changes to our base compensation for Outside Directors or to the additional fees for Board Leadership positions.

Components of Director Compensation

Our Outside Director compensation program consists of the following primary components:

Who is Eligible	Component	Annual Amount ($)	Form of Payment
Base Compensation – All Outside Directors	Annual Stock Grant	200,000	Shares
	Annual Retainer	100,000	Cash
Additional Fees – Some Outside Directors	Non-Executive Chairman Retainer	225,000	50% Shares/50% Cash
	Lead Independent Director Retainer	50,000	Cash
	Audit Chair Retainer	30,000	Cash
	CMDC, NGC, SPFC, and TeCC Chair Retainers	20,000	Cash

In addition, each Outside Director who attends in person a Board meeting held at a location that requires intercontinental travel from his or her residence is paid an additional $4,000 meeting attendance fee.

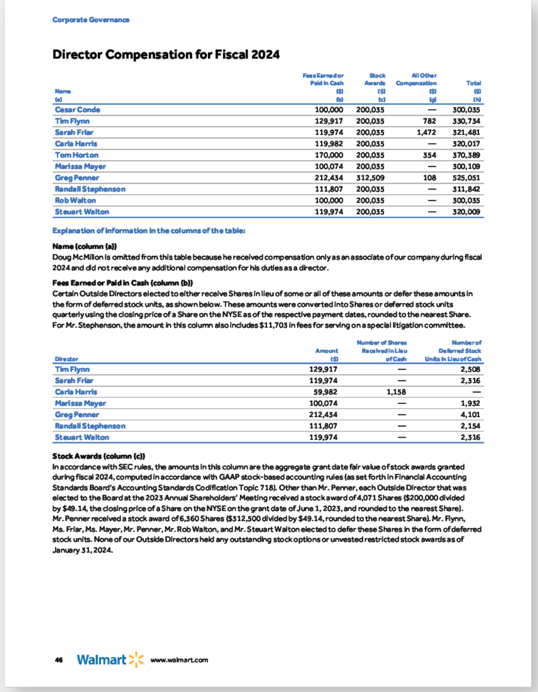
Form and Timing of Payment

Stock grants to Outside Directors are made annually following election to the Board at our annual shareholders' meeting. For fiscal 2024, the annual stock grant was approved by the Board on June 1, 2023 for those Outside Directors who were re-elected to the Board at our 2023 Annual Shareholders' Meeting. If an Outside Director is appointed to the Board during a term, he or she will receive a prorated portion of the annual stock grant. Each Outside Director may elect to defer the receipt of this stock grant in the form of stock units that are settled in Shares following the end of the director's Board service. The other components of Outside Director compensation listed above are paid quarterly in arrears. Each Outside Director can elect to receive these other components in the form of cash, Shares (with the number of Shares determined based on the closing price of Shares on the NYSE on the payment date), deferred in stock units, or deferred into an interest-credited cash account.

Director Stock Ownership Guidelines

Each Outside Director is required to own, within five years of his or her initial election to the Board, Shares or deferred stock units with a value equal to five times the annual retainer portion of the Outside Director compensation established by the Board in the year the director was initially elected. All Outside Directors who have reached the five-year compliance date own sufficient Shares or deferred stock units to satisfy this requirement.

2024 Proxy Statement 45



Corporate Governance

Director Compensation for Fiscal 2024

Name (a)	Fees Earned or Paid in Cash ($) (b)	Stock Awards ($) (c)	All Other Compensation ($) (g)	Total ($) (h)
Cesar Conde	100,000	200,035	—	300,035
Tim Flynn	129,917	200,035	782	330,734
Sarah Friar	119,974	200,035	1,472	321,481
Carla Harris	119,982	200,035	—	320,017
Tom Horton	170,000	200,035	354	370,389
Marissa Mayer	100,074	200,035	—	300,109
Greg Penner	212,434	312,509	108	525,051
Randall Stephenson	111,807	200,035	—	311,842
Rob Walton	100,000	200,035	—	300,035
Steuart Walton	119,974	200,035	—	320,009

Explanation of information in the columns of the table:

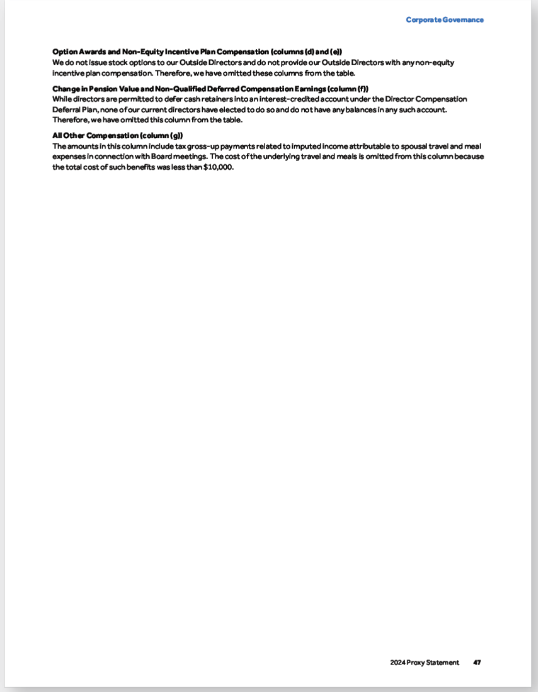
Name (column (a))
Doug McMillon is omitted from this table because he received compensation only as an associate of our company during fiscal 2024 and did not receive any additional compensation for his duties as a director.

Fees Earned or Paid in Cash (column (b))
Certain Outside Directors elected to either receive Shares in lieu of some or all of these amounts or defer these amounts in the form of deferred stock units, as shown below. These amounts were converted into Shares or deferred stock units quarterly using the closing price of a Share on the NYSE as of the respective payment dates, rounded to the nearest Share. For Mr. Stephenson, the amount in this column also includes $11,703 in fees for serving on a special litigation committee.

Director	Amount ($)	Number of Shares Received in Lieu of Cash	Number of Deferred Stock Units in Lieu of Cash
Tim Flynn	129,917	—	2,508
Sarah Friar	119,974	—	2,316
Carla Harris	59,982	1,158	—
Marissa Mayer	100,074	—	1,932
Greg Penner	212,434	—	4,101
Randall Stephenson	111,807	—	2,154
Steuart Walton	119,974	—	2,316

Stock Awards (column (c))
In accordance with SEC rules, the amounts in this column are the aggregate grant date fair value of stock awards granted during fiscal 2024, computed in accordance with GAAP stock-based accounting rules (as set forth in Financial Accounting Standards Board's Accounting Standards Codification Topic 718). Other than Mr. Penner, each Outside Director that was elected to the Board at the 2023 Annual Shareholders' Meeting received a stock award of 4,071 Shares ($200,000 divided by $49.14, the closing price of a Share on the NYSE on the grant date of June 1, 2023, and rounded to the nearest Share). Mr. Penner received a stock award of 6,360 Shares ($312,500 divided by $49.14, rounded to the nearest Share). Mr. Flynn, Ms. Friar, Ms. Mayer, Mr. Penner, Mr. Rob Walton, and Mr. Steuart Walton elected to defer these Shares in the form of deferred stock units. None of our Outside Directors held any outstanding stock options or unvested restricted stock awards as of January 31, 2024.

46 Walmart www.walmart.com



Corporate Governance

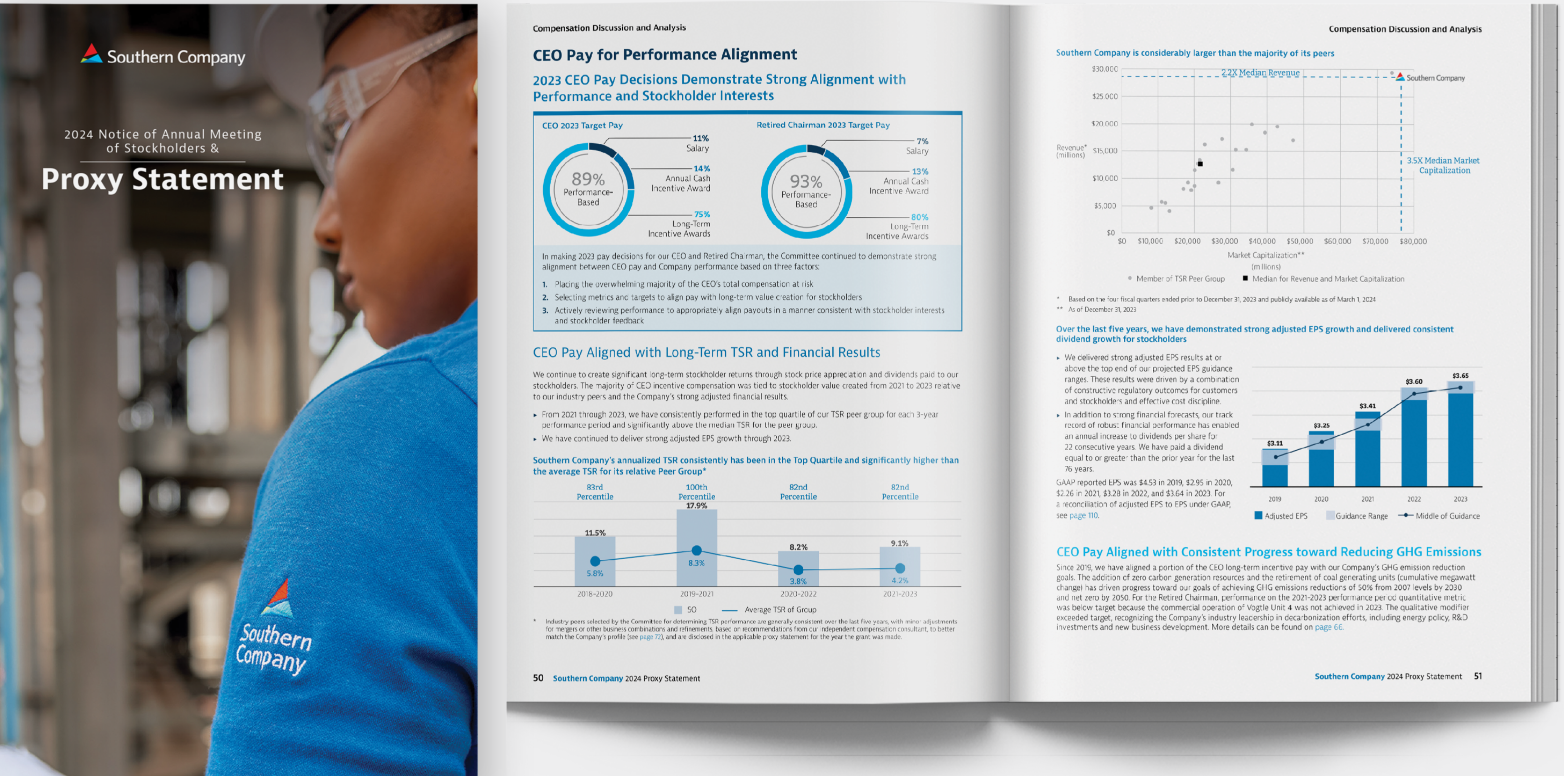
Option Awards and Non-Equity Incentive Plan Compensation (columns (d) and (e))
We do not issue stock options to our Outside Directors and do not provide our Outside Directors with any non-equity incentive plan compensation. Therefore, we have omitted these columns from the table.

Change in Pension Value and Non-Qualified Deferred Compensation Earnings (column (f))
While directors are permitted to defer cash retainers into an interest-credited account under the Director Compensation Deferral Plan, none of our current directors have elected to do so and do not have any balances in any such account. Therefore, we have omitted this column from the table.

All Other Compensation (column (g))
The amounts in this column include tax gross-up payments related to imputed income attributable to spousal travel and meal expenses in connection with Board meetings. The cost of the underlying travel and meals is omitted from this column because the total cost of such benefits was less than $10,000.

2024 Proxy Statement 47

Executive Compensation



This section includes:

◂ Table of Contents   Topic Table of Contents

Approach to Compensation

The Compensation Discussion and Analysis (CD&A) section of the proxy statement is notoriously long and dense. It can be challenging to provide the appropriate amount of detail without overwhelming the reader. In most years, companies should prioritize disclosure that explains the link between pay and performance in both design of the program and executive's actual pay after key incentive plan decisions are made. Special circumstances, such as leadership transitions, discretionary payments or responses to low say-on-pay votes, may necessitate additional explanation and emphasis on explaining the compensation committee's perspective.

Investor Perspective: Executive Compensation Program

BlackRock (U.S., 1/25)	We look to companies to ensure that their compensation plans incorporate appropriate and rigorous performance metrics, consistent with corporate strategy and market practice. **Performance-based compensation should include metrics that are relevant to the business and stated strategy and/or risk mitigation efforts. Goals, and the processes used to set these goals, should be clearly articulated and appropriately rigorous**. We hold members of the compensation committee, or equivalent board members, accountable for poor compensation practices and/or structures. When evaluating performance, we examine both executive teams' efforts, as well as outcomes realized by shareholders. **Payouts to executives should reflect both the executive's contributions to the company's ongoing success, as well as exogenous factors that impacted shareholder value**.
State Street (Global, 3/24)	Shareholders should have the opportunity to assess whether pay structures and levels are aligned with business performance. When assessing remuneration reports, **we consider factors such as adequate disclosure of various remuneration elements, absolute and relative pay levels, peer selection and benchmarking, the mix of long-term and short-term incentives, alignment of pay structures with shareholder interests, as well as with corporate strategy and performance**. We may oppose remuneration reports where pay seems misaligned with shareholders' interests.

Investor Perspective: Executive Compensation Program

Vanguard (U.S., 2/24)	Compensation policies linked to long-term relative performance are fundamental drivers of sustainable, long-term value for a company's investors. Providing **effective disclosure of these practices, their alignment with company performance, and their outcomes is crucial to giving shareholders confidence in the link between incentives and rewards and the creation of long-term value.** A fund's considerations when evaluating executive pay fall into three broad categories: • **Alignment of pay and performance**. The funds look for evidence of clear alignment between pay outcomes and company performance. This is mainly assessed through **alignment of incentive targets with corporate strategy and analysis of three-year total shareholder return and realized pay over the same period vs. a relevant set of peer companies** . . . • **Compensation plan structure.** Plan structures should **be aligned with the company's stated long-term strategy** and should support pay-for-performance alignment . . . • **Governance of compensation plans**. The funds look for boards to have **a clear strategy and philosophy** on executive pay, utilize robust processes to evaluate and evolve executive pay plans, and implement executive pay plans **responsive to shareholder feedback** over time. The funds also look for boards to **explain these matters to shareholders via company disclosures** . . .

◂ Table of Contents Topic Table of Contents

Investor Perspective: Executive Compensation Program

ISS (U.S. 1/25)

Underlying all evaluations are **five global principles** that most investors expect corporations to adhere to in designing and administering executive and director compensation programs:

1. Maintain **appropriate pay-for-performance alignment, with emphasis on long-term shareholder value**: This principle encompasses overall executive pay practices, which must be designed to attract, retain, and appropriately motivate the key employees who drive shareholder value creation over the long term. It will take into consideration, among other factors, **the link between pay and performance; the mix between fixed and variable pay; performance goals; and equity-based plan costs**;
2. Avoid arrangements that risk "pay for failure": This principle addresses the appropriateness of long or indefinite contracts, excessive severance packages, and guaranteed compensation;
3. Maintain an independent and effective compensation committee: This principle promotes **oversight of executive pay programs** by directors with appropriate skills, knowledge, experience, and a sound process for compensation decision-making (e.g., including access to independent expertise and advice when needed);
4. **Provide shareholders with clear, comprehensive compensation disclosures**: This principle underscores the importance of informative and timely disclosures that enable shareholders to evaluate executive pay practices fully and fairly; and
5. Avoid inappropriate pay to non-executive directors: This principle recognizes the interests of shareholders in ensuring that compensation to outside directors is reasonable and does not compromise their independence and ability to make appropriate judgments in overseeing managers' pay and performance. At the market level, it may incorporate a variety of generally accepted best practices.

Glass Lewis (U.S. 2025)

Compensation committees are also responsible for the oversight of the transparency of compensation. This oversight includes disclosure of compensation arrangements, the matrix used in assessing pay for performance, and the use of compensation consultants.

When assessing the performance of compensation committees, we will consider recommending that shareholders vote against the following: . . .

- The chair of the compensation committee where the CD&A provides **insufficient or unclear information about performance metrics and goals, where the CD&A indicates that pay is not tied to performance, or where the compensation committee or management has excessive discretion** to alter performance terms or increase amounts of awards in contravention of previously defined targets. ...
- All members of the compensation committee when the board has **materially decreased proxy statement disclosure regarding executive compensation policies and procedures in a manner which substantially impacts shareholders' ability to make an informed assessment** of the company's executive pay practices. . . .

Compensation Discussion & Analysis (CD&A) Introduction/Opening

Companies vary significantly in their approach to the organization of the CD&A. Because this section of the proxy can be long, technical, and dense, the introduction should be used to provide a roadmap for readers.

What to Think About

The volume and complexity of compensation disclosures can make the CD&A difficult to navigate. Investors want to find relevant compensation information quickly and easily to inform their voting determinations.

The CD&A introduction should help proxy voters navigate the voluminous and often complicated executive compensation pages that follow. In particular, it should contain a dedicated table of contents or overview of key CD&A topics. Some companies supplement a mini table of contents with a short description of each main section.

In addition to giving a roadmap for the CD&A section, the introduction should introduce the named executive officers, ideally with thumbnail pictures. This will help readers quickly identify the officers and aid their understanding of the role, objectives, and compensation decisions for each individual.

Labrador Transparency Award Criteria

- The CD&A starts with a dedicated table of contents or similar overview of key topics and identifies the NEOs in a table or other visual format.

Benchmarking

CD&A Introduction

51.0%

CD&A introduction includes a table of contents with page numbers

73.0%

CD&A introduction includes NEOs presented in a table format or visual format with picture

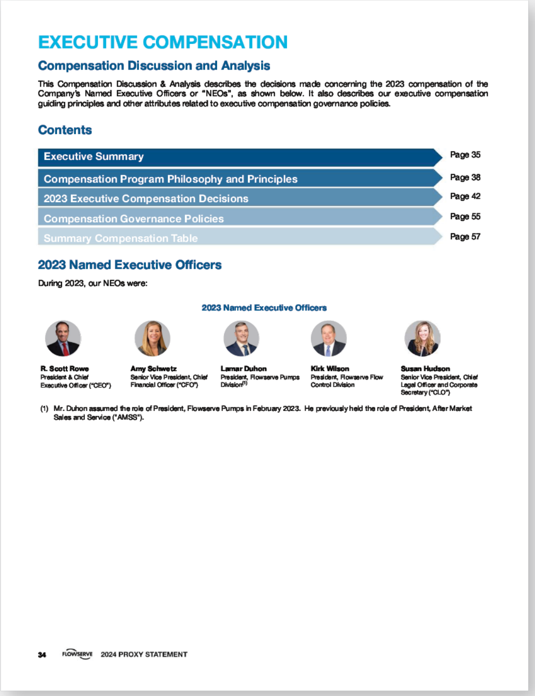
33.0%

CD&A introduction includes a photo of each NEO

Key Examples

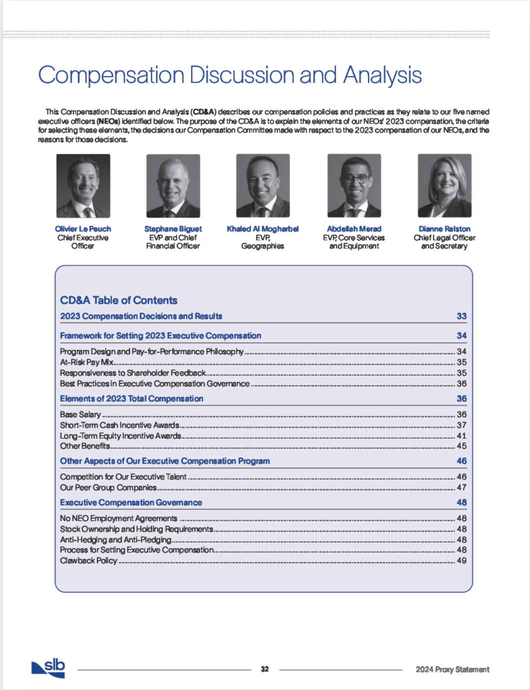
Flowserve 2024 Proxy Statement

Includes introductory sentence, TOC, and headshots of NEOs



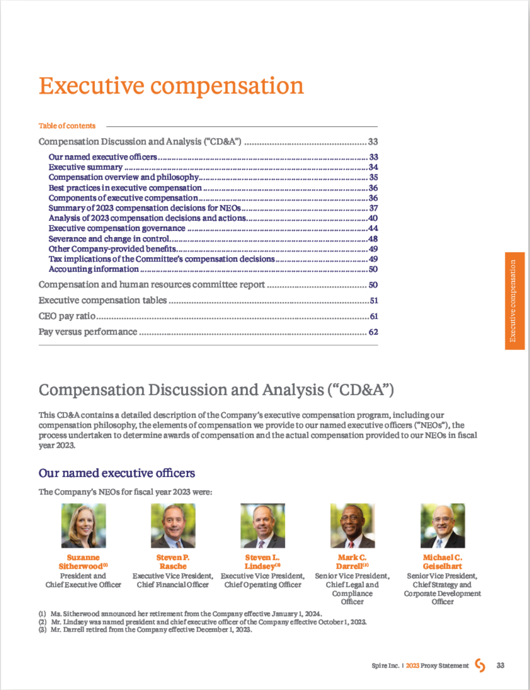
Schlumberger 2024 Proxy Statement

Begins introductory sentence and headshots of NEOs followed by detailed TOC



Spire 2024 Proxy Statement

Starts with TOC, then introductory sentence and headshots of NEOs; more color



◂ Table of Contents Topic Table of Contents

Communication from Compensation Committee

In recent years, many companies, particularly those with pay issues, include a message from the compensation committee at the start of CD&A to explain the rationale for compensation decisions. These messages strike a more persuasive tone, focus on shareholder engagement and responsiveness, and go beyond the required Compensation Committee Report, which states simply that the committee discussed the CD&A with management and recommended to the board that the CD&A be included in the proxy.

What to Think About

Shareholders hold the compensation committee accountable for executive pay practices and will vote against committee members if amounts are excessive, practices are problematic, or there is a pattern of not being responsive to shareholder concerns.

Accordingly, once concerns have been identified, it is imperative to have transparent disclosures to effectively communicate any changes to address those concerns. Often, shareholders want to hear from the independent compensation committee.

Even companies with high SOP votes may at times use a letter from the compensation committee to communicate directly to their shareholders - either to provide more context to what's to come in CD&A or to highlight their history of favored pay practices.

In crafting a communication from the compensation committee, consider the following:

- **Content**: Examples of key messages include:
  - an explanation of actions taken during the year that need additional clarification or may be viewed as problematic (such as special grants)
  - expressing a "we heard you" message following unsatisfactory SOP results
  - describing the use, or lack, of discretion in the company's incentive programs
- **Format:** Leverage formatting to ensure key messages are highlighted:
  - Include descriptive headings
  - Use callout boxes or other graphic elements to discuss engagement activities and stockholder feedback, any changes to the compensation program, and any enhanced CD&A disclosure
- **Location and cross-references:** Include at the beginning of the CD&A Executive

  Summary section, and consider highlighting the communication in the main TOC, letter(s) from leadership and/or general shareholder engagement section.
- **Other formats:** Consider these alternatives to a standard letter:
  - Q&A with compensation committee chair
  - Targeted committee or chair commentary throughout the CD&A by any problematic pay practice or area of concern

Table of Contents Topic Table of Contents

Benchmarking

Communication from Compensation Committee

18.0%
Letter from the Compensation Committee that presents highlights of the compensation program

Author of the letter:

88.9%
Entire committee

11.1%
Committee chair

Topics discussed in the letter:

94.4%
Compensation program overview or highlights (changes)

50.0%
SOP score

22.2%
Leadership changes

22.2%
Special adjustments or bonuses

Key Examples

Johnson & Johnson 2024 Proxy Statement

No SOP issues from prior year, instead the compensation committee used the letter to explain their process of conducting a joint review of the impact of excluding non-GAAP items from incentive award calculations with the audit committee

A message from our Compensation & Benefits Committee

Dear fellow shareholders:

2023 has been a pivotal year in Johnson & Johnson's 137-year history. With the successful separation of Kenvue, the Company is now the clear global leader in healthcare innovation. Johnson & Johnson remains guided by Our Credo and its ambition to profoundly impact health for humanity through our lifesaving and life-enhancing products.

The company's sharpened focus on Innovative Medicine and MedTech positions it to better address the complexity of the global healthcare environment and to navigate the rapidly evolving macroeconomic environment. We have seen this focus translate into robust performance across the Enterprise, with the Company exceeding its financial and strategic goals set at the start of the year. In addition, the Company continued to strengthen its innovation pipeline, with several catalysts which have the potential to enhance its future performance.

Every year, we review the executive compensation structure to ensure that we are incentivizing strong results in a manner that is consistent with the values embodied in Our Credo. We also engage with our shareholders to gain feedback on the executive compensation program. The Company's 2023 Say on Pay vote won strong shareholder support at 93%. We believe that this level of shareholder support for the executive compensation program is a result of our continued engagement with our shareholders and the enhancements we have made to our executive compensation program and processes over the years.

When evaluating 2023 performance, we conducted a comprehensive joint review with the Audit Committee of all items excluded from non-GAAP performance measures for the purpose of measuring results under the incentive compensation plans. The Committee believes that using certain non-GAAP metrics, which is common among our peers, helps avoid both unmerited windfalls and penalties that are beyond the control of executives, while promoting accountability and aligning compensation to performance objectives that accurately reflect company performance. For example, the 2023 annual incentive results and payout factors have excluded both the one-time, non-cash gain of $21 billion related to the Consumer Health separation in accordance with the Company's adjusted non-GAAP results policies and past practices and the $7.1 billion settlement charge related to talc matters. We determined that the compensation program encompassed the effect of special items through their impact on our long-term equity compensation and that no adjustments to incentive payouts related to non-GAAP items were warranted.

As a reflection of the strong financial outcomes achieved in 2023, the Enterprise annual incentives were achieved at 130.4% of target. The 2021-2023 PSUs paid out at 116.8% of target.

We are confident that the future of the Company is strong and supported by a compensation program that rewards performance and aligns with shareholders' interests. We thank you for your continued feedback and respectfully request your support for our 2024 Say on Pay proposal.

Sincerely,

Marillyn A. Hewson
Chair

Darius Adamczyk

D. Scott Davis

Hubert Joly

56 Johnson&Johnson

Key Examples

Netflix 2024 Proxy Statement

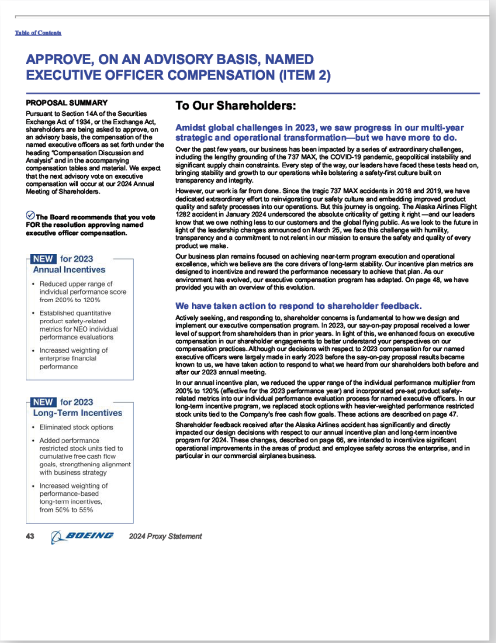
Short letter from compensation committee chair following two years of low SOP (less than 30%) that details significant changes to 2024 compensation program; letter is followed by 5+ pages of shareholder engagement and additional detail, including a graphic that shows 2022, 2023 and 2024 evolution of compensation

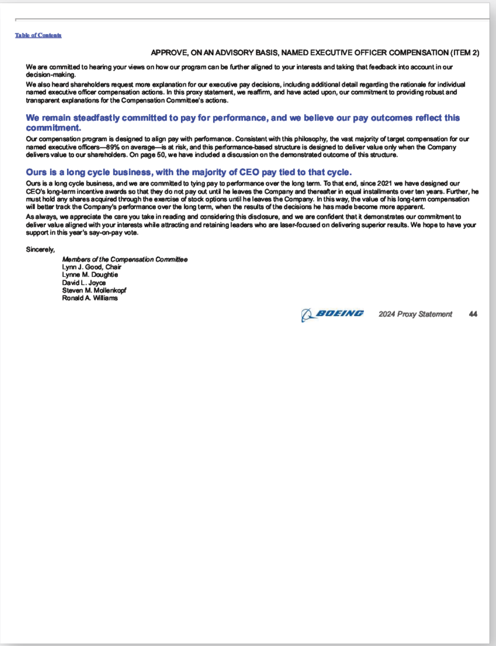
◀ Table of Contents   Topic Table of Contents

Key Examples

Boeing 2024 Proxy Statement

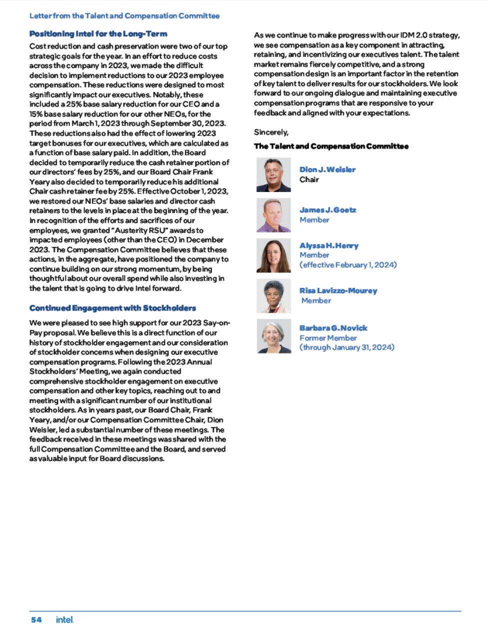
Letter from full compensation committee following low SOP and ongoing global challenges and safety concerns; letter appears on the proposal page, includes callouts with changes to performance-based plans and descriptive headings; first section of CD&A is devoted to shareholder engagement and providing context for NEO pay over the past several years





Intel 2024 Proxy Statement

Letter highlights high SOP vote, rebounding after engagement following 2022 meeting, and provides context for 2023 pay outcomes; good use of descriptive headings, ending with a discussion on continued stockholder engagement



Key Examples

Exxon Mobil 2024 Proxy Statement

No SOP issues from prior year; letter from compensation committee chair includes three most recent years of high SOP votes; letter followed by 1-page "Why Vote 'For' Say on Pay?" and 1-page "Approach to Compensation" that ends with a quote from Exxon's lead independent director on sustainability and long-term value creation

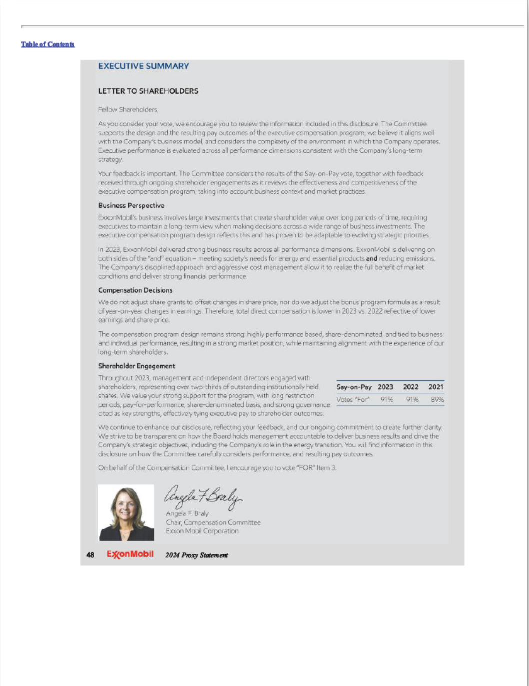


Table of Contents

EXECUTIVE SUMMARY

LETTER TO SHAREHOLDERS

Business Perspective

Compensation Decisions

Shareholder Engagement

48 ExxonMobil 2024 Proxy Statement

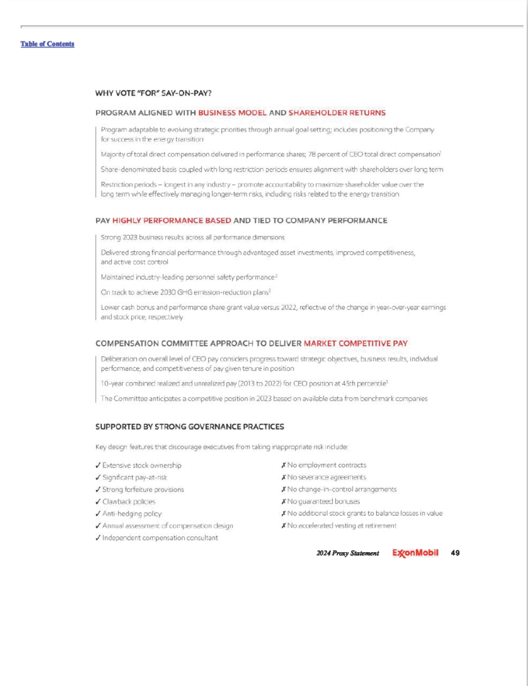


Table of Contents

WHY VOTE "FOR" SAY-ON-PAY?

PROGRAM ALIGNED WITH BUSINESS MODEL AND SHAREHOLDER RETURNS

PAY HIGHLY PERFORMANCE BASED AND TIED TO COMPANY PERFORMANCE

COMPENSATION COMMITTEE APPROACH TO DELIVER MARKET COMPETITIVE PAY

SUPPORTED BY STRONG GOVERNANCE PRACTICES

2024 Proxy Statement ExxonMobil 49

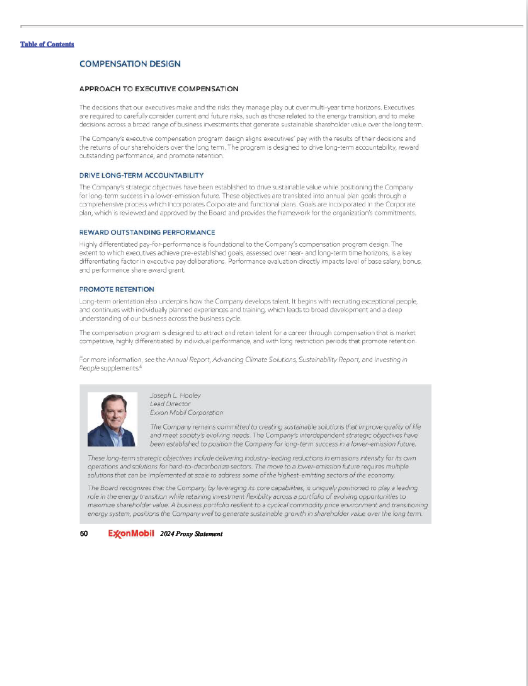


Table of Contents

COMPENSATION DESIGN

APPROACH TO EXECUTIVE COMPENSATION

DRIVE LONG-TERM ACCOUNTABILITY

REWARD OUTSTANDING PERFORMANCE

PROMOTE RETENTION

50 ExxonMobil 2024 Proxy Statement

◀ Table of Contents Topic Table of Contents

CD&A Summary

The purpose of the CD&A is to give investors a clear and complete understanding of the company's compensation policies and decisions. Because effectively and transparently disclosing the many details that SEC rules require typically causes CD&A sections to span several pages, companies often start with an executive summary that provides an overview of the compensation program's most important attributes, notes changes for the applicable year, and explains, at a high-level, key compensation committee decisions.

What to Think About

Investors have a variety of "asks" when it comes to executive compensation. Among other things, they want the compensation structure to align executives' interest with shareholder interests, to produce results that reflect company performance, to be commensurate with peers, to rely on performance metrics that advance the company's strategy, and to incorporate certain key ESG priorities. Investors also want visibility into the compensation committee's decision-making process so they are comfortable that the committee was thoughtful and mindful of industry and market practices and set appropriately rigorous performance targets. Moreover, they expect full, transparent, and effective disclosures.

In short, the CD&A contains a lot of information! As a result, it's a good idea to give readers some guidance on how to navigate the disclosures. An executive summary section provides a snapshot of the compensation program and decisions for readers who just want an overview, and suggests topics that may warrant specific attention for readers who are hungry for detail.

We recommend populating the executive summary with brief descriptions of some (or all) of the following items:

- Business or performance highlights, particularly with respect to performance measures used in the incentive plans
- Compensation philosophy and objectives
- Overview and rationale for current pay elements, including weightings and underlying performance metrics
- Compensation highlights from the last year, including payouts under incentive programs
- Say on pay results from the prior year
- Any changes to the compensation program, especially if in response to recent say on pay results or stockholder engagement
- How the program has aligned pay and performance and created value for shareholders

Well designed infographics are very helpful for conveying much of this information.

Table of Contents Topic Table of Contents

Benchmarking

CD&A Summary

68.0%
The document includes a CD&A summary

CD&A summary includes:

55.9%
An overview of actual/paid compensation

63.2%
Changes to the program for the reporting year or states that there are no changes from the prior year

29.4%
Pay-for-performance alignment discussion

29.4%
Alignment on a year-over-year basis

25.0%
Alignment on a 3 year basis

2.9%
Alignment on a 5 year basis

73.5%
Prior year say-on-pay voting results

20.6%
SOP results are presented in graphic form

16.2%
SOP results are presented over time, not just prior year

25.0%
Changes in leadership

5.9%
The evolution of compensation program

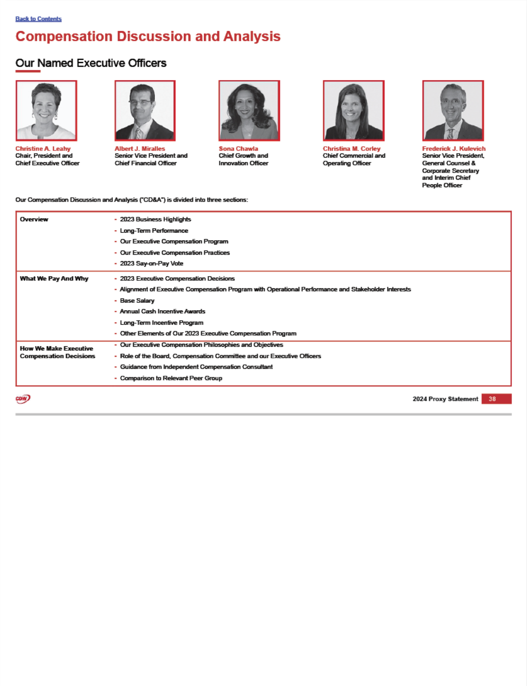
64.0%
If say-on-pay proposal from prior year received less than 80% support, shareholder outreach and summary of feedback/committee response is included

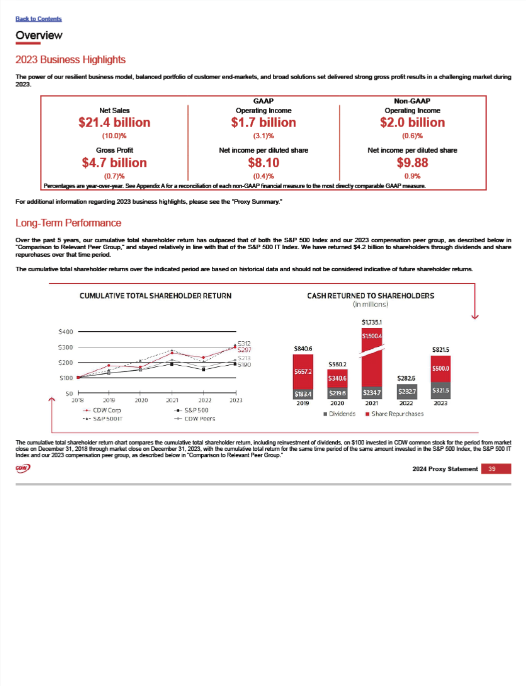
◄ Table of Contents Topic Table of Contents

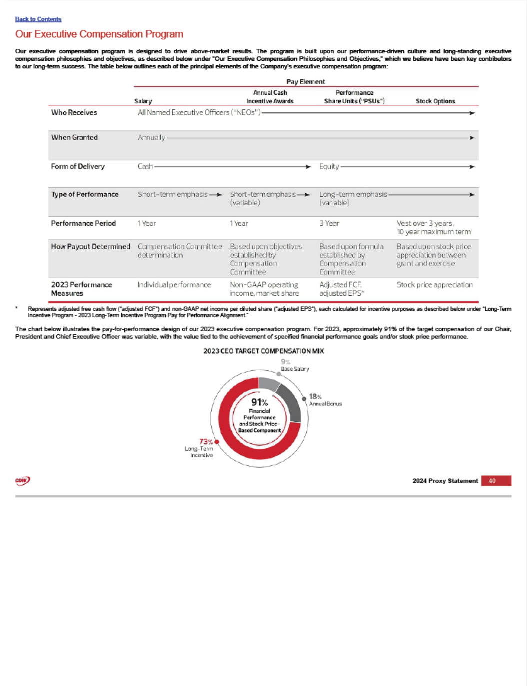
Key Examples

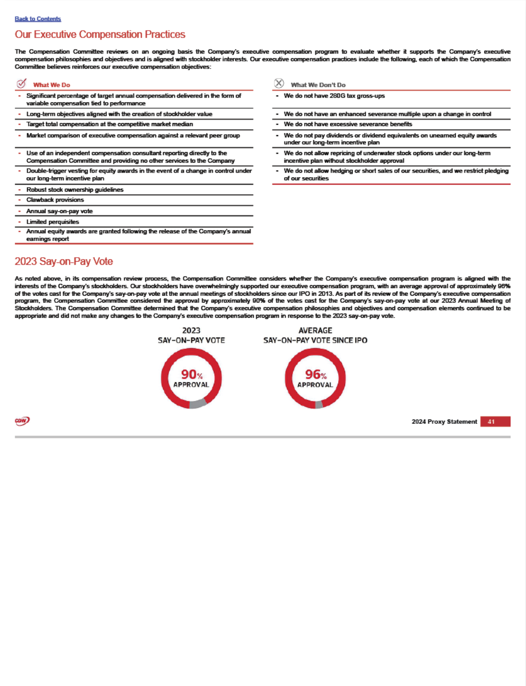
CDW 2024 Proxy Statement

Business highlights, graphics showing shareholder value, an informative and different compensation elements table, compensation practices, and SOP results





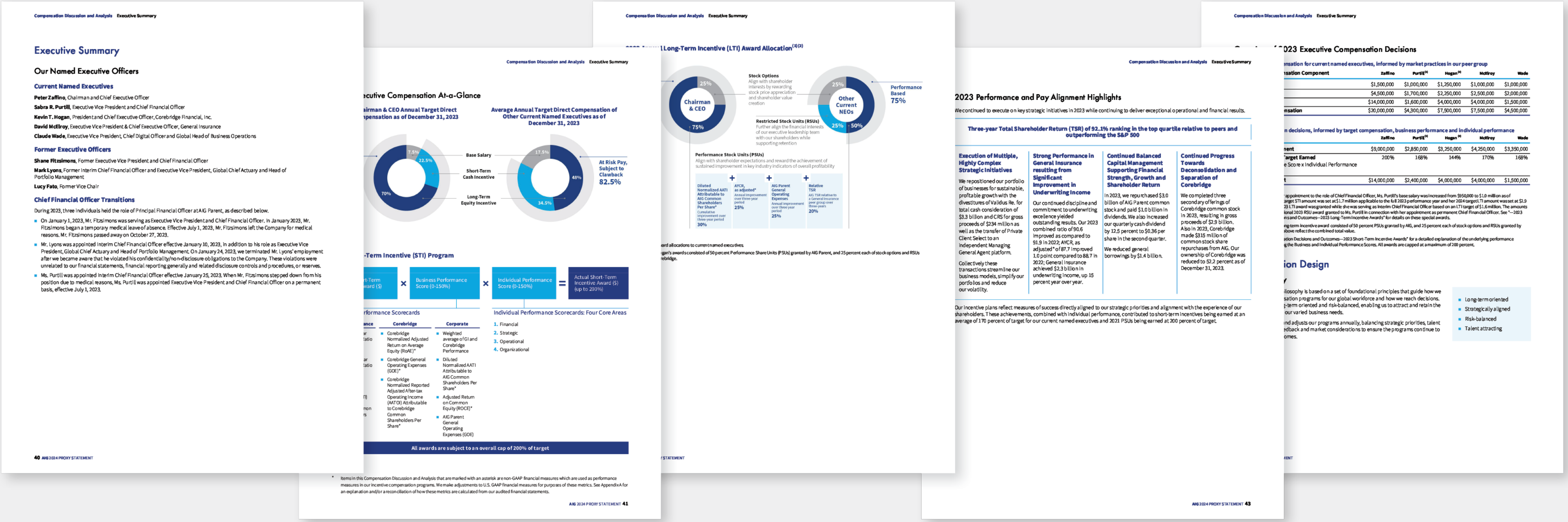




Key Examples

AIG 2024 Proxy Statement

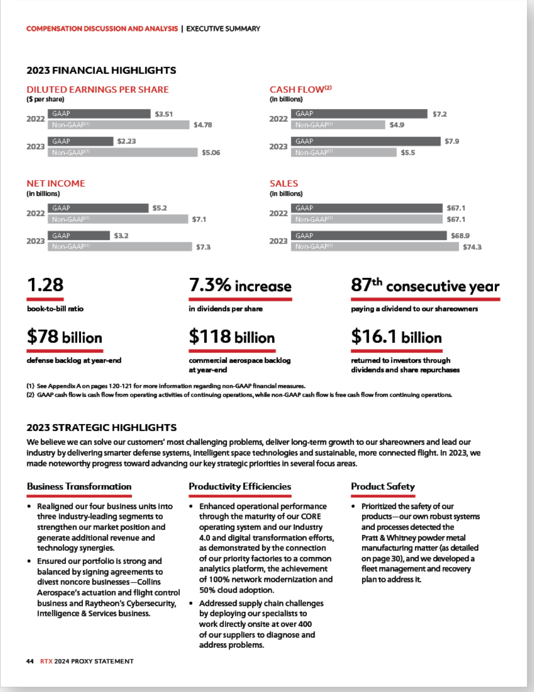
Executive transitions, graphics with specific information about the short- and long-term incentive programs, performance highlights, and target and actual pay for each NEO

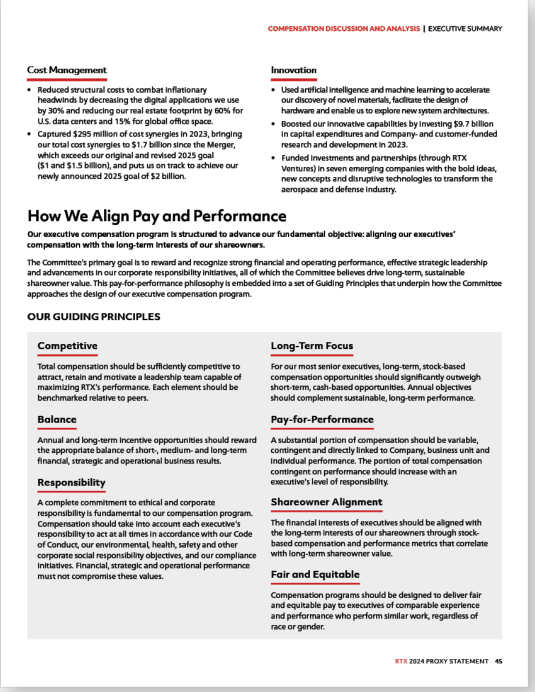


Key Examples

RTX 2024 Proxy Statement

Covers favorable SOP vote and shareholder engagement; performance, financial, and strategic highlights; compensation principles; and most recent pay decisions, including specific details for each NEO





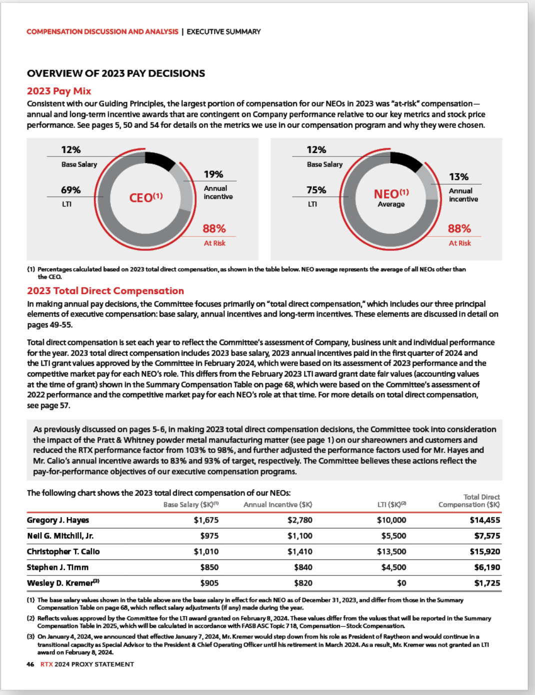
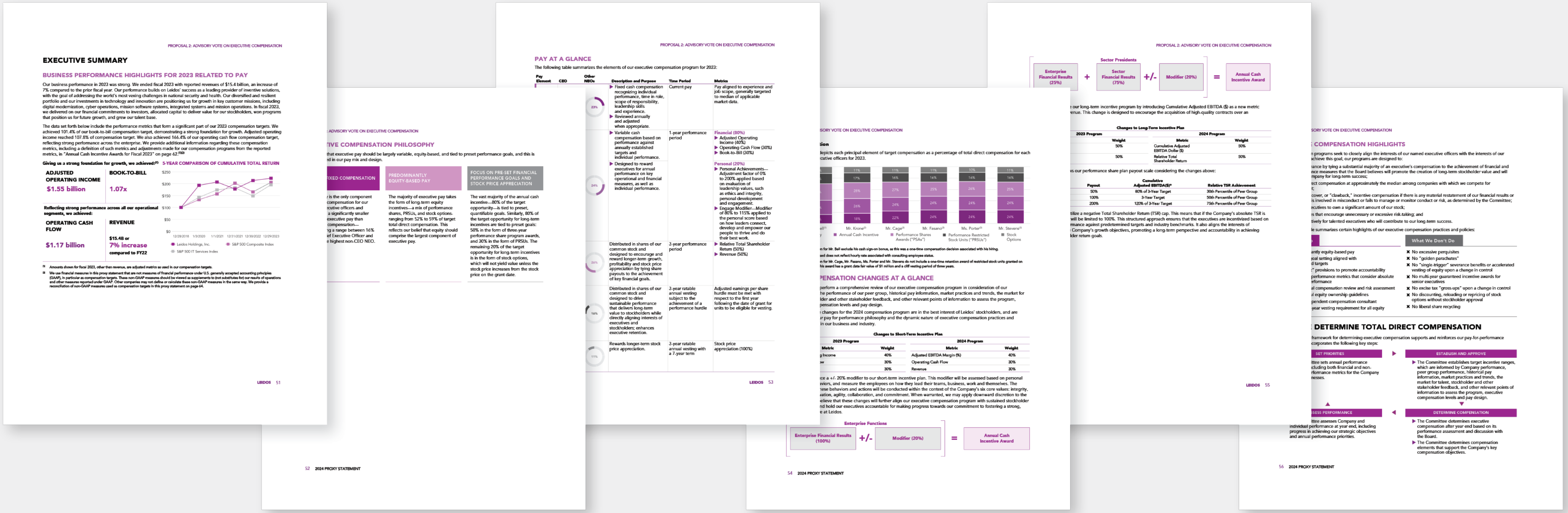


Table of Contents   Topic Table of Contents

Key Examples

Leidos 2024 Proxy Statement

Performance highlights, compensation philosophy and policies, a detailed compensation elements table, a pay mix graphic for each NEO, and an overview of changes to the compensation program

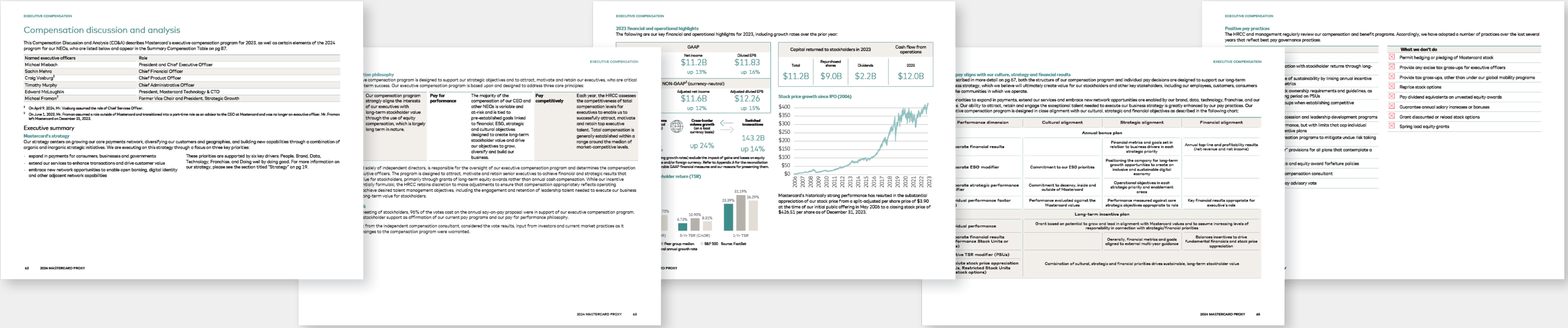


◀ Table of Contents   Topic Table of Contents

Key Examples

Mastercard 2024 Proxy Statement

Straight-forward discussion that covers strategy, compensation philosophy, and financial highlights, and includes a graphic showing how each performance metric aligns with company



SOP Results, Outreach, and Responsiveness

At a minimum, companies are required to disclose how the company has considered the most recent shareholder vote for say-on-pay (SOP) in determining compensation policies and decisions. Proxy advisory firms impose additional obligations on companies when their SOP vote receives a significant amount of opposition. Regardless of whether a company has a low or high SOP vote, investors want to know that the compensation committee continues to be engaged on executive compensation.

What to Think About

If say-on-pay receives a significant amount of opposition (at least 30% for ISS and 20% for Glass Lewis), proxy advisory firms and investors expect a company to initiate meaningful engagement and provide a thoughtful response. It is not enough for companies to include a simple statement that shareholder outreach occurred.

Content: Advisory firms and investors will closely examine whether the board was appropriately responsive. They want to understand:

- breadth (including both the number or percentage of investors engaged and participation by the board and management in the engagement,
- frequency and timing of engagements,
- feedback received,
- and the actions taken in response.

Location: Companies include their compensation engagement disclosures in a variety of locations. For companies with low SOP votes, it is important that the disclosure is easy to locate:

- We recommend that companies include a standalone engagement section in the CD&A, apart from their normal engagement disclosure in the corporate governance.
- Many companies also disclose highlights related to their compensation engagements in their letters from the compensation committee (at the start of CD&A) or board leadership (at the start of the proxy).

Tables and other graphics: Use of graphic elements is critical to easily show the breadth of engagement and response to feedback. Examples of compensation-specific graphics include:

- Infographic of key engagement statistics (i.e., who/what/when)
- Tabular disclosure of “what we heard” and “how we responded” to directly tie compensation decisions to shareholder feedback.
- Shareholder engagement cycle vis-a-vis annual meeting
- A timeline to demonstrate the evolution of the compensation program to better align with shareholder interests.
- Multi-year SOP results to show where a low SOP vote has been adequately addressed

A Note for Companies with High SOP Votes

Use a graphic element to highlight a high vote and, if applicable, include an affirmative statement that no changes were made to the executive compensation program, particularly where SOP rebounded after a low vote. Consider also including disclosures about suggestions received from shareholders and the compensation committee’s response to demonstrate engagement.

Table of Contents
Topic Table of Contents

Labrador Transparency Award Criteria

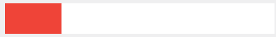
- The proxy summary or CD&A summary includes prior year say-on-pay results.
- If say-on-pay proposal from prior year received less than 80% support, an overview of shareholder outreach and a summary of feedback and committee response is included in the CD&A summary.

Benchmarking

SOP Results/Outreach

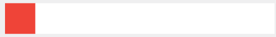
22.0%

SOP results are presented in graphic form



12.0%

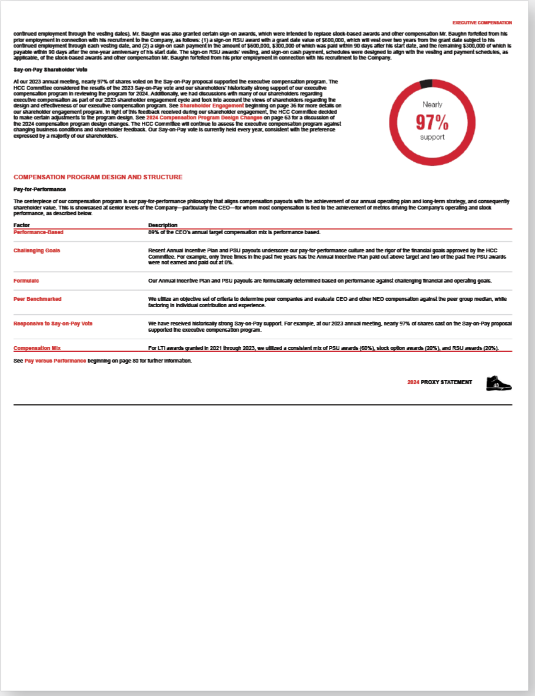
SOP results are presented over time, not just prior year



Key Examples

Foot Locker 2024 Proxy Statement

Highlights high SOP vote and includes a cross-reference to i) shareholder engagement section and ii) 2024 compensation changes based on shareholder feedback



EXECUTIVE COMPENSATION

continued employment through the vesting dates). Mr. Baughn was also granted certain sign-on awards, which were intended to replace stock-based awards and other compensation Mr. Baughn forfeited from his prior employment in connection with his recruitment to the Company, as follows: (1) a sign-on RSU award with a grant date value of $600,000, which will vest over two years from the grant date subject to his continued employment through each vesting date, and (2) a sign-on cash payment in the amount of $600,000, $300,000 of which was paid within 90 days after his start date, and the remaining $300,000 of which is payable within 90 days after the one-year anniversary of his start date. The sign-on RSU awards' vesting, and sign-on cash payment, schedules were designed to align with the vesting and payment schedules, as applicable, of the stock-based awards and other compensation Mr. Baughn forfeited from his prior employment in connection with his recruitment to the Company.

Say-on-Pay Shareholder Vote

At our 2023 annual meeting, nearly 97% of shares voted on the Say-on-Pay proposal supported the executive compensation program. The HCC Committee considered the results of the 2023 Say-on-Pay vote and our shareholders' historically strong support of our executive compensation program in reviewing the program for 2024. Additionally, we had discussions with many of our shareholders regarding executive compensation as part of our 2023 shareholder engagement cycle and took into account the views of shareholders regarding the design and effectiveness of our executive compensation program. See Shareholder Engagement beginning on page 36 for more details on our shareholder engagement program. In light of this feedback received during our shareholder engagement, the HCC Committee decided to make certain adjustments to the program design. See 2024 Compensation Program Design Changes on page 63 for a discussion of the 2024 compensation program design changes. The HCC Committee will continue to assess the executive compensation program against changing business conditions and shareholder feedback. Our Say-on-Pay vote is currently held every year, consistent with the preference expressed by a majority of our shareholders.

Nearly
97%
support

COMPENSATION PROGRAM DESIGN AND STRUCTURE

Pay-for-Performance

The centerpiece of our compensation program is our pay-for-performance philosophy that aligns compensation payouts with the achievement of our annual operating plan and long-term strategy, and consequently shareholder value. This is showcased at senior levels of the Company—particularly the CEO—for whom most compensation is tied to the achievement of metrics driving the Company's operating and stock performance, as described below.

Factor	Description
Performance-Based	89% of the CEO's annual target compensation mix is performance based.
Challenging Goals	Recent Annual Incentive Plan and PSU payouts underscore our pay-for-performance culture and the rigor of the financial goals approved by the HCC Committee. For example, only three times in the past five years has the Annual Incentive Plan paid out above target and two of the past five PSU awards were not earned and paid out at 0%.
Formulaic	Our Annual Incentive Plan and PSU payouts are formulaically determined based on performance against challenging financial and operating goals.
Peer Benchmarked	We utilize an objective set of criteria to determine peer companies and evaluate CEO and other NEO compensation against the peer group median, while factoring in individual contribution and experience.
Responsive to Say-on-Pay Vote	We have received historically strong Say-on-Pay support. For example, at our 2023 annual meeting, nearly 97% of shares cast on the Say-on-Pay proposal supported the executive compensation program.
Compensation Mix	For LTI awards granted in 2021 through 2023, we utilized a consistent mix of PSU awards (60%), stock option awards (20%), and RSU awards (20%).

See Pay versus Performance beginning on page 80 for further information.

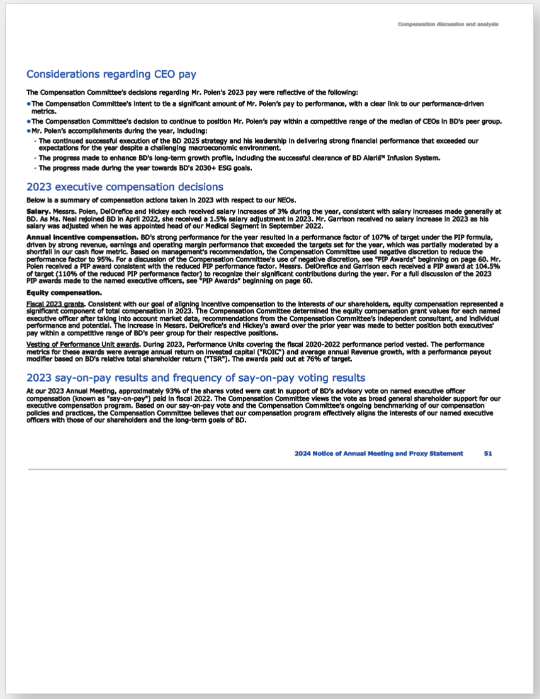
2024 PROXY STATEMENT 48

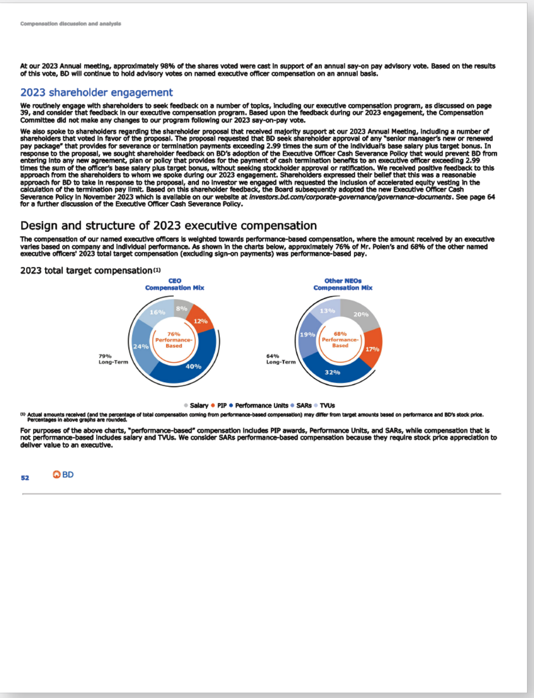
Table of Contents Topic Table of Contents

Key Examples

Becton Dickinson 2024 Proxy Statement

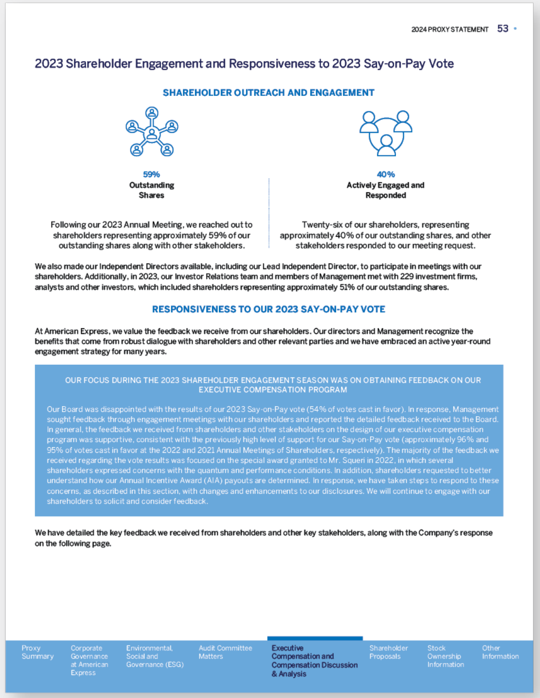
Narrative description of high SOP vote, with a separate discussion of shareholder engagement and successful outcome following the approval of a pay-related shareholder proposal; also includes response to frequency of SOP vote





American Express 2024 Proxy Statement

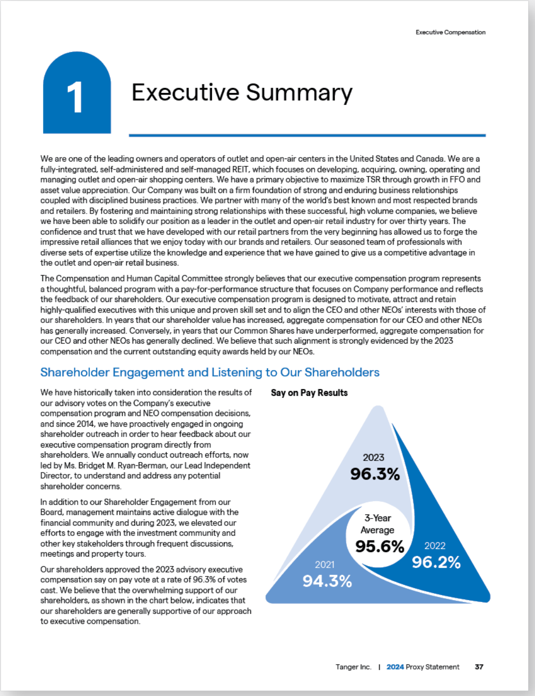
2-page, detailed engagement & response following 54% SOP



Key Examples

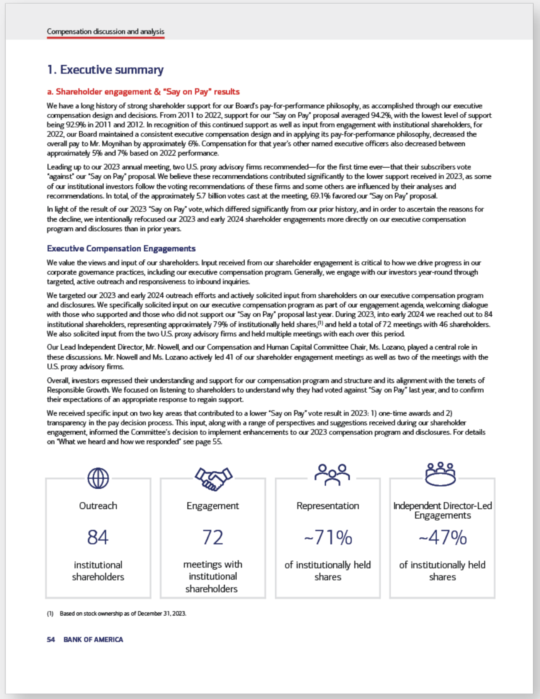
Tanger Inc. 2024 Proxy Statement

Eye-catching graphic that shows prior 3-years high SOP votes



Bank of America 2024 Proxy Statement

2-page, detailed engagement & response to lead CD&A Executive Summary following 69% SOP (first time ISS and GL recommended against SOP)



Compensation Setting Process

Per SEC requirements, a company is required to provide a narrative description of the company's processes and procedures to consider and determine executive compensation. This includes an explanation of several matters, including the i) scope of authority of the compensation committee, ii) extent to which the compensation committee may delegate authority, iii) role of executive officers or compensation consultants in determining or recommending the amount or form of compensation, and iv) peer groups and competitive market positioning.

When determining whether to support a company's executive compensation program, shareholders place considerable importance on the processes used by the compensation committee, and are much more likely to support a company's executive compensation, and compensation committee members, when the committee has a rigorous and thoughtful process that is clearly and comprehensively disclosed. Shareholders are also interested in how companies select their compensation peer groups and the extent to which peer groups are used to validate or adjust pay.

What to Think About

Committee's Role and Processes:

- Many companies include a fulsome discussion of the roles and responsibilities of the compensation committee, independent compensation consultant and management in establishing the compensation program. Companies also describe the various internal and external inputs to a thoughtful program, including individual and company performance, shareholder and compensation consultant input, internal pay equity, and external pay analyses.
- Like other company disclosures, we recommend using a visual presentation to demonstrate the year-round rigorous nature of the committee's review. It should show a multi-layered approach that involves several different internal and external inputs.

Peer Groups:

- As investors consider the appropriateness of a company's peer group, best practice is to disclose details about peer company attributes to show how the company compares to peers. Companies generally describe a process to annually assess the continued viability of a company's chosen peer group—for example, companies may describe an annual process to ensure that their peers are similarly sized from a revenue and/or market capitalization perspective, are in a similar industry or have similar lines of business, reflect a company's evolving business model, and/or compete for the same executive talent. Usually, companies indicate that the independent compensation consultant provides input on whether the chosen peer group is appropriate.
- Companies should consider whether a bar graph, scatter plot, or other graphic showing how their company compares to the peer group with respect to the relevant factors used to determine the peer group is an effective way to illustrate the suitability of the group for compensation comparison purposes.
- When changes are made to the composition of the peer group, it is expected that the company plainly explain the rationale for the change in the proxy statement.

Labrador Transparency Award Criteria

- Peer group disclosures include criteria used to identify peer companies and a matrix, table, graphic or other visual element showing how the company compares to peers with respect to the criteria.

◄ Table of Contents Topic Table of Contents

Benchmarking
Compensation Setting Process

Compensation setting process discussion includes

21.0%
Timeline of the decision-making process

73.0%
An explanation of the annual goal-setting process

18.0%
Graphic or table that show roles of committee, consultant and management

81.0%
The independence/assessment of compensation consultant is located in the compensation process section

Compensation peer group disclosure includes:

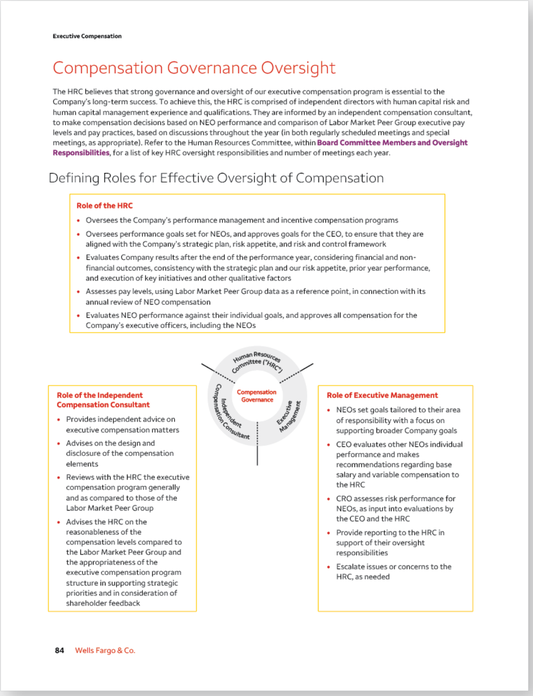
92.0%
Criteria used to identify peer group (ex: revenue, market cap, no. of employees)

49.0%
Graphic to show comparison with peer companies

Key Examples

Wells Fargo 2024 Proxy Statement

Roles and Responsibilities infographic



Executive Compensation

Compensation Governance Oversight

The HRC believes that strong governance and oversight of our executive compensation program is essential to the Company's long-term success. To achieve this, the HRC is comprised of independent directors with human capital risk and human capital management experience and qualifications. They are informed by an independent compensation consultant, to make compensation decisions based on NEO performance and comparison of Labor Market Peer Group executive pay levels and pay practices, based on discussions throughout the year (in both regularly scheduled meetings and special meetings, as appropriate). Refer to the Human Resources Committee, within **Board Committee Members and Oversight Responsibilities**, for a list of key HRC oversight responsibilities and number of meetings each year.

Defining Roles for Effective Oversight of Compensation

Role of the HRC
- Oversees the Company's performance management and incentive compensation programs
- Oversees performance goals set for NEOs, and approves goals for the CEO, to ensure that they are aligned with the Company's strategic plan, risk appetite, and risk and control framework
- Evaluates Company results after the end of the performance year, considering financial and non-financial outcomes, consistency with the strategic plan and our risk appetite, prior year performance, and execution of key initiatives and other qualitative factors
- Assesses pay levels, using Labor Market Peer Group data as a reference point, in connection with its annual review of NEO compensation
- Evaluates NEO performance against their individual goals, and approves all compensation for the Company's executive officers, including the NEOs

Human Resources Committee ("HRC")
Compensation Governance
Independent Compensation Consultant
Executive Management

Role of the Independent Compensation Consultant
- Provides independent advice on executive compensation matters
- Advises on the design and disclosure of the compensation elements
- Reviews with the HRC the executive compensation program generally and as compared to those of the Labor Market Peer Group
- Advises the HRC on the reasonableness of the compensation levels compared to the Labor Market Peer Group and the appropriateness of the executive compensation program structure in supporting strategic priorities and in consideration of shareholder feedback

Role of Executive Management
- NEOs set goals tailored to their area of responsibility with a focus on supporting broader Company goals
- CEO evaluates other NEOs individual performance and makes recommendations regarding base salary and variable compensation to the HRC
- CRO assesses risk performance for NEOs, as input into evaluations by the CEO and the HRC
- Provide reporting to the HRC in support of their oversight responsibilities
- Escalate issues or concerns to the HRC, as needed

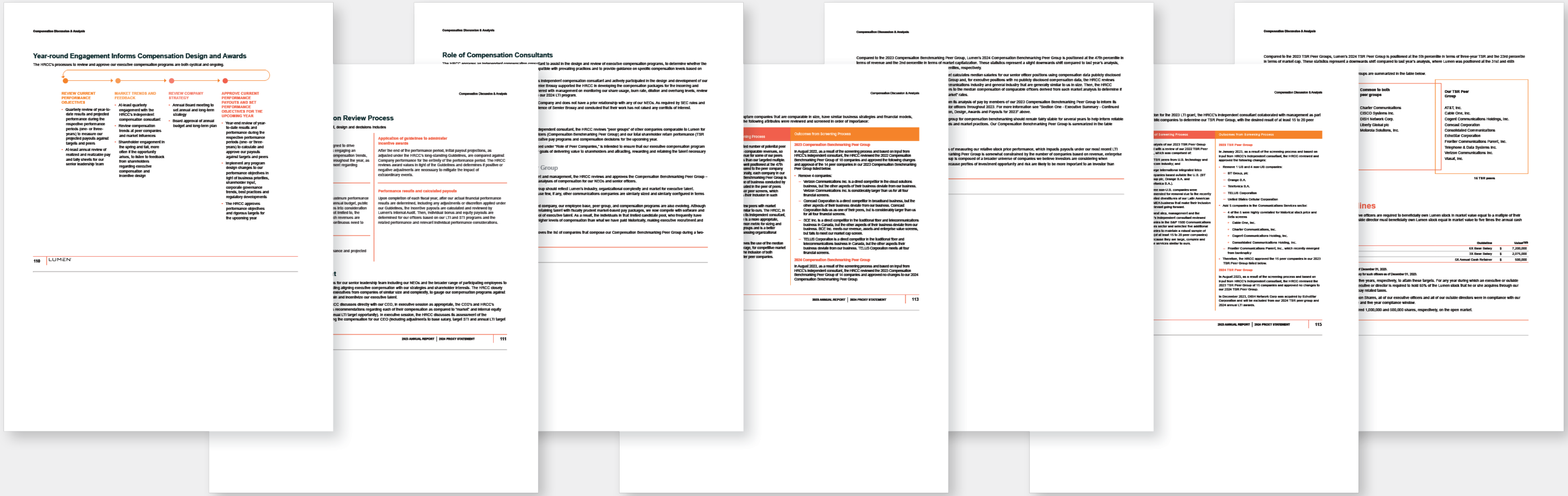
84 Wells Fargo & Co.

◄ Table of Contents Topic Table of Contents

Key Examples

Lumen 2024 Proxy Statement

Shareholder engagement; peer group review



Year-round Engagement Informs Compensation Design and Awards

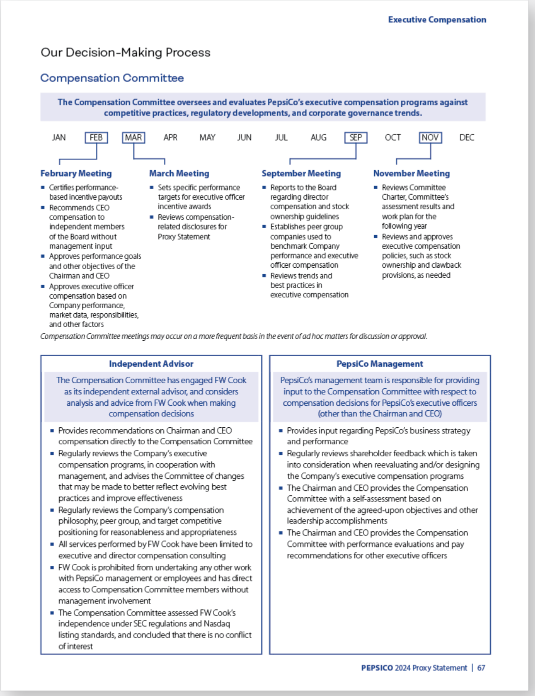
Role of Compensation Consultants

Table of Contents Topic Table of Contents

Key Examples

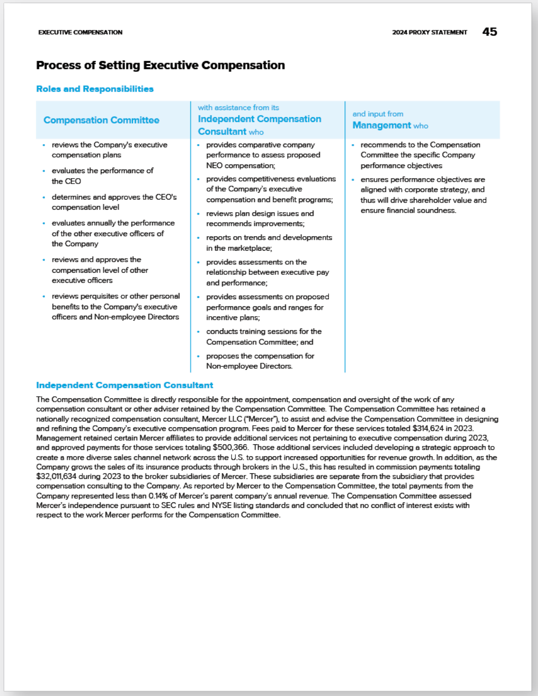
PepsiCo 2024 Proxy Statement

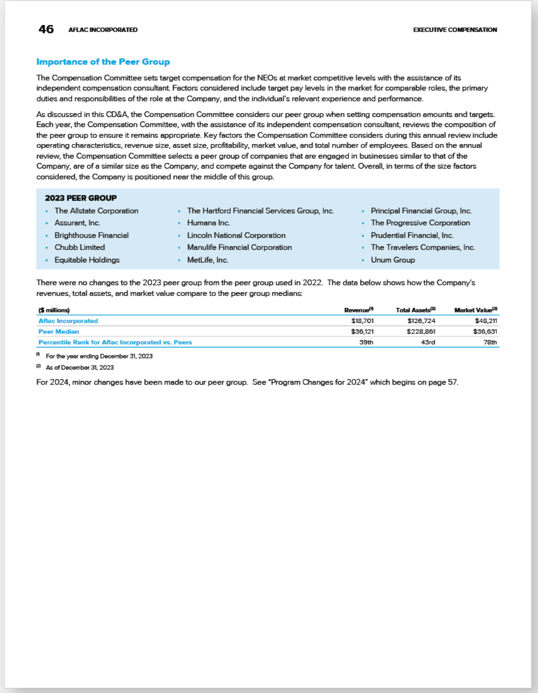
Calendar and responsibilities

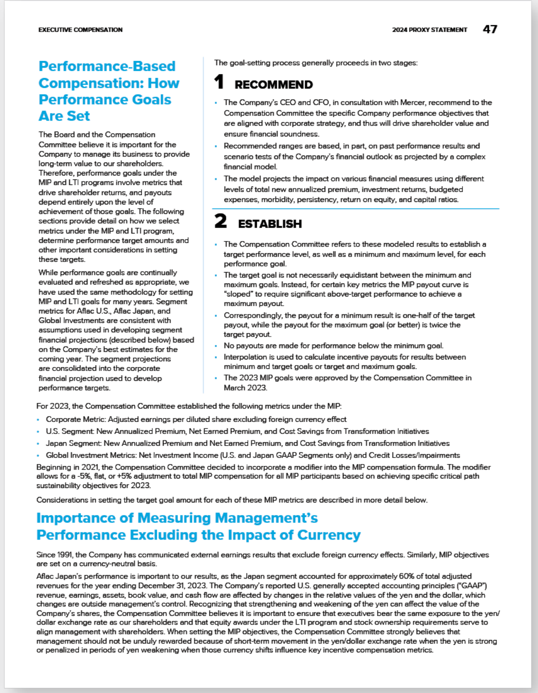


Aflac 2024 Proxy Statement

Roles, peer group comparison, how goals are set







Key Examples

Walmart 2024 Proxy Statement

Detailed process calendar, peer group with comparable

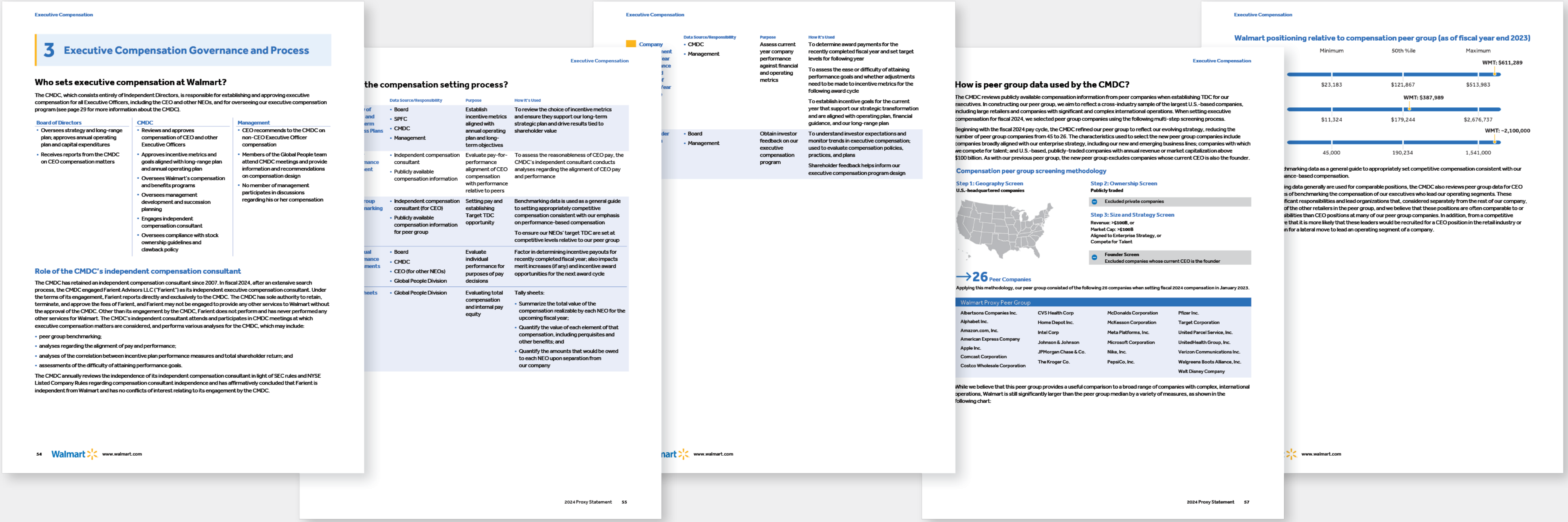


Table of Contents   Topic Table of Contents

Actual Pay; Alignment of Pay and Performance

Prior to the pay versus performance rules, many companies included a graphical depiction of their pay-for-performance story in their proxy.

What to Think About

Investors have been asking companies to demonstrate a clear connection between pay and company performance for years. Some want to see this connection extend over a multi-year period. Investors also want to see an appropriate mix of fixed vs variable pay. Although it has been a sustained focus area, many investors have not been prescriptive in how companies demonstrate the pay and performance connection and have not dictated how a company defines pay or company performance.

Labrador Transparency Award Criteria

- The CD&A summary includes an overview of incentive program achievement and payouts.

◂ Table of Contents   Topic Table of Contents

Benchmarking

Pay for Performance

28.0%
CD&A includes pay-for-performance alignment discussion

27.0%
Discusses alignment on a year-over-year basis

24.0%
Discusses alignment on a 3-year basis

2.0%
Discusses alignment on a 5-year basis

Graphics

47.0%
Revenue or sales

35.0%
Company TSR

34.0%
Relative company TSR

23.0%
CEO pay vs. TSR

19.0%
Pay (realizable, realized, target pay, etc.) vs. Summary Compensation Table pay

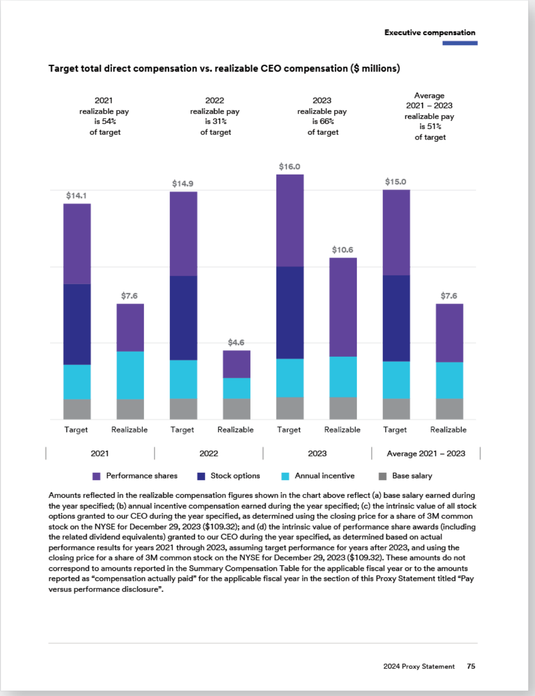
18.0%
Pay vs. peer company pay

◀ Table of Contents Topic Table of Contents

Key Examples

3M 2024 Proxy Statement

Utilizes a bar graph to highlight differences between target and realized CEO compensation over a three-year period



Executive compensation

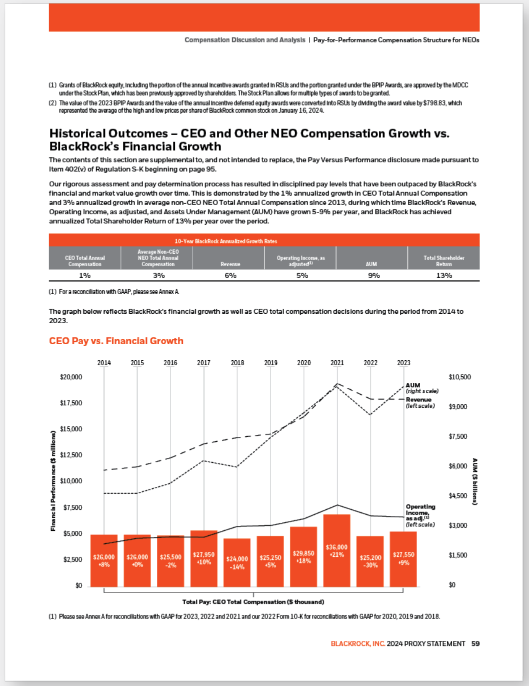
Target total direct compensation vs. realizable CEO compensation ($ millions)

Amounts reflected in the realizable compensation figures shown in the chart above reflect (a) base salary earned during the year specified; (b) annual incentive compensation earned during the year specified; (c) the intrinsic value of all stock options granted to our CEO during the year specified, as determined using the closing price for a share of 3M common stock on the NYSE for December 29, 2023 ($109.32); and (d) the intrinsic value of performance share awards (including the related dividend equivalents) granted to our CEO during the year specified, as determined based on actual performance results for years 2021 through 2023, assuming target performance for years after 2023, and using the closing price for a share of 3M common stock on the NYSE for December 29, 2023 ($109.32). These amounts do not correspond to amounts reported in the Summary Compensation Table for the applicable fiscal year or to the amounts reported as "compensation actually paid" for the applicable fiscal year in the section of this Proxy Statement titled "Pay versus performance disclosure".

2024 Proxy Statement 75

BlackRock 2024 Proxy Statement

Visually demonstrates NEO compensation growth relative to company financial growth over a ten-year period



Compensation Discussion and Analysis | Pay-for-Performance Compensation Structure for NEOs

(1) Grants of BlackRock equity, including the portion of the annual incentive awards granted in RSUs and the portion granted under the BPIP Awards, are approved by the MDCC under the Stock Plan, which has been previously approved by shareholders. The Stock Plan allows for multiple types of awards to be granted.
(2) The value of the 2023 BPIP Awards and the value of the annual incentive deferred equity awards were converted into RSUs by dividing the award value by $798.83, which represented the average of the high and low prices per share of BlackRock common stock on January 16, 2024.

Historical Outcomes – CEO and Other NEO Compensation Growth vs. BlackRock's Financial Growth

The contents of this section are supplemental to, and not intended to replace, the Pay Versus Performance disclosure made pursuant to Item 402(v) of Regulation S-K beginning on page 95.

Our rigorous assessment and pay determination process has resulted in disciplined pay levels that have been outpaced by BlackRock's financial and market value growth over time. This is demonstrated by the 1% annualized growth in CEO Total Annual Compensation and 3% annualized growth in average non-CEO NEO Total Annual Compensation since 2013, during which time BlackRock's Revenue, Operating Income, as adjusted, and Assets Under Management (AUM) have grown 5-9% per year, and BlackRock has achieved annualized Total Shareholder Return of 13% per year over the period.

10-Year BlackRock Annualized Growth Rates					
CEO Total Annual Compensation	Average Non-CEO NEO Total Annual Compensation	Revenue	Operating Income, as adjusted[1]	AUM	Total Shareholder Return
1%	3%	6%	5%	9%	13%

(1) For a reconciliation with GAAP, please see Annex A.

The graph below reflects BlackRock's financial growth as well as CEO total compensation decisions during the period from 2014 to 2023.

CEO Pay vs. Financial Growth

(1) Please see Annex A for reconciliations with GAAP for 2023, 2022 and 2021 and our 2022 Form 10-K for reconciliations with GAAP for 2020, 2019 and 2018.

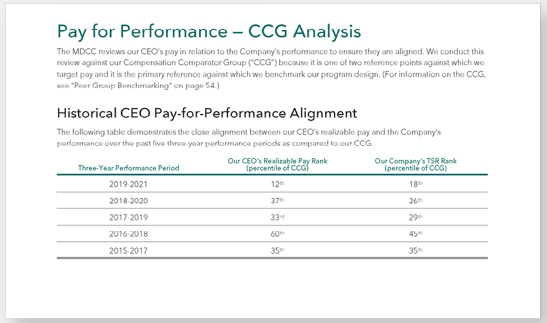
BLACKROCK, INC. 2024 PROXY STATEMENT 59

◂ Table of Contents Topic Table of Contents

Key Examples

International Paper 2024 Proxy Statement

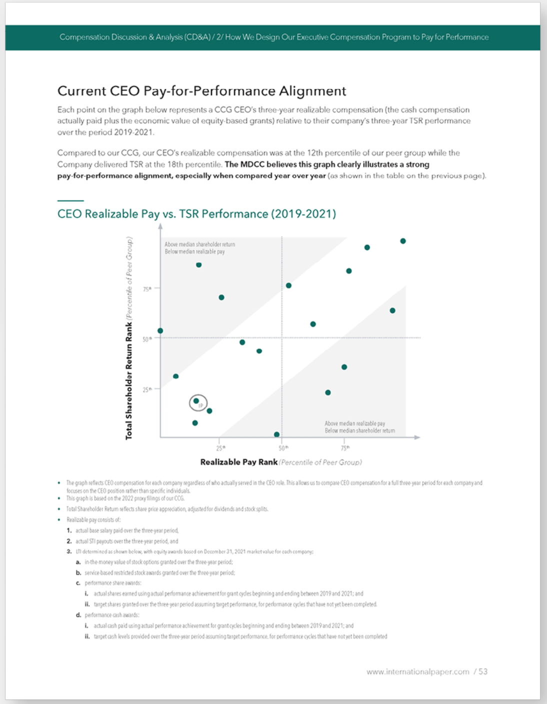
Uses both tabular and scatter plot presentations to highlight CEO Realizable Pay versus TSR over a three-year performance period



Pay for Performance – CCG Analysis

Historical CEO Pay-for-Performance Alignment

Three-Year Performance Period	Our CEO's Realizable Pay Rank (percentile of CCG)	Our Company's TSR Rank (percentile of CCG)
2019-2021	12th	18th
2018-2020	37th	26th
2017-2019	33rd	29th
2016-2018	60th	45th
2015-2017	35th	35th

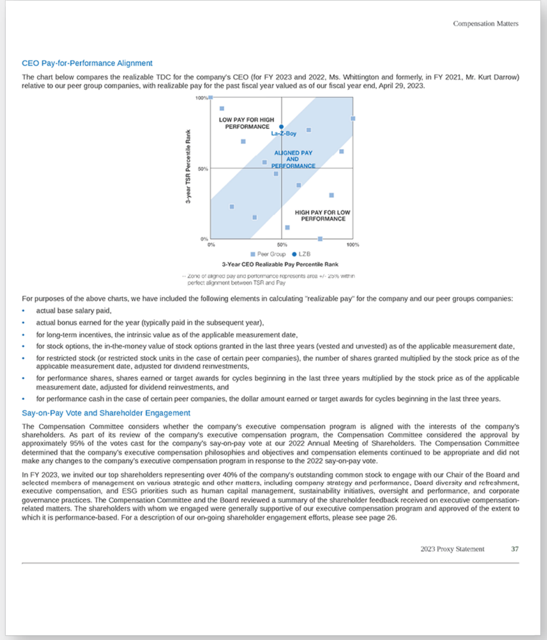


Current CEO Pay-for-Performance Alignment

CEO Realizable Pay vs. TSR Performance (2019-2021)

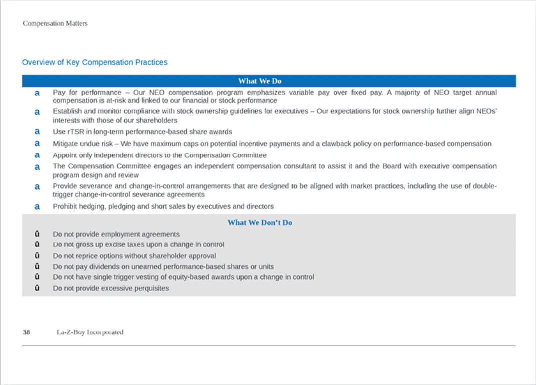
La-Z-Boy 2024 Proxy Statement

Highlights pay for performance alignment using a scatter plot infographic comparing CEO realizable pay versus TSR over three-year period



CEO Pay-for-Performance Alignment

Say-on-Pay Vote and Shareholder Engagement



Overview of Key Compensation Practices

What We Do

What We Don't Do

Table of Contents Topic Table of Contents

Compensation Best Practices

Companies have been providing succinct snapshots of their most salient compensation practices for several years. In summary fashion, companies align their program with best practices as defined by the proxy advisory firms and institutional investors, while also distinguishing their program from the practices identified as problematic. It is important that companies provide adequate disclosure on these "hot button" topics to ensure strong shareholder support for the executive compensation program and compensation committee members.

What to Think About

Of all compensation disclosures, those related to compensation best practices are the most utilized by companies to tell their say-on-pay story. It provides for a transparent and understandable summary, especially as it usually precedes the more technical and fulsome executive compensation disclosures later in the CD&A. Given the prominence of this disclosure item, investors may use this comparable and decision-useful information as a "first pass" to determine whether additional scrutiny is needed.

Many companies list their compensation best practices in a tabular format, organized in two categories: "What We Do" and "What We Don't Do" (others may organize by types of practice). Companies list their unique practices, as well as referencing the practices identified by ISS as problematic. We recommend including a high-level list of "dos"/don'ts" since the more fulsome descriptions of the policies and practices follow in the CD&A. Especially if the corporate governance section leads with an overview of best practices, we suggest taking a similar approach for the executive compensation section by including it at the beginning of CD&A or in a proxy summary. A few take the less common approach of including these best practice disclosures in a narrative format.

What we do. Companies list several items in this category. Examples of the type of items included are:

alignment of pay and performance, rigorous target setting processes and performance goals, appropriate mix of short and long-term incentives, use of an independent compensation consultant, utilization of appropriate peer groups, risk/reward assessments, share ownership and retention policies, maximum payout caps for incentive plans, limited or no perquisites, double-trigger change in control provisions, reasonable share usage, clawback provisions, and hedging/pledging restrictions.

What we don't do. In this category, the types of items included are NO:

employment contracts, guaranteed annual salary increases or bonuses, repricing of underwater stock options, tax gross ups, excessive perks, plans that encourage excessive risk taking, incentivizing short-term results to the detriment of long-term goals, and consultant conflicts.

Labrador Transparency Award Criteria

- The proxy summary or CD&A summary includes a summary of key compensation practices and policies (what we do/don't do, or list).
- The CD&A includes a table, graphic or other visual element showing stock ownership guidelines for the CEO and other NEOs.
- The CEO and NEOs' compliance or noncompliance with stock ownership guidelines is disclosed.

Table of Contents | Topic Table of Contents

Benchmarking
Compensation Best Practices

81.0%

CD&A includes a summary of key compensation practices and policies (what we do/don't do, or list)

Stock ownership guidelines disclosed in CD&A includes:

60.0%

Table, graphic or other visual element showing stock ownership guidelines for the CEO and other NEOs

34.0%

Actual ownership of stocks of both CEO & NEOs

4.0%

Actual ownership of stocks of CEO only

68.0%

How stock ownership is calculated (what is included/excluded)

Key Examples

Home Depot 2024 Proxy Statement

Narrative presentation, with included visual element to identify each practice

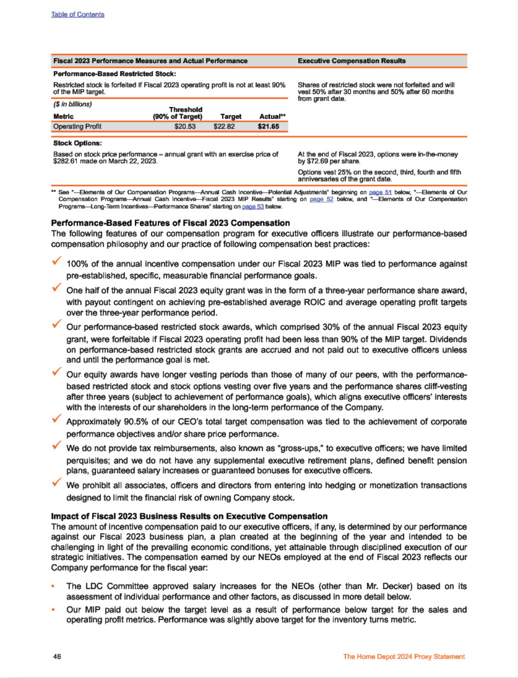


Table of Contents

Fiscal 2023 Performance Measures and Actual Performance	Executive Compensation Results
Performance-Based Restricted Stock: Restricted stock is forfeited if Fiscal 2023 operating profit is not at least 90% of the MIP target.	Shares of restricted stock were not forfeited and will vest 50% after 30 months and 50% after 60 months from grant date.

($ in billions)

Metric	Threshold (90% of Target)	Target	Actual**
Operating Profit	$20.53	$22.82	**$21.65**

Fiscal 2023 Performance Measures and Actual Performance	Executive Compensation Results
Stock Options: Based on stock price performance – annual grant with an exercise price of $282.61 made on March 22, 2023.	At the end of Fiscal 2023, options were in-the-money by $72.69 per share. Options vest 25% on the second, third, fourth and fifth anniversaries of the grant date.

** See "—Elements of Our Compensation Programs—Annual Cash Incentive—Potential Adjustments" beginning on page 51 below, "—Elements of Our Compensation Programs—Annual Cash Incentive—Fiscal 2023 MIP Results" starting on page 52 below, and "—Elements of Our Compensation Programs—Long-Term Incentives—Performance Shares" starting on page 53 below.

Performance-Based Features of Fiscal 2023 Compensation

The following features of our compensation program for executive officers illustrate our performance-based compensation philosophy and our practice of following compensation best practices:

- ✓ 100% of the annual incentive compensation under our Fiscal 2023 MIP was tied to performance against pre-established, specific, measurable financial performance goals.
- ✓ One half of the annual Fiscal 2023 equity grant was in the form of a three-year performance share award, with payout contingent on achieving pre-established average ROIC and average operating profit targets over the three-year performance period.
- ✓ Our performance-based restricted stock awards, which comprised 30% of the annual Fiscal 2023 equity grant, were forfeitable if Fiscal 2023 operating profit had been less than 90% of the MIP target. Dividends on performance-based restricted stock grants are accrued and not paid out to executive officers unless and until the performance goal is met.
- ✓ Our equity awards have longer vesting periods than those of many of our peers, with the performance-based restricted stock and stock options vesting over five years and the performance shares cliff-vesting after three years (subject to achievement of performance goals), which aligns executive officers' interests with the interests of our shareholders in the long-term performance of the Company.
- ✓ Approximately 90.5% of our CEO's total target compensation was tied to the achievement of corporate performance objectives and/or share price performance.
- ✓ We do not provide tax reimbursements, also known as "gross-ups," to executive officers; we have limited perquisites; and we do not have any supplemental executive retirement plans, defined benefit pension plans, guaranteed salary increases or guaranteed bonuses for executive officers.
- ✓ We prohibit all associates, officers and directors from entering into hedging or monetization transactions designed to limit the financial risk of owning Company stock.

Impact of Fiscal 2023 Business Results on Executive Compensation

The amount of incentive compensation paid to our executive officers, if any, is determined by our performance against our Fiscal 2023 business plan, a plan created at the beginning of the year and intended to be challenging in light of the prevailing economic conditions, yet attainable through disciplined execution of our strategic initiatives. The compensation earned by our NEOs employed at the end of Fiscal 2023 reflects our Company performance for the fiscal year:

- The LDC Committee approved salary increases for the NEOs (other than Mr. Decker) based on its assessment of individual performance and other factors, as discussed in more detail below.
- Our MIP paid out below the target level as a result of performance below target for the sales and operating profit metrics. Performance was slightly above target for the inventory turns metric.

46 The Home Depot 2024 Proxy Statement

Table of Contents   Topic Table of Contents

Key Examples

Discover 2024 Proxy Statement

Infographic presentation of what we do and we do not do

EXECUTIVE COMPENSATION

Compensation governance best practices

We continue to maintain our disciplined approach to executive compensation with a focus on pay-for-performance, strong governance, risk management, and simplicity as evidenced by the following practices:

We Do

- ✓ *Pay-for-performance:* The majority of the compensation for our NEOs is in the form of variable cash and equity compensation linked to the short-term and long-term financial and strategic performance of the Company. Incentive compensation metrics are tied to the profitable operation and growth of the Company, and NEOs' individual goals are designed to be aligned to financial, strategic, as well as risk and compliance outcomes.
- ✓ *Shareholder alignment:* Our compensation program is designed to be aligned with our long-term interests and those of our shareholders, with a majority of NEO target direct compensation delivered as LTI awards. LTI awards are granted in the form of PSUs and RSUs, the value of which are directly impacted by the Company's stock performance. PSUs represent the majority of the target annual LTI grant value for our NEOs and are earned based on performance against EPS targets over a three-year performance period.
- ✓ *Independent oversight:* Our Compensation Committee includes only directors who are independent under applicable NYSE listing standards, and the Compensation Committee is advised by an independent compensation consultant.
- ✓ *Share ownership guidelines for NEOs:* Our CEO must own shares with a value of at least seven times base salary and our other NEOs must own shares with a value of at least three times respective base salaries. Each NEO must achieve his or her ownership guideline within five years of appointment.
- ✓ *Incentive award limits:* Incentive awards have maximum payout caps.
- ✓ *Clawback of incentive compensation:* STI and LTI compensation is subject to clawback in accordance with our Recoupment Policy, and our equity award agreements also allow the Company to forfeit or recoup LTI awards in the event of a financial restatement and under other circumstances.
- ✓ *Risk management:* We regularly evaluate the risk impact of the design of our incentive compensation program. The compensation decisions for our NEOs include a risk review that is conducted before we make annual STI and LTI awards and before the determination of vesting for all outstanding stock grants, which may result in a reduction in the number of the shares vested.
- ✓ *Double trigger change in control:* Our change in control severance policy and equity award agreements include double triggers before any payments are made.
- ✓ *Restrictive covenants:* LTI awards to NEOs are subject to non-competition and non-solicitation provisions.
- ✓ *Limited perquisites:* We provide limited perquisites to our NEOs, which are described in detail below under "2023 Summary compensation table."

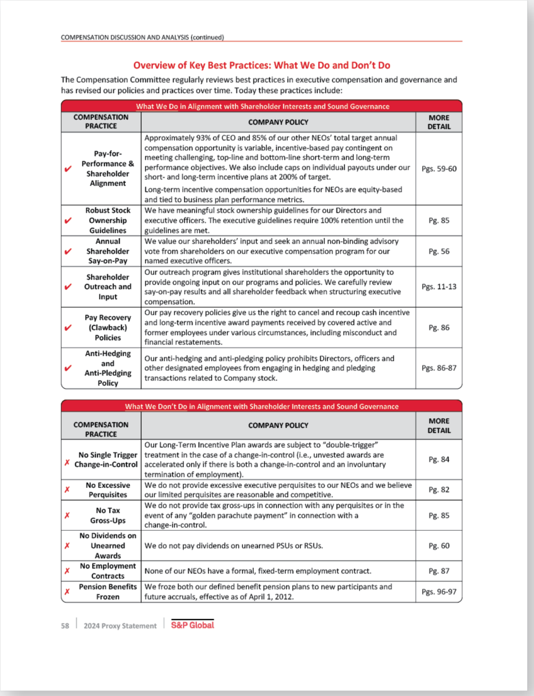
We Do Not

- ✗ *No employment contracts for NEOs:* We do not have individual employment contracts with any of our NEOs.
- ✗ *No special benefit plans:* We do not provide any benefit plans to our executives that are not generally available to other employees, and we do not offer any supplemental executive retirement plan benefits to our executives.
- ✗ *No hedging or pledging:* Directors and executive officers, including NEOs, are prohibited from hedging Company securities, holding Company securities in a margin account, or otherwise pledging Company securities, including as collateral for a loan.
- ✗ *No excise tax gross-ups:* We do not provide excise tax gross-ups on any perquisites.

Discover | 2024 Proxy Statement 71

S&P 2024 Proxy Statement

Alternate presentation of what we do/don't do infographic



COMPENSATION DISCUSSION AND ANALYSIS (continued)

Overview of Key Best Practices: What We Do and Don't Do

The Compensation Committee regularly reviews best practices in executive compensation and governance and has revised our policies and practices over time. Today these practices include:

What We Do in Alignment with Shareholder Interests and Sound Governance

COMPENSATION PRACTICE	COMPANY POLICY	MORE DETAIL
✔ Pay-for-Performance & Shareholder Alignment	Approximately 93% of CEO and 85% of our other NEOs' total target annual compensation opportunity is variable, incentive-based pay contingent on meeting challenging, top-line and bottom-line short-term and long-term performance objectives. We also include caps on individual payouts under our short- and long-term incentive plans at 200% of target. Long-term incentive compensation opportunities for NEOs are equity-based and tied to business plan performance metrics.	Pgs. 59-60
✔ Robust Stock Ownership Guidelines	We have meaningful stock ownership guidelines for our Directors and executive officers. The executive guidelines require 100% retention until the guidelines are met.	Pg. 85
✔ Annual Shareholder Say-on-Pay	We value our shareholders' input and seek an annual non-binding advisory vote from shareholders on our executive compensation program for our named executive officers.	Pg. 56
✔ Shareholder Outreach and Input	Our outreach program gives institutional shareholders the opportunity to provide ongoing input on our programs and policies. We carefully review say-on-pay results and all shareholder feedback when structuring executive compensation.	Pgs. 11-13
✔ Pay Recovery (Clawback) Policies	Our pay recovery policies give us the right to cancel and recoup cash incentive and long-term incentive award payments received by covered active and former employees under various circumstances, including misconduct and financial restatements.	Pg. 86
✔ Anti-Hedging and Anti-Pledging Policy	Our anti-hedging and anti-pledging policy prohibits Directors, officers and other designated employees from engaging in hedging and pledging transactions related to Company stock.	Pgs. 86-87

What We Don't Do in Alignment with Shareholder Interests and Sound Governance

COMPENSATION PRACTICE	COMPANY POLICY	MORE DETAIL
✗ No Single Trigger Change-in-Control	Our Long-Term Incentive Plan awards are subject to "double-trigger" treatment in the case of a change-in-control (i.e., unvested awards are accelerated only if there is both a change-in-control and an involuntary termination of employment).	Pg. 84
✗ No Excessive Perquisites	We do not provide excessive executive perquisites to our NEOs and we believe our limited perquisites are reasonable and competitive.	Pg. 82
✗ No Tax Gross-Ups	We do not provide tax gross-ups in connection with any perquisites or in the event of any "golden parachute payment" in connection with a change-in-control.	Pg. 85
✗ No Dividends on Unearned Awards	We do not pay dividends on unearned PSUs or RSUs.	Pg. 60
✗ No Employment Contracts	None of our NEOs have a formal, fixed-term employment contract.	Pg. 87
✗ Pension Benefits Frozen	We froze both our defined benefit pension plans to new participants and future accruals, effective as of April 1, 2012.	Pgs. 96-97

58 | 2024 Proxy Statement | S&P Global

Palo Alto 2024 Proxy Statement

Topical presentation of compensation practices

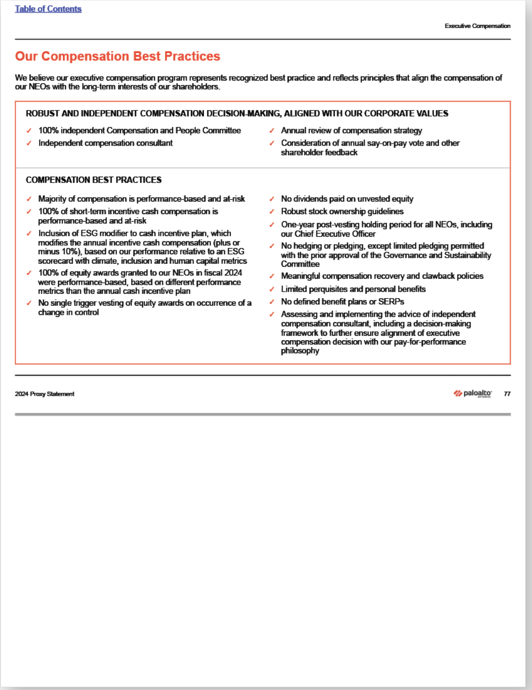


Table of Contents

Executive Compensation

Our Compensation Best Practices

We believe our executive compensation program represents recognized best practice and reflects principles that align the compensation of our NEOs with the long-term interests of our shareholders.

ROBUST AND INDEPENDENT COMPENSATION DECISION-MAKING, ALIGNED WITH OUR CORPORATE VALUES

- ✓ 100% independent Compensation and People Committee
- ✓ Independent compensation consultant
- ✓ Annual review of compensation strategy
- ✓ Consideration of annual say-on-pay vote and other shareholder feedback

COMPENSATION BEST PRACTICES

- ✓ Majority of compensation is performance-based and at-risk
- ✓ 100% of short-term incentive cash compensation is performance-based and at-risk
- ✓ Inclusion of ESG modifier to cash incentive plan, which modifies the annual incentive cash compensation (plus or minus 10%), based on our performance relative to an ESG scorecard with climate, inclusion and human capital metrics
- ✓ 100% of equity awards granted to our NEOs in fiscal 2024 were performance-based, based on different performance metrics than the annual cash incentive plan
- ✓ No single trigger vesting of equity awards on occurrence of a change in control
- ✓ No dividends paid on unvested equity
- ✓ Robust stock ownership guidelines
- ✓ One-year post-vesting holding period for all NEOs, including our Chief Executive Officer
- ✓ No hedging or pledging, except limited pledging permitted with the prior approval of the Governance and Sustainability Committee
- ✓ Meaningful compensation recovery and clawback policies
- ✓ Limited perquisites and personal benefits
- ✓ No defined benefit plans or SERPs
- ✓ Assessing and implementing the advice of independent compensation consultant, including a decision-making framework to further ensure alignment of executive compensation decision with our pay-for-performance philosophy

2024 Proxy Statement paloalto 77

◂ Table of Contents Topic Table of Contents

Elements of Compensation

The SEC requires extensive disclosures related to a company's chosen compensation elements in the CD&A, including a description of each compensation element, why the company chose each element, and how the amount (or formula) for each pay element is determined. Most companies have found that the most effective way to share all of this information--and often to supplement it--is through visual depictions of their compensation elements, pay mix, weightings, and other features.

What to Think About

Stockholders want to understand the pay elements and pay mix used to drive the company's compensation philosophy and objectives.

Since addressing that expectation requires a robust narrative, it is a good idea to create stylized bar or pie charts, or some other tabular disclosure, to summarize the information at the beginning of the CD&A. When done well, these visuals provide a helpful overview of the detailed discussion that will follow.

We recommend designing graphics that show how compensation elements are allocated, which are short-term vs long-term, and which are "at risk" vs "fixed." In addition, most companies summarize the objectives and key characteristics (such as performance metrics and vesting terms) of each element of pay. Here it is helpful to be specific and not just say that each element is there to "attract, retain, and motivate high-performing executives." Finally, some companies explain how the chosen performance metrics or other features support the company's strategy and business performance.

Labrador Transparency Award Criteria

- The document includes disclosure of CEO and average NEO pay mix presented as a graphic or using other visual elements.
- The proxy summary or CD&A summary includes a table or other visual overview of components of compensation, including, at a minimum for incentive programs: performance metrics; weighting of each metric; performance periods; and vesting terms.
- The document includes a table or other visual summarizing the objective/purpose of each element of compensation.
- The CD&A summary explains changes to the program for the reporting year or states that there are no changes from the prior year.
- The base salary disclosure includes a table, graphic, or other visual element that presents any change in the NEOs' base salaries year-over-year or states no change.

Benchmarking

Elements of Compensation

81.0%
The document includes disclosure of CEO and average NEO pay mix presented as a graphic or using other visual elements

Pay mix graphic is broken down by:

71.6%
Percentage of At-Risk (vs. Fixed)

53.1%
Percentage of Performance-based (vs. Non-performance-based)

49.4%
Percentage of Cash vs. Equity

48.1%
Percentage of Cash vs. Equity

Overview of elements of compensation program includes:

81.0%
Objective/purpose of each element/component

62.0%
Metrics/performance measures used in each component (particularly in incentives)

50.0%
Performance period and/or terms and/or vesting

52.0%
Weighting of each metric

4.0%
Callout for new metrics/performance measures

Pay mix graphic is broken down by

52.0%
Table, graphic or other visual element that presents change in NEOs' base salaries year-over-year or states no change

37.0%
Column in table for % changes

27.0%
Statement that there is no change to base salary

◄ Table of Contents   Topic Table of Contents

Key Examples

General Mills 2023 Proxy Statement

Straightforward, informative table that includes weightings, performance measures, and a reason for each element

AGCO 2024 Proxy Statement

Easy to read table that provides weightings, performance metrics, performance period, and purpose for each element

Booking Holdings 2024 Proxy Statement

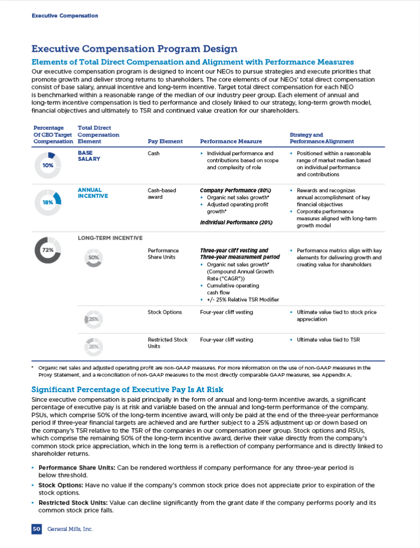
Table with detailed information about each compensation element

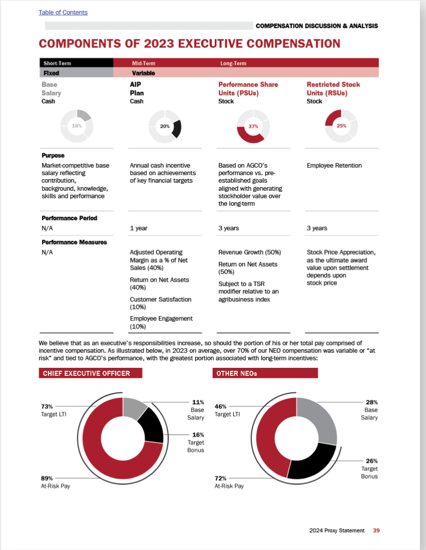
PVH 2024 Proxy Statement

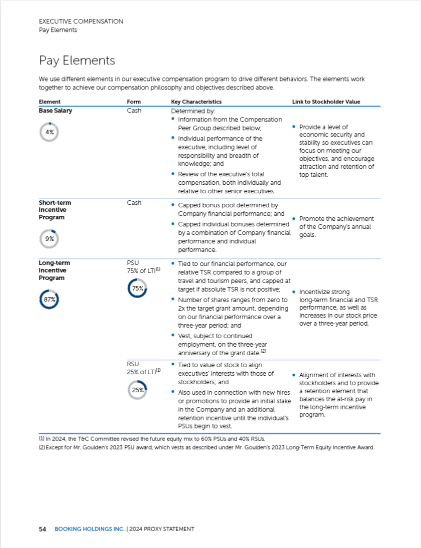
Compact but informative table that includes performance periods and measures and specific compensation amounts awarded or paid

ServiceNow 2024 Proxy Statement

Streamlined table that includes only the form and the purpose for each compensation element







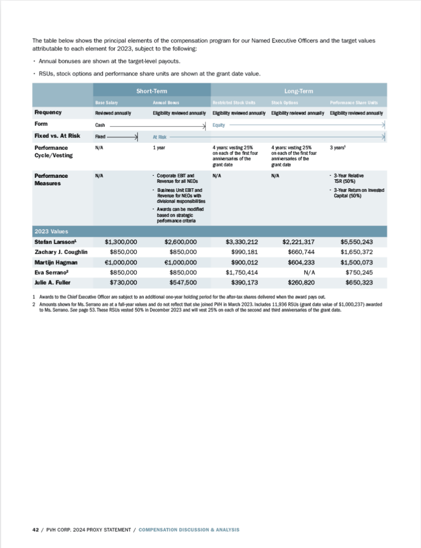
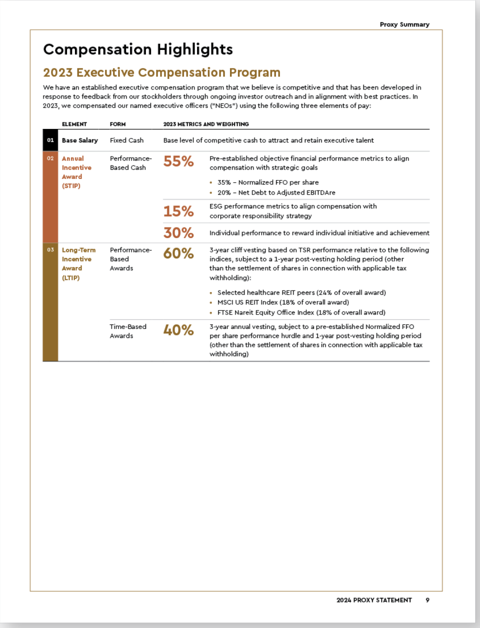


Table of Contents   Topic Table of Contents

Key Examples

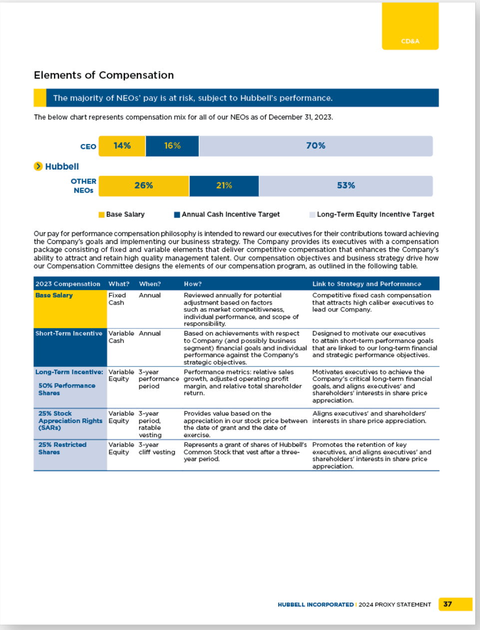
Healthpeak 2024 Proxy Statement

Streamlined table that includes only the form and the performance metrics for each compensation element


Compensation Highlights
2023 Executive Compensation Program

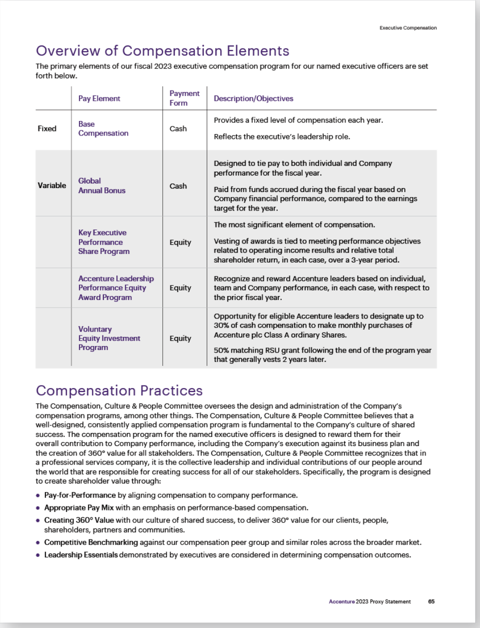
Hubbell 2024 Proxy Statement

Compact table that summarizes how each element is determined and how each links to company strategy


Elements of Compensation
The majority of NEOs' pay is at risk, subject to Hubbell's performance.

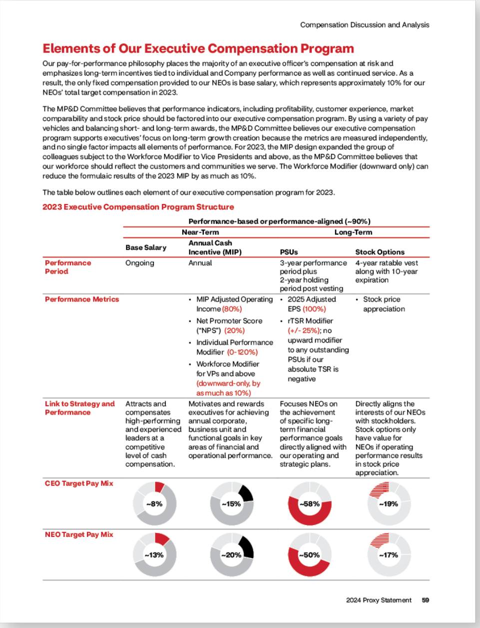
Accenture 2024 Proxy Statement

Streamlined table that focuses on the objectives of each pay element


Overview of Compensation Elements
Compensation Practices

CVS 2024 Proxy Statement

Detailed table includes performance periods, metrics, links to company strategy, and target pay mix graphics


Elements of Our Executive Compensation Program

Incentive Compensation

Companies are required to describe how they determine the amounts, and when applicable, formulas, for each element of pay. They must identify the specific items of corporate performance considered in setting compensation and making decisions. It is important to describe any exercise of discretion when determining amounts, either to award compensation absent attainment of the relevant performance goal or to increase or reduce the size of any award or payout.

Investors are increasingly scrutinizing pay and holding compensation committee members accountable when pay programs fall short. Investors expect clear and timely disclosure of the components and mix of short and long-term incentives as well as decisions made related to compensation, and they want to know that the compensation program is thoughtfully structured with rigorous goals that appropriately align executive and shareholder interests. The incentives used should have a demonstrated tie to the company's strategy and business performance, and not incentivize undue risk taking. Details related to how the company calculates each measure should be clearly articulated.

Best practice companies include a comprehensive snapshot of the metrics, weighting, rationale for the metrics, and high-level description of how they are calculated early in the proxy summary or CD&A. They pair this disclosure with how the goals (threshold, target, and maximum) are established, and set it alongside actual results to demonstrate goal rigor, often presented for a multi-year period. More detailed information then follows in the discussion of incentive compensation later in the CD&A.

Short-Term Incentives: Things to Think About

- **Disclosure Considerations:** Disclosures for short-term incentives should be detailed and nuanced to help investors understand the unique characteristics of a company's annual bonus program and the multiple financial and non-financial metrics used to determine payouts and to incentivize different components of a company's strategy and business performance. Infographics should be used to aid investors' understanding of the performance measures, relative weighting, actual achievement of each metric versus target/range, and formulas used for calculation of final award payouts.
- **Adjusted Metrics:** If financial metrics are adjusted for non-recurring, unusual, or other items, disclosure should be clear and sufficient to allow investors to understand how metrics were adjusted with sufficient explanation to allow investors to determine if such adjustments were appropriate. Some companies include a description of adjustments to GAAP measures that are used in the incentives in a more prominent section of the CD&A and/or in a graphical format, while others include the adjustments near the end of the compensation disclosure in narrative format.
- **ESG Metrics:** In recent years, more and more companies have incorporated ESG metrics into their compensation programs. Companies will often highlight the inclusion of these metrics in their board and compensation committee letters and then provide detailed information in the CD&A. In light of the increased importance put on ESG by some investors, and the potential backlash from other anti-ESG proponents, companies should carefully review their disclosures and be sure to explain the rationale for their ESG metric(s), how it can be achieved, and how it ties into and advances the company's strategy and business performance. As with all non-financial metrics, companies should consider how to best support reported levels of achievement, particularly when individualized to each named executive officer, as demonstrating rigor in what is often a more discretionary evaluation will be important to investors when they are evaluating overall compensation committee performance.
- **Exercise of Discretion:** Where compensation committees are required to exercise discretion in evaluating individual performance, or they choose to award short-term compensation absent goal attainment, to provide a one-time bonus payout, or to increase or reduce the size of a payout under a previously established award, companies should provide as much detail as possible regarding the rationale and the criteria considered to support the rigor of the award. process. In the case of individual performance evaluations, CEO/NEO scorecards become particularly meaningful ways to provide this detail.

Labrador Transparency Award Criteria

- The annual incentive disclosure includes a graphic explaining how the award(s) is calculated.
- Rationale for selection of performance metrics used in the annual incentive program for the applicable year is explained.
- The annual goal setting process (e.g., including how plan goals relate to the annual operating plan, guidance/ forecasts or prior year performance) is explained.
- A table or graphic is used to present performance goal(s) and final results for the annual incentive program for the applicable year.

Long-Term Incentives: Things to Think About

- **Disclosure Considerations:** Disclosures for long-term incentives should be detailed and nuanced to help investors understand the unique characteristics of a company's equity-based compensation program. Disclosures should help investors understand the mix of vehicles utilized by the company and why, as well as the financial and non-financial metrics used to determine payouts and how each incentivizes executives with respect to the components of a company's strategy and business performance. Infographics should be used to aid investors' understanding of the mix of equity components (i.e., stock options, RSUs, performance-based equity, or other equity-based awards) and vesting periods. For performance-based awards, infographics should also describe the performance measures, relative weighting, final results for each metric for the periods completed in the applicable year (versus target/range), and formulas used for calculation of final award payouts (in each case, consistent with those used for short-term incentives).
- **Adjusted Metrics:** As with short-term incentives, if financial metrics are adjusted for non-recurring, unusual, or other items, disclosure should be clear and sufficient to allow investors to understand how metrics were adjusted with sufficient explanation to allow investors to determine if such adjustments were appropriate. Some companies include a description of adjustments to GAAP measures that are used in the incentives in a more prominent section of the CD&A and/or in a graphical format, while others include the adjustments near the end of the compensation disclosure in narrative format.
- **Exercise of Discretion:** Where compensation committees choose to certify vesting of long-term compensation absent goal attainment or to provide one-time equity awards, companies should provide as much detail as possible regarding the rationale and the criteria considered to support the rigor of the award. process.
- **Outstanding Equity Awards:** Given the longer duration of most equity awards, and potential vesting periods post-achievement, best practice companies provide information related to the status of all outstanding performance awards and indicate the projected pay outs for each at the end of the performance period. Investors find it helpful to understand the interplay between all outstanding equity awards. For companies, this information can also be beneficial to highlight the strong pay for performance linkage of their long-term incentive program as time progresses. Presenting in a concise infographic aids a reader's ability to see the overlap and flow of awards.

Labrador Transparency Award Criteria

- A table or graphic showing the mix of long-term incentives is included as part of the discussion of the long-term incentive program
- The long-term incentive disclosures include a graphic or other visual explaining how the performance-based awards are calculated.
- Rationale for selection of performance metrics used in the long-term incentive program for the applicable year is explained.
- A table or graphic is used to present performance goal(s) and final results of long-term incentive programs with periods completed in the applicable year.
- Current payout percentages (i.e., "tracking" based on performance to date) for outstanding equity awards are disclosed in a table, graphic or using other visual elements.

Benchmarking

Short-Term Incentives

Short-term incentives discussion includes:

87.0%
Table or graphic to present performance goal(s) and final results for the applicable year

88.0%
Rationale for selection of performance metrics for the applicable year

62.0%
Graphic explaining how the award(s) is calculated

62.0%
Individual NEO performance component

57.0%
Diversity, environmental, or other ESG-focused performance metrics

Long-Term Incentives

Long-term incentives discussion includes:

76.0%
Rationale for selection of performance metrics for the applicable year

73.0%
Table or graphic is used to present performance goal(s) and final results for performance periods completed in the applicable year

32.0%
Graphic explaining how the award(s) is calculated

52.0%
Long-term incentive mix graphic

9.0%
Current payout percentages for outstanding equity award in a table, graphic or using other visual elements

6.0%
Diversity, environmental, or other ESG-focused metrics are used in the long-term incentive program.

Table of Contents   Topic Table of Contents

Key Examples

Summary of Both Short- and Long-Term Incentives

Ventas 2024 Proxy Statement

Links incentive pay to strategy, includes timeline of changes

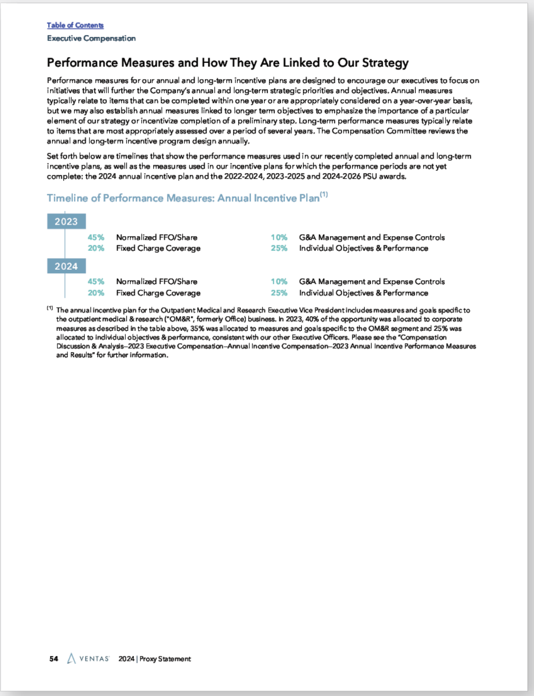


Table of Contents

Executive Compensation

Performance Measures and How They Are Linked to Our Strategy

Performance measures for our annual and long-term incentive plans are designed to encourage our executives to focus on initiatives that will further the Company's annual and long-term strategic priorities and objectives. Annual measures typically relate to items that can be completed within one year or are appropriately considered on a year-over-year basis, but we may also establish annual measures linked to longer term objectives to emphasize the importance of a particular element of our strategy or incentivize completion of a preliminary step. Long-term performance measures typically relate to items that are most appropriately assessed over a period of several years. The Compensation Committee reviews the annual and long-term incentive program design annually.

Set forth below are timelines that show the performance measures used in our recently completed annual and long-term incentive plans, as well as the measures used in our incentive plans for which the performance periods are not yet complete: the 2024 annual incentive plan and the 2022-2024, 2023-2025 and 2024-2026 PSU awards.

Timeline of Performance Measures: Annual Incentive Plan[1]

2023			
45%	Normalized FFO/Share	10%	G&A Management and Expense Controls
20%	Fixed Charge Coverage	25%	Individual Objectives & Performance
2024			
45%	Normalized FFO/Share	10%	G&A Management and Expense Controls
20%	Fixed Charge Coverage	25%	Individual Objectives & Performance

(1) The annual incentive plan for the Outpatient Medical and Research Executive Vice President includes measures and goals specific to the outpatient medical & research ("OM&R", formerly Office) business. In 2023, 40% of the opportunity was allocated to corporate measures as described in the table above, 35% was allocated to measures and goals specific to the OM&R segment and 25% was allocated to individual objectives & performance, consistent with our other Executive Officers. Please see the "Compensation Discussion & Analysis–2023 Executive Compensation–Annual Incentive Compensation–2023 Annual Incentive Performance Measures and Results" for further information.

54 VENTAS 2024 | Proxy Statement

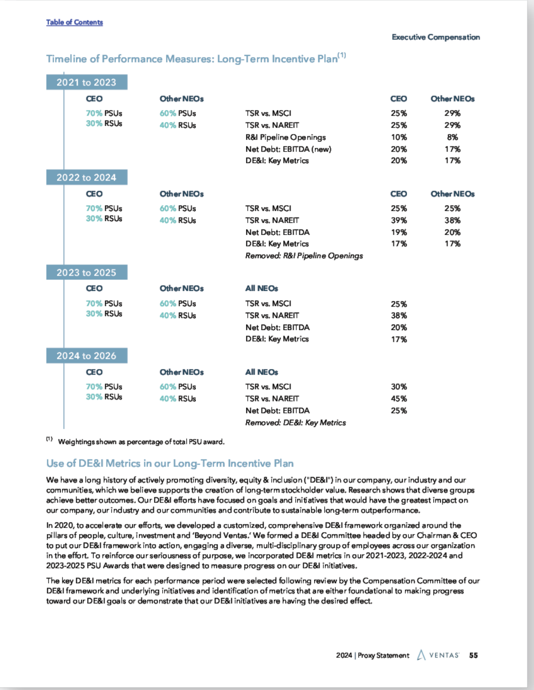


Table of Contents

Executive Compensation

Timeline of Performance Measures: Long-Term Incentive Plan[1]

Period	CEO	Other NEOs	Measure	CEO	Other NEOs
2021 to 2023	70% PSUs	60% PSUs	TSR vs. MSCI	25%	29%
	30% RSUs	40% RSUs	TSR vs. NAREIT	25%	29%
			R&I Pipeline Openings	10%	8%
			Net Debt: EBITDA (new)	20%	17%
			DE&I: Key Metrics	20%	17%
2022 to 2024	70% PSUs	60% PSUs	TSR vs. MSCI	25%	25%
	30% RSUs	40% RSUs	TSR vs. NAREIT	39%	38%
			Net Debt: EBITDA	19%	20%
			DE&I: Key Metrics	17%	17%
			Removed: R&I Pipeline Openings		
2023 to 2025	CEO	Other NEOs	All NEOs		
	70% PSUs	60% PSUs	TSR vs. MSCI	25%	
	30% RSUs	40% RSUs	TSR vs. NAREIT	38%	
			Net Debt: EBITDA	20%	
			DE&I: Key Metrics	17%	
2024 to 2026	CEO	Other NEOs	All NEOs		
	70% PSUs	60% PSUs	TSR vs. MSCI	30%	
	30% RSUs	40% RSUs	TSR vs. NAREIT	45%	
			Net Debt: EBITDA	25%	
			Removed: DE&I: Key Metrics		

(1) Weightings shown as percentage of total PSU award.

Use of DE&I Metrics in our Long-Term Incentive Plan

We have a long history of actively promoting diversity, equity & inclusion ("DE&I") in our company, our industry and our communities, which we believe supports the creation of long-term stockholder value. Research shows that diverse groups achieve better outcomes. Our DE&I efforts have focused on goals and initiatives that would have the greatest impact on our company, our industry and our communities and contribute to sustainable long-term outperformance.

In 2020, to accelerate our efforts, we developed a customized, comprehensive DE&I framework organized around the pillars of people, culture, investment and 'Beyond Ventas.' We formed a DE&I Committee headed by our Chairman & CEO to put our DE&I framework into action, engaging a diverse, multi-disciplinary group of employees across our organization in the effort. To reinforce our seriousness of purpose, we incorporated DE&I metrics in our 2021-2023, 2022-2024 and 2023-2025 PSU Awards that were designed to measure progress on our DE&I initiatives.

The key DE&I metrics for each performance period were selected following review by the Compensation Committee of our DE&I framework and underlying initiatives and identification of metrics that are either foundational to making progress toward our DE&I goals or demonstrate that our DE&I initiatives are having the desired effect.

2024 | Proxy Statement VENTAS 55

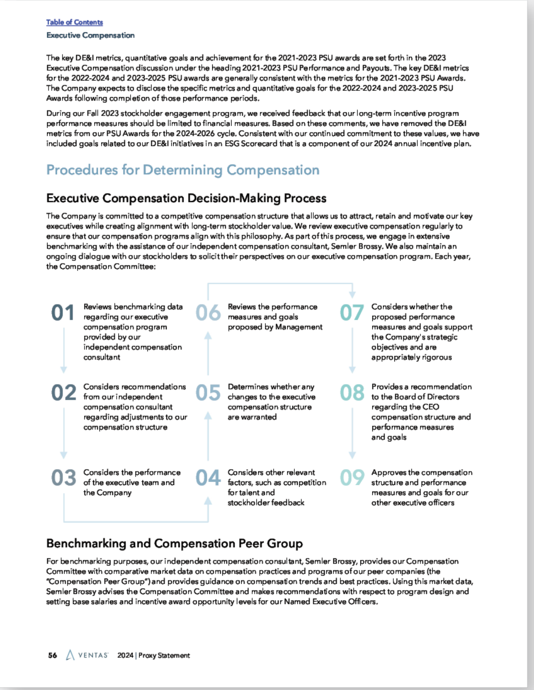


Table of Contents

Executive Compensation

The key DE&I metrics, quantitative goals and achievement for the 2021-2023 PSU awards are set forth in the 2023 Executive Compensation discussion under the heading 2021-2023 PSU Performance and Payouts. The key DE&I metrics for the 2022-2024 and 2023-2025 PSU awards are generally consistent with the metrics for the 2021-2023 PSU Awards. The Company expects to disclose the specific metrics and quantitative goals for the 2022-2024 and 2023-2025 PSU Awards following completion of those performance periods.

During our Fall 2023 stockholder engagement program, we received feedback that our long-term incentive program performance measures should be limited to financial measures. Based on these comments, we have removed the DE&I metrics from our PSU Awards for the 2024-2026 cycle. Consistent with our continued commitment to these values, we have included goals related to our DE&I initiatives in an ESG Scorecard that is a component of our 2024 annual incentive plan.

Procedures for Determining Compensation

Executive Compensation Decision-Making Process

The Company is committed to a competitive compensation structure that allows us to attract, retain and motivate our key executives while creating alignment with long-term stockholder value. We review executive compensation regularly to ensure that our compensation programs align with this philosophy. As part of this process, we engage in extensive benchmarking with the assistance of our independent compensation consultant, Semler Brossy. We also maintain an ongoing dialogue with our stockholders to solicit their perspectives on our executive compensation program. Each year, the Compensation Committee:

01 Reviews benchmarking data regarding our executive compensation program provided by our independent compensation consultant

02 Considers recommendations from our independent compensation consultant regarding adjustments to our compensation structure

03 Considers the performance of the executive team and the Company

04 Considers other relevant factors, such as competition for talent and stockholder feedback

05 Determines whether any changes to the executive compensation structure are warranted

06 Reviews the performance measures and goals proposed by Management

07 Considers whether the proposed performance measures and goals support the Company's strategic objectives and are appropriately rigorous

08 Provides a recommendation to the Board of Directors regarding the CEO compensation structure and performance measures and goals

09 Approves the compensation structure and performance measures and goals for our other executive officers

Benchmarking and Compensation Peer Group

For benchmarking purposes, our independent compensation consultant, Semler Brossy, provides our Compensation Committee with comparative market data on compensation practices and programs of our peer companies (the "Compensation Peer Group") and provides guidance on compensation trends and best practices. Using this market data, Semler Brossy advises the Compensation Committee and makes recommendations with respect to program design and setting base salaries and incentive award opportunity levels for our Named Executive Officers.

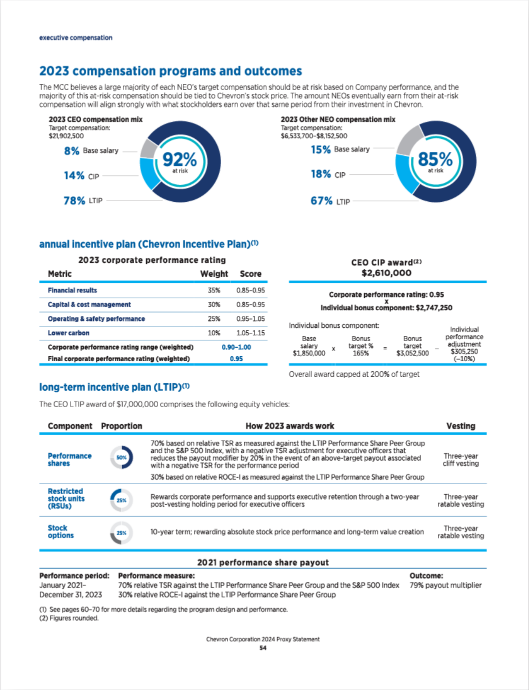
56 VENTAS 2024 | Proxy Statement

◄ Table of Contents Topic Table of Contents

Key Examples

Chevron 2024 Proxy Statement

One-page overview of compensation program and outcomes



executive compensation

2023 compensation programs and outcomes

The MCC believes a large majority of each NEO's target compensation should be at risk based on Company performance, and the majority of this at-risk compensation should be tied to Chevron's stock price. The amount NEOs eventually earn from their at-risk compensation will align strongly with what stockholders earn over that same period from their investment in Chevron.

2023 CEO compensation mix
Target compensation:
$21,902,500

8% Base salary
14% CIP
78% LTIP
92% at risk

2023 Other NEO compensation mix
Target compensation:
$6,533,700–$8,152,500

15% Base salary
18% CIP
67% LTIP
85% at risk

annual incentive plan (Chevron Incentive Plan)(1)

2023 corporate performance rating

Metric	Weight	Score
Financial results	35%	0.85–0.95
Capital & cost management	30%	0.85–0.95
Operating & safety performance	25%	0.95–1.05
Lower carbon	10%	1.05–1.15
Corporate performance rating range (weighted)	0.90–1.00	
Final corporate performance rating (weighted)	0.95	

CEO CIP award(2)
$2,610,000

Corporate performance rating: 0.95
x
Individual bonus component: $2,747,250

Individual bonus component:
Base salary $1,850,000 x Bonus target % 165% = Bonus target $3,052,500 – Individual performance adjustment $305,250 (–10%)

Overall award capped at 200% of target

long-term incentive plan (LTIP)(1)

The CEO LTIP award of $17,000,000 comprises the following equity vehicles:

Component	Proportion	How 2023 awards work	Vesting
Performance shares	50%	70% based on relative TSR as measured against the LTIP Performance Share Peer Group and the S&P 500 Index, with a negative TSR adjustment for executive officers that reduces the payout modifier by 20% in the event of an above-target payout associated with a negative TSR for the performance period 30% based on relative ROCE-I as measured against the LTIP Performance Share Peer Group	Three-year cliff vesting
Restricted stock units (RSUs)	25%	Rewards corporate performance and supports executive retention through a two-year post-vesting holding period for executive officers	Three-year ratable vesting
Stock options	25%	10-year term; rewarding absolute stock price performance and long-term value creation	Three-year ratable vesting

2021 performance share payout

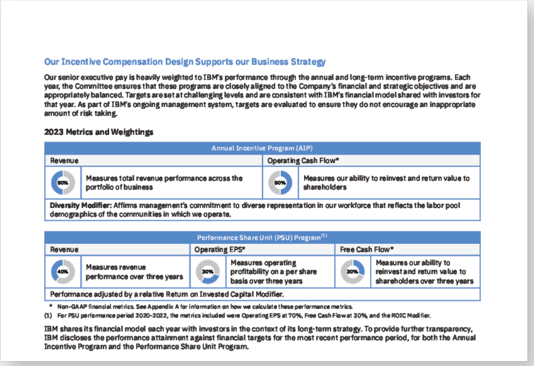
Performance period:	Performance measure:	Outcome:
January 2021–December 31, 2023	70% relative TSR against the LTIP Performance Share Peer Group and the S&P 500 Index 30% relative ROCE-I against the LTIP Performance Share Peer Group	79% payout multiplier

(1) See pages 60–70 for more details regarding the program design and performance.
(2) Figures rounded.

Chevron Corporation 2024 Proxy Statement
54

IBM 2024 Proxy Statement

Concise, visual overview of incentive compensation program



Our Incentive Compensation Design Supports our Business Strategy

Our senior executive pay is heavily weighted to IBM's performance through the annual and long-term incentive programs. Each year, the Committee ensures that these programs are closely aligned to the Company's financial and strategic objectives and are appropriately balanced. Targets are set at challenging levels and are consistent with IBM's financial model shared with investors for that year. As part of IBM's ongoing management system, targets are evaluated to ensure they do not encourage an inappropriate amount of risk taking.

2023 Metrics and Weightings

Annual Incentive Program (AIP)			
Revenue		Operating Cash Flow*	
50%	Measures total revenue performance across the portfolio of business	50%	Measures our ability to reinvest and return value to shareholders
Diversity Modifier: Affirms management's commitment to diverse representation in our workforce that reflects the labor pool demographics of the communities in which we operate.			

Performance Share Unit (PSU) Program(1)					
Revenue		Operating EPS*		Free Cash Flow*	
40%	Measures revenue performance over three years	30%	Measures operating profitability on a per share basis over three years	30%	Measures our ability to reinvest and return value to shareholders over three years
Performance adjusted by a relative Return on Invested Capital Modifier.					

* Non-GAAP financial metrics. See Appendix A for information on how we calculate these performance metrics.
(1) For PSU performance period 2020-2022, the metrics included were Operating EPS at 70%, Free Cash Flow at 30%, and the ROIC Modifier.

IBM shares its financial model each year with investors in the context of its long-term strategy. To provide further transparency, IBM discloses the performance attainment against financial targets for the most recent performance period, for both the Annual Incentive Program and the Performance Share Unit Program.

Key Examples

McDonald's 2024 Proxy Statement

Concise, visual overviews of incentive program design and results

Executive Compensation

1. Our 2023 Year in Review

BUSINESS PERFORMANCE

The Company's *Accelerating the Arches* strategy continued to drive significant growth in 2023 despite ongoing macroeconomic pressures. In 2023, the Company achieved a global comparable sales increase of 9% and operating income growth of 24%. Further the Company has produced over 30% global comparable sales growth since 2019. This strong multi-year performance is evidence that the Company's M-C-D strategic growth pillars have enabled the Company to continue to meet the evolving needs of our customers around the world.

COMPENSATION

Our broad-based momentum produced strong 2023 operating income and Systemwide sales performance resulting in a Corporate STIP payout factor for NEOs of 141.3% (inclusive of financial metrics, new restaurant openings and human capital metrics). Further, the execution of our *Accelerating the Arches* growth strategy produced strong, multi-year performance, resulting in a 187.5% payout factor for the PRSUs awarded to our executives in 2021 that vested in early 2024 based on performance over the 2021-2023 performance period. Since the introduction of our *Accelerating the Arches* growth strategy in 2020, and consistent with our pay for performance philosophy, our incentive programs have yielded Corporate STIP payouts ranging from 0 to 185% of target depending upon the Company's performance against rigorous, pre-established, quantitative targets.

As highlighted in the following graphics, the strong 2023 STIP and 2021-2023 PRSU payout factors are a result of the Company significantly exceeding its targets for the key financial metrics included in our incentive designs for both the one and three-year performance periods, emphasizing the Company's steadfast commitment to pay for performance.

2023 STIP FINANCIAL PERFORMANCE VS TARGETS

SYSTEMWIDE SALES GROWTH: Threshold 0%, Target 8%, Actual Result 11%, Maximum 16%

OPERATING INCOME GROWTH: Threshold 0%, Target 9%, Actual Result 16%, Maximum 20%

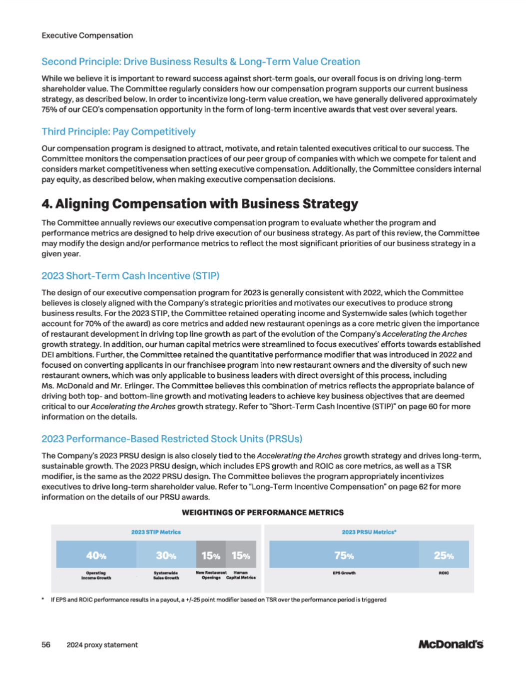
2021–2023 PRSUs VS TARGETS

3-YEAR COMPOUND ANNUAL EARNINGS PER SHARE ("EPS") GROWTH: Threshold 0%, Target 10%, Maximum 14%, Actual Result 27%

3-YEAR AVERAGE ANNUALIZED RETURN ON INVESTED CAPITAL ("ROIC"): Threshold 15%, Target/Maximum 18%, Actual Result 23%

For more detailed information on our incentive plans and the calculation of our payout factors, see "Performance-Based Compensation Metrics" and "2023 Direct Compensation Elements" beginning on pages 59 and 60, respectively.

54   2024 proxy statement   McDonald's



Executive Compensation

Second Principle: Drive Business Results & Long-Term Value Creation

Third Principle: Pay Competitively

4. Aligning Compensation with Business Strategy

2023 Short-Term Cash Incentive (STIP)

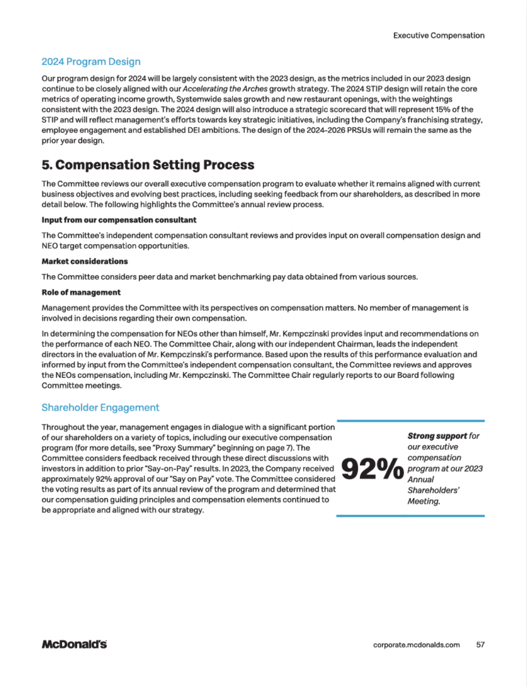
2023 Performance-Based Restricted Stock Units (PRSUs)

WEIGHTINGS OF PERFORMANCE METRICS

2023 STIP Metrics: 40% Operating Income Growth; 30% Systemwide Sales Growth; 15% New Restaurant Openings; 15% Human Capital Metrics

2023 PRSU Metrics*: 75% EPS Growth; 25% ROIC

56   2024 proxy statement   McDonald's



Executive Compensation

2024 Program Design

5. Compensation Setting Process

Input from our compensation consultant

Market considerations

Role of management

Shareholder Engagement

92% *Strong support for our executive compensation program at our 2023 Annual Shareholders' Meeting.*

McDonald's   corporate.mcdonalds.com   57

◀ Table of Contents Topic Table of Contents

Key Examples

3M 2024 Proxy Statement

Expanded overview of performance compensation and results

(1) Percentages shown reflect the apportionment (or, in the case of the percentages shown for the Other NEOs, the average apportionment) of the components of target total direct compensation that are expected to be recurring. Such amounts do not reflect special items such as hiring bonuses, one-time make-whole and inducement awards granted in connection with the commencement of employment, or special grants.

(2) In determining the level of achievement of the performance goals established under the AIP and the performance share awards for any given period, the costs, sales and impact on assets and liabilities from acquisitions are excluded in the year that the acquisition is completed. The Committee also makes other adjustments from time to time for special items that it believes are unrelated to the operational performance of the Company for the relevant measurement period (e.g., changes in tax laws or accounting principles, asset write-downs, the impact of restructurings, divestitures, or asset sales, unusual tax transactions, litigation or claim judgments and settlements, and other special items described in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual/quarterly report to shareholders for the applicable period). These adjustments can have either a positive or negative impact on award payouts.

(3) For the Company's CEO, the Committee chose to deliver 50 percent of the target grant value of his 2023 annual long-term incentive awards in the form of performance shares and the remaining 50 percent in the form of stock options. Each of the Company's other executives was given an opportunity to indicate a preference to receive 50 percent of the target grant value of their annual long-term incentive awards in the form of RSUs, stock options, or an equal split of both stock options and RSUs. Regardless of an executive's indicated preference, the remaining 50 percent of the target grant value of his or her 2023 annual long-term incentive awards was delivered in the form of performance shares. The percentages shown reflect the apportionment of stock options and RSUs based on the Named Executive Officers' 2023 elections (other than our CEO, who was not offered an opportunity to make an election).

Paying for performance

A primary objective of our incentive compensation program is to align our Named Executive Officers' real pay delivery with performance. The Company's performance directly impacted incentive compensation pay outcomes for our Named Executive Officers as discussed below.

Consistent with the Committee's preestablished exclusions policy[1], which is aligned with our non-GAAP adjusted operating income disclosure in our Form 10-K, our 2023 operating income goals and performance results for AIP excluded special items or one-time events that the Committee believes are unrelated to the operational performance of the Company for the relevant measurement period, including the impact of net costs for significant litigation. In approving the incentive program payouts based on 2023 performance, the Committee considered the impact of the litigation charges related to 3M's respirator mask/asbestos, PFAS-related other environmental, and Combat Arms Earplugs matters, recognizing that, as anticipated, they were significantly larger than in prior years. Even while litigation-related actions and expenses may be anticipated, the Committee views such adjustments as appropriate because (as in this case), such expenses do not relate to the Company's core operating performance in 2023 or ongoing business operations, but rather were the result of multi-year lawsuits that stem from events taking place many years, even decades prior, unrelated to decision-making of the current management team. In addition, failure to exclude litigation settlement charges could disincentivize management from settling litigation when it is in the best interests of shareholders but would adversely impact their incentive compensation payouts.

The Committee also took into account its belief that the litigation charges largely were already reflected in the Company's stock price performance, which has significantly impacted our NEOs' realizable compensation for multiple years (for example, realizable compensation for our CEO was 66 percent and 51 percent of his total target compensation on a one- and three-year average basis, respectively), as well as the importance of continuing to appropriately incentivize and retain the executive leadership and broader senior management team to drive the Company's transformation strategy. The Committee believes this approach is balanced, aligned with our shareholder experience, in line with market practice related to adjustment policies for litigation settlement charges, and essential to supporting the Company's value creation strategy and efforts to reduce risk and uncertainty.

(1) Under a preestablished exclusions policy, the Committee may adjust financial performance for purposes of goal-setting and/or performance measurement in our incentive plans to exclude the impact of special items or one-time events that it believes are unrelated to the operational performance of the Company for the relevant measurement period (e.g., changes in tax laws or accounting principles, asset write-downs, the impact of restructurings, divestitures, or asset sales, unusual tax transactions, litigation or claim judgments and settlements, and other special items described in management's discussion and analysis of financial condition and results of operations appearing in the Company's annual/quarterly report to shareholders for the applicable period.) These adjustments can have a positive or negative impact on award payouts.

2023 annual incentive compensation

For the Named Executive Officers whose 2023 annual incentive compensation payout was calculated based on the Company's overall performance, the payout (before any adjustment for individual performance) was 104.0 percent of the target amount. The payouts reflect the Committee's view of our performance against the financial goals established for 2023, as shown below, and its decision not to increase or decrease the payouts using the ESG modifier.

After considering the Company's 2023 operating plan, the Committee, in consultation with its independent compensation consultant and following discussions with management of the Company, approved the 2023 financial performance targets for the AIP, as shown below.

- The targets established for the Local Currency Sales and Operating Income metrics were lower than 2022 actual results for these two metrics, reflecting the Company's portfolio management actions, including the Company's decision to exit PFAS manufacturing, the divestiture of the Company's Food Safety business, the deconsolidation of its Aearo subsidiary, the discontinuation of the Company's business in Russia, and the anticipated spin-off of the Company's Health Care business, and the post-COVID reduction in demand for disposable respirators.
- The targets were informed by our operational plan for the year and were intended to be challenging and maintain a similar level of rigor as those established for past years.

Dollar Amounts in Millions*

Performance metric	Threshold ($)	Target ($)	Maximum ($)		Actual vs. target	Payout %	Weighting	Weighted payout %
Local Currency Sales vs. Plan	29,527	32,095	34,663	31,514	98%	81.3%	50%	40.7%
Operating Income vs. Plan	5,198	6,115	7,032	6,374	104%	126.7%	30%	38.0%
Operating Cash Flow Conversion vs. Plan	119%	140%	161%	145%	104%	126.7%	20%	25.3%
Weighted-average payout percent for total Company performance (before adjustment for individual performance)								**104.0%**

* Results reflect certain adjustments that the Committee believed were appropriate to better reflect the Company's 2023 performance. See Appendix A to this Proxy Statement for a reconciliation of Local Currency Sales, Operating Income and Operating Cash Flow Conversion used for compensation purposes to our results for the most directly comparable financial measures as reported under GAAP.

For more information concerning the calculation of the 2023 annual incentive payout for each Named Executive Officer, including the threshold, target, and maximum goals and attainments used to calculate the annual incentive payouts of the Named Executive Officers who are paid, in part, based on the performance of a business group, see "2023 AIP attainments and payouts" on page 88.

Performance share award payouts and accruals (long-term incentive compensation)

The three-year performance period for the 2021 performance share awards issued to the Named Executive Officers ended on December 31, 2023. Based on the financial results achieved during 2021 – 2023, the Named Executive Officers received 83.8 percent of the target performance shares subject to their 2021 performance share awards. After considering the change in the market value of 3M's common stock over the three-year performance period and the additional cash delivered pursuant to the dividend equivalent rights granted as part of the 2021 performance share awards, the value delivered to the Named Executive Officers in settlement of these awards (determined using the closing price of a share of 3M common stock on the NYSE for December 29, 2023) equaled 59.7 percent of the initial target grant value approved by the Committee.

When evaluating the payouts for these awards against the Company's performance, it is important to keep in mind the weightings applied to each year (2021 — 50 percent; 2022 — 30 percent; and 2023 — 20 percent) and each metric (Relative Organic Volume Growth — 40 percent; Return on Invested Capital — 20 percent; Adjusted Earnings per Share Growth — 20 percent; and Free Cash Flow Conversion — 20 percent). As illustrated in the charts below, the payout of 2021 performance share awards reflects the mixed results achieved during the performance period.

2021 performance share award results (2021-2023 performance period)

			Performance levels	Payout level (% of target)	Performance year and weighting	Actual result*	Actual payout (% of target)
Adjusted Earnings per Share Growth	20%	Threshold**	4.0%	4.0%	Year 1 – 50%	14.4%	20.0%
		Target	8.0%	20.0%	Year 2 – 30%	-0.2%	—%
		Maximum	12.0%	40.0%	Year 3 – 20%	-6.5%	—%
Relative Organic Volume Growth	40%	Threshold**	-1.0%	8.0%	Year 1 – 50%	0.5%	20.0%
		Target	0.5%	40.0%	Year 2 – 30%	-7.1%	—%
		Maximum	2.0%	80.0%	Year 3 – 20%	-7.3%	—%
Return on Invested Capital	20%	Threshold**	16.0%	4.0%	Year 1 – 50%	19.5%	15.0%
		Target	18.0%	20.0%	Year 2 – 30%	18.4%	6.8%
		Maximum	21.0%	40.0%	Year 3 – 20%	16.9%	2.2%
Free Cash Flow Conversion	20%	Threshold**	95.0%	4.0%	Year 1 – 50%	100.9%	11.8%
		Target	100.0%	20.0%	Year 2 – 30%	81.8%	—%
		Maximum	105.0%	40.0%	Year 3 – 20%	122.9%	8.0%
						Total	**83.8%**

* Results reflect certain adjustments that the Committee believed were appropriate to better reflect the Company's performance during the performance period. See Appendix A to this Proxy Statement for a reconciliation of Adjusted Earnings per Share, Return on Invested Capital, Free Cash Flow, and Free Cash Flow Conversion used for compensation purposes to our results for the most directly comparable financial measures as reported under GAAP.

** No payout is provided for below threshold performance.

The Company's 2023 performance will also impact the payouts of the 2022 performance share awards and 2023 performance share awards, where the weighting of 2023 performance is 30 percent and 50 percent, respectively. To illustrate this point, the charts below show the percent of target performance shares accrued each year during the relevant performance period based on the Company's performance.

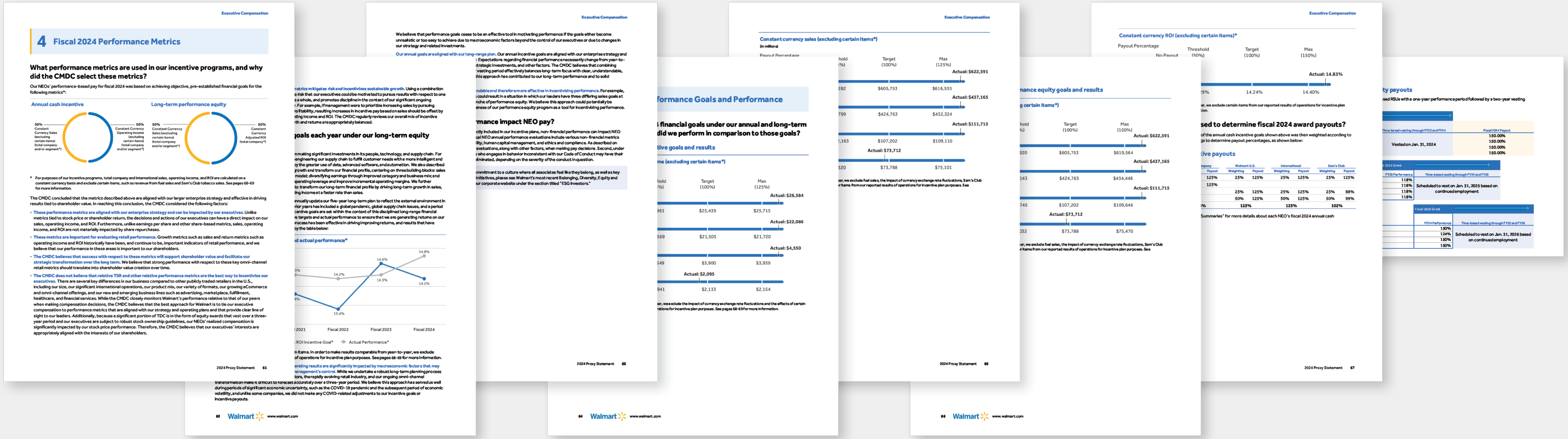
◀ Table of Contents Topic Table of Contents

Key Examples

Combined Presentation

Walmart 2024 Proxy Statement

Combined presentation of performance metrics, goals and performance



◀ Table of Contents   Topic Table of Contents

Key Examples

Short-Term Incentive

Walgreens Boots Alliance 2024 Proxy Statement

Includes math calculation boxes, rationale for metrics, tabular presentation of results

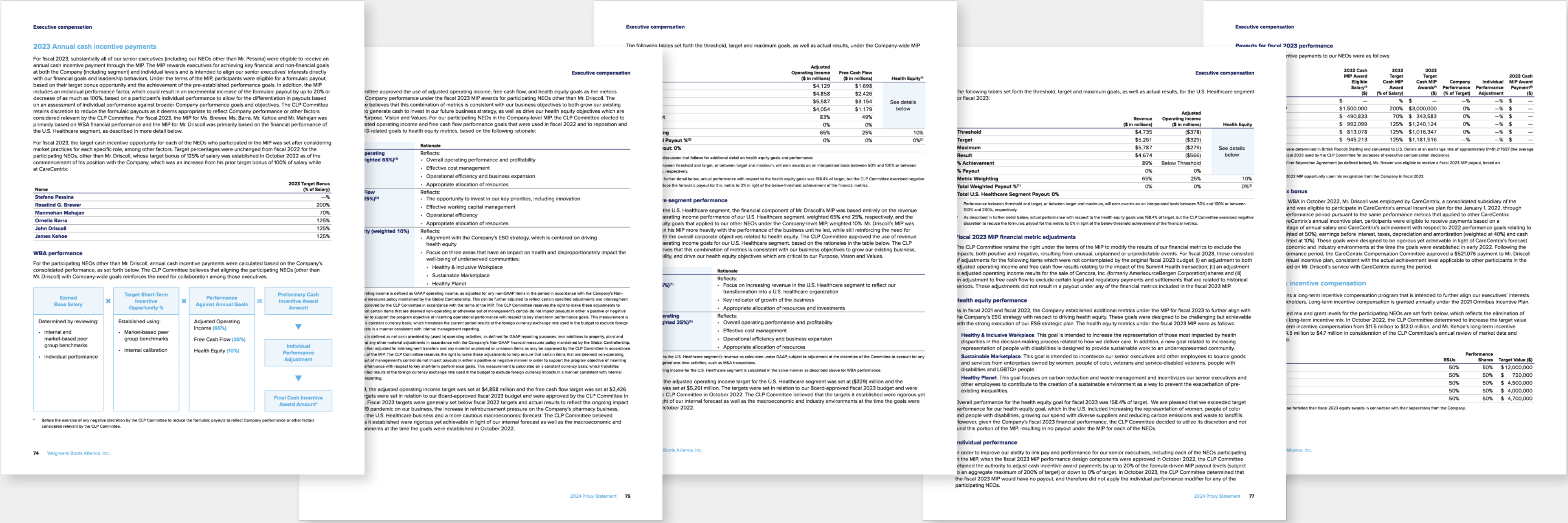
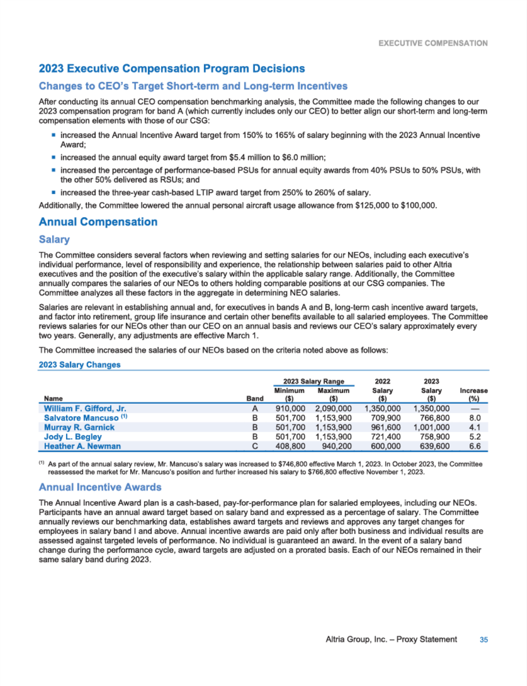


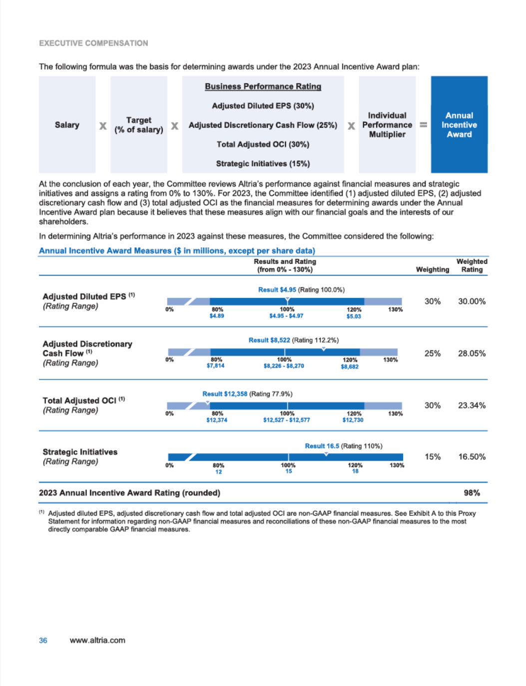
Table of Contents   Topic Table of Contents

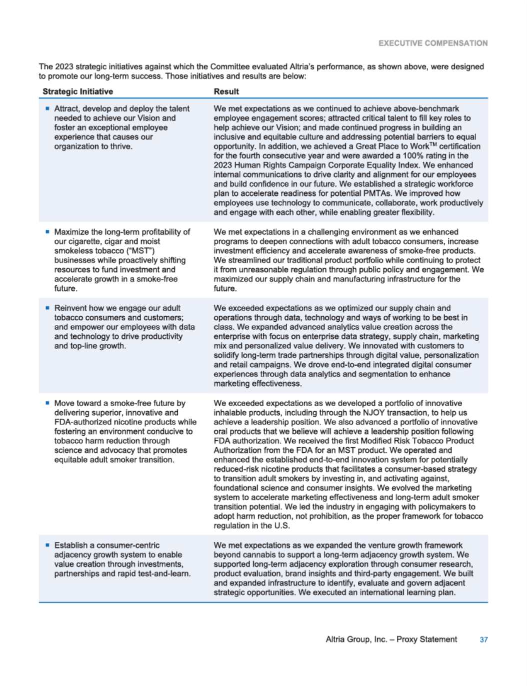
Key Examples

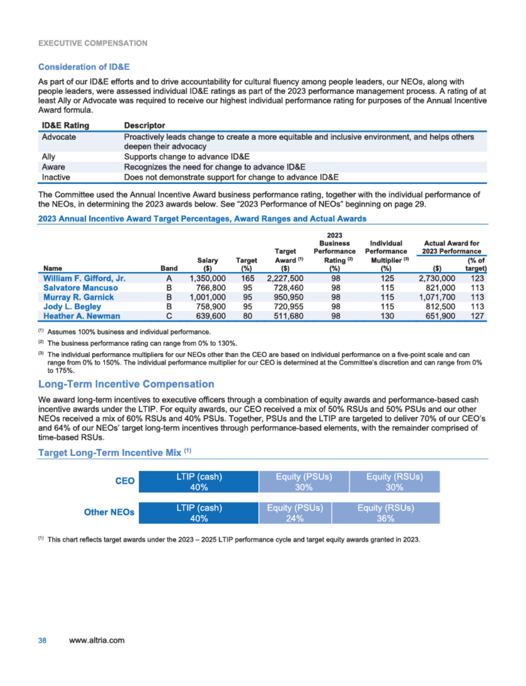
Altria 2024 Proxy Statement

Includes math boxes, slide bar results, infographic describing strategic initiative and results, and discussion of DEI metrics





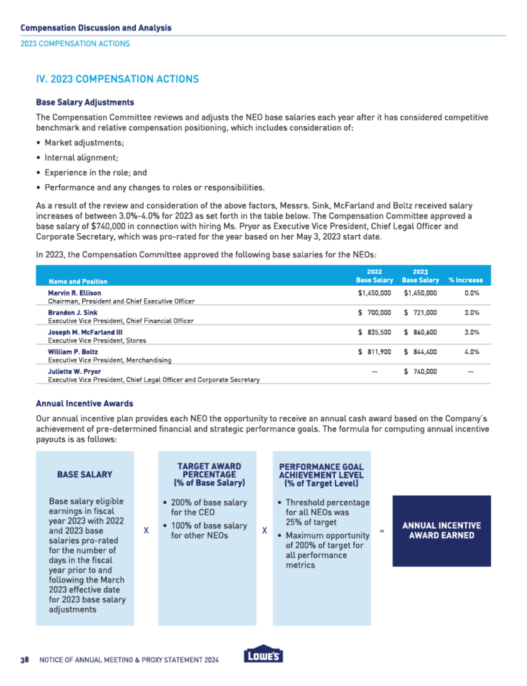




Key Examples

Lowe's 2024 Proxy Statement

Includes math boxes, slide bar results, and expanded discussion of goal setting considerations



Compensation Discussion and Analysis

2023 COMPENSATION ACTIONS

IV. 2023 COMPENSATION ACTIONS

Base Salary Adjustments

The Compensation Committee reviews and adjusts the NEO base salaries each year after it has considered competitive benchmark and relative compensation positioning, which includes consideration of:

- Market adjustments;
- Internal alignment;
- Experience in the role; and
- Performance and any changes to roles or responsibilities.

As a result of the review and consideration of the above factors, Messrs. Sink, McFarland and Boltz received salary increases of between 3.0%-4.0% for 2023 as set forth in the table below. The Compensation Committee approved a base salary of $740,000 in connection with hiring Ms. Pryor as Executive Vice President, Chief Legal Officer and Corporate Secretary, which was pro-rated for the year based on her May 3, 2023 start date.

In 2023, the Compensation Committee approved the following base salaries for the NEOs:

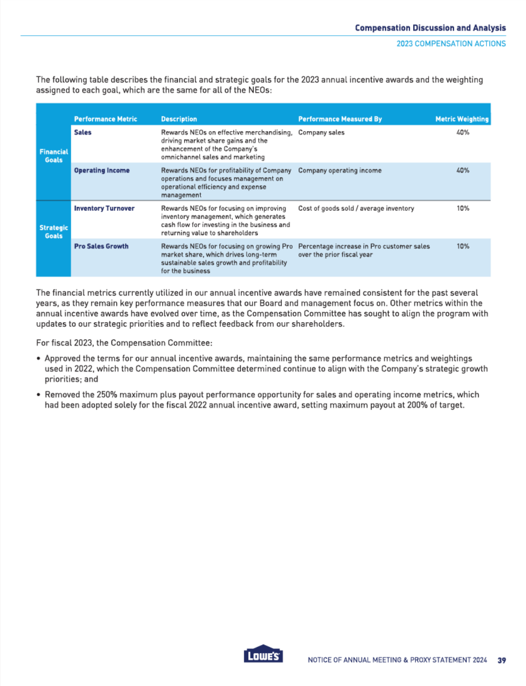
Name and Position	2022 Base Salary	2023 Base Salary	% Increase
Marvin R. Ellison Chairman, President and Chief Executive Officer	$1,450,000	$1,450,000	0.0%
Brandon J. Sink Executive Vice President, Chief Financial Officer	$ 700,000	$ 721,000	3.0%
Joseph M. McFarland III Executive Vice President, Stores	$ 835,500	$ 860,600	3.0%
William P. Boltz Executive Vice President, Merchandising	$ 811,900	$ 844,400	4.0%
Juliette W. Pryor Executive Vice President, Chief Legal Officer and Corporate Secretary	—	$ 740,000	—

Annual Incentive Awards

Our annual incentive plan provides each NEO the opportunity to receive an annual cash award based on the Company's achievement of pre-determined financial and strategic performance goals. The formula for computing annual incentive payouts is as follows:

BASE SALARY		TARGET AWARD PERCENTAGE (% of Base Salary)		PERFORMANCE GOAL ACHIEVEMENT LEVEL (% of Target Level)		
Base salary eligible earnings in fiscal year 2023 with 2022 and 2023 base salaries pro-rated for the number of days in the fiscal year prior to and following the March 2023 effective date for 2023 base salary adjustments	X	• 200% of base salary for the CEO • 100% of base salary for other NEOs	X	• Threshold percentage for all NEOs was 25% of target • Maximum opportunity of 200% of target for all performance metrics	=	ANNUAL INCENTIVE AWARD EARNED

38 NOTICE OF ANNUAL MEETING & PROXY STATEMENT 2024



Compensation Discussion and Analysis

2023 COMPENSATION ACTIONS

The following table describes the financial and strategic goals for the 2023 annual incentive awards and the weighting assigned to each goal, which are the same for all of the NEOs:

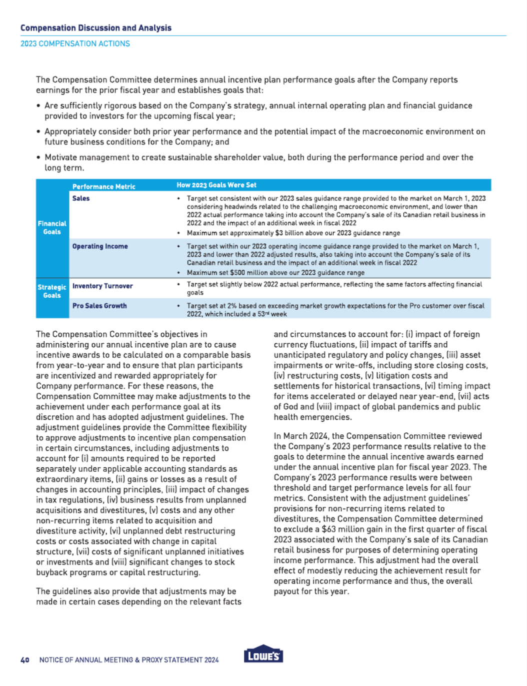
	Performance Metric	Description	Performance Measured By	Metric Weighting
Financial Goals	**Sales**	Rewards NEOs on effective merchandising, driving market share gains and the enhancement of the Company's omnichannel sales and marketing	Company sales	40%
	Operating Income	Rewards NEOs for profitability of Company operations and focuses management on operational efficiency and expense management	Company operating income	40%
Strategic Goals	**Inventory Turnover**	Rewards NEOs for focusing on improving inventory management, which generates cash flow for investing in the business and returning value to shareholders	Cost of goods sold / average inventory	10%
	Pro Sales Growth	Rewards NEOs for focusing on growing Pro market share, which drives long-term sustainable sales growth and profitability for the business	Percentage increase in Pro customer sales over the prior fiscal year	10%

The financial metrics currently utilized in our annual incentive awards have remained consistent for the past several years, as they remain key performance measures that our Board and management focus on. Other metrics within the annual incentive awards have evolved over time, as the Compensation Committee has sought to align the program with updates to our strategic priorities and to reflect feedback from our shareholders.

For fiscal 2023, the Compensation Committee:

- Approved the terms for our annual incentive awards, maintaining the same performance metrics and weightings used in 2022, which the Compensation Committee determined continue to align with the Company's strategic growth priorities; and
- Removed the 250% maximum plus payout performance opportunity for sales and operating income metrics, which had been adopted solely for the fiscal 2022 annual incentive award, setting maximum payout at 200% of target.

NOTICE OF ANNUAL MEETING & PROXY STATEMENT 2024 39



Compensation Discussion and Analysis

2023 COMPENSATION ACTIONS

The Compensation Committee determines annual incentive plan performance goals after the Company reports earnings for the prior fiscal year and establishes goals that:

- Are sufficiently rigorous based on the Company's strategy, annual internal operating plan and financial guidance provided to investors for the upcoming fiscal year;
- Appropriately consider both prior year performance and the potential impact of the macroeconomic environment on future business conditions for the Company; and
- Motivate management to create sustainable shareholder value, both during the performance period and over the long term.

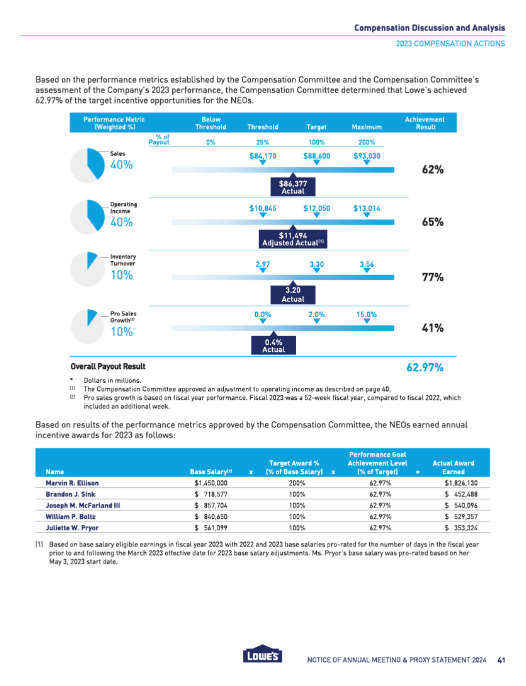
	Performance Metric	How 2023 Goals Were Set
Financial Goals	**Sales**	• Target set consistent with our 2023 sales guidance range provided to the market on March 1, 2023 considering headwinds related to the challenging macroeconomic environment, and lower than 2022 actual performance taking into account the Company's sale of its Canadian retail business in 2022 and the impact of an additional week in fiscal 2022 • Maximum set approximately $3 billion above our 2023 guidance range
	Operating Income	• Target set within our 2023 operating income guidance range provided to the market on March 1, 2023 and lower than 2022 adjusted results, also taking into account the Company's sale of its Canadian retail business and the impact of an additional week in fiscal 2022 • Maximum set $500 million above our 2023 guidance range
Strategic Goals	**Inventory Turnover**	• Target set slightly below 2022 actual performance, reflecting the same factors affecting financial goals
	Pro Sales Growth	• Target set at 2% based on exceeding market growth expectations for the Pro customer over fiscal 2022, which included a 53rd week

The Compensation Committee's objectives in administering our annual incentive plan are to cause incentive awards to be calculated on a comparable basis from year-to-year and to ensure that plan participants are incentivized and rewarded appropriately for Company performance. For these reasons, the Compensation Committee may make adjustments to the achievement under each performance goal at its discretion and has adopted adjustment guidelines. The adjustment guidelines provide the Committee flexibility to approve adjustments to incentive plan compensation in certain circumstances, including adjustments to account for (i) amounts required to be reported separately under applicable accounting standards as extraordinary items, (ii) gains or losses as a result of changes in accounting principles, (iii) impact of changes in tax regulations, (iv) business results from unplanned acquisitions and divestitures, (v) costs and any other non-recurring items related to acquisition and divestiture activity, (vi) unplanned debt restructuring costs or costs associated with change in capital structure, (vii) costs of significant unplanned initiatives or investments and (viii) significant changes to stock buyback programs or capital restructuring.

The guidelines also provide that adjustments may be made in certain cases depending on the relevant facts and circumstances to account for: (i) impact of foreign currency fluctuations, (ii) impact of tariffs and unanticipated regulatory and policy changes, (iii) asset impairments or write-offs, including store closing costs, (iv) restructuring costs, (v) litigation costs and settlements for historical transactions, (vi) timing impact for items accelerated or delayed near year-end, (vii) acts of God and (viii) impact of global pandemics and public health emergencies.

In March 2024, the Compensation Committee reviewed the Company's 2023 performance results relative to the goals to determine the annual incentive awards earned under the annual incentive plan for fiscal year 2023. The Company's 2023 performance results were between threshold and target performance levels for all four metrics. Consistent with the adjustment guidelines' provisions for non-recurring items related to divestitures, the Compensation Committee determined to exclude a $63 million gain in the first quarter of fiscal 2023 associated with the Company's sale of its Canadian retail business for purposes of determining operating income performance. This adjustment had the overall effect of modestly reducing the achievement result for operating income performance and thus, the overall payout for this year.

40 NOTICE OF ANNUAL MEETING & PROXY STATEMENT 2024



Compensation Discussion and Analysis

2023 COMPENSATION ACTIONS

Based on the performance metrics established by the Compensation Committee and the Compensation Committee's assessment of the Company's 2023 performance, the Compensation Committee determined that Lowe's achieved 62.97% of the target incentive opportunities for the NEOs.

Performance Metric (Weighted %)	Below Threshold	Threshold	Target	Maximum	Achievement Result
% of Payout	0%	25%	100%	200%	
Sales 40%		$84,170	$88,600	$93,030	62%
		$86,377 Actual			
Operating Income 40%		$10,845	$12,050	$13,014	65%
		$11,494 Adjusted Actual[1]			
Inventory Turnover 10%		2.97	3.30	3.56	77%
		3.20 Actual			
Pro Sales Growth[2] 10%		0.0%	2.0%	15.0%	41%
		0.4% Actual			
Overall Payout Result					62.97%

* Dollars in millions.

(1) The Compensation Committee approved an adjustment to operating income as described on page 40.

(2) Pro sales growth is based on fiscal year performance. Fiscal 2023 was a 52-week fiscal year, compared to fiscal 2022, which included an additional week.

Based on results of the performance metrics approved by the Compensation Committee, the NEOs earned annual incentive awards for 2023 as follows:

Name	Base Salary[1]	x	Target Award % (% of Base Salary)	x	Performance Goal Achievement Level (% of Target)	=	Actual Award Earned
Marvin R. Ellison	$1,450,000		200%		62.97%		$1,826,130
Brandon J. Sink	$ 718,577		100%		62.97%		$ 452,488
Joseph M. McFarland III	$ 857,704		100%		62.97%		$ 540,096
William P. Boltz	$ 840,650		100%		62.97%		$ 529,357
Juliette W. Pryor	$ 561,099		100%		62.97%		$ 353,324

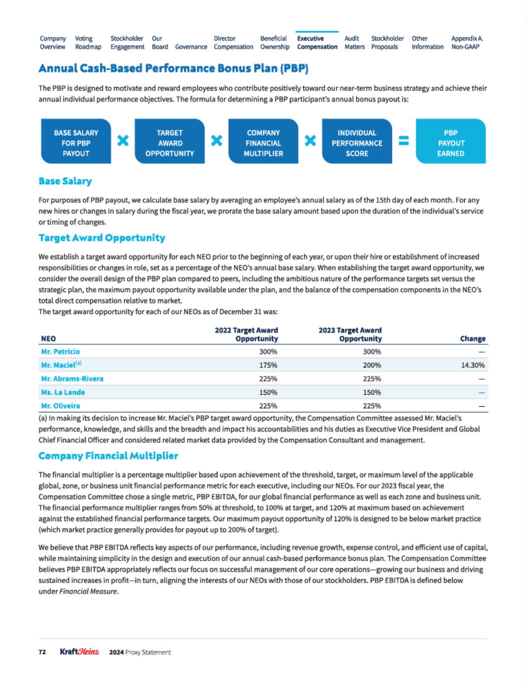
(1) Based on base salary eligible earnings in fiscal year 2023 with 2022 and 2023 base salaries pro-rated for the number of days in the fiscal year prior to and following the March 2023 effective date for 2023 base salary adjustments. Ms. Pryor's base salary was pro-rated based on her May 3, 2023 start date.

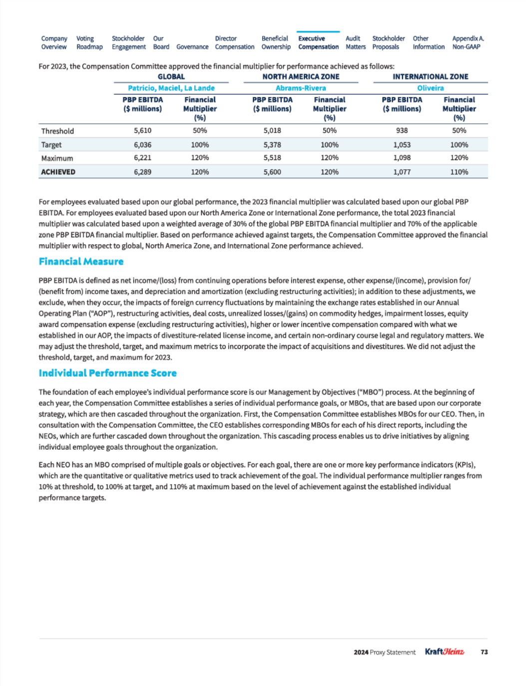
NOTICE OF ANNUAL MEETING & PROXY STATEMENT 2024 41

Key Examples

Kraft Heinz 2024 Proxy Statement

Includes math boxes, tabular presentations of results and concise overview of contributing factors in determination of individual performance score



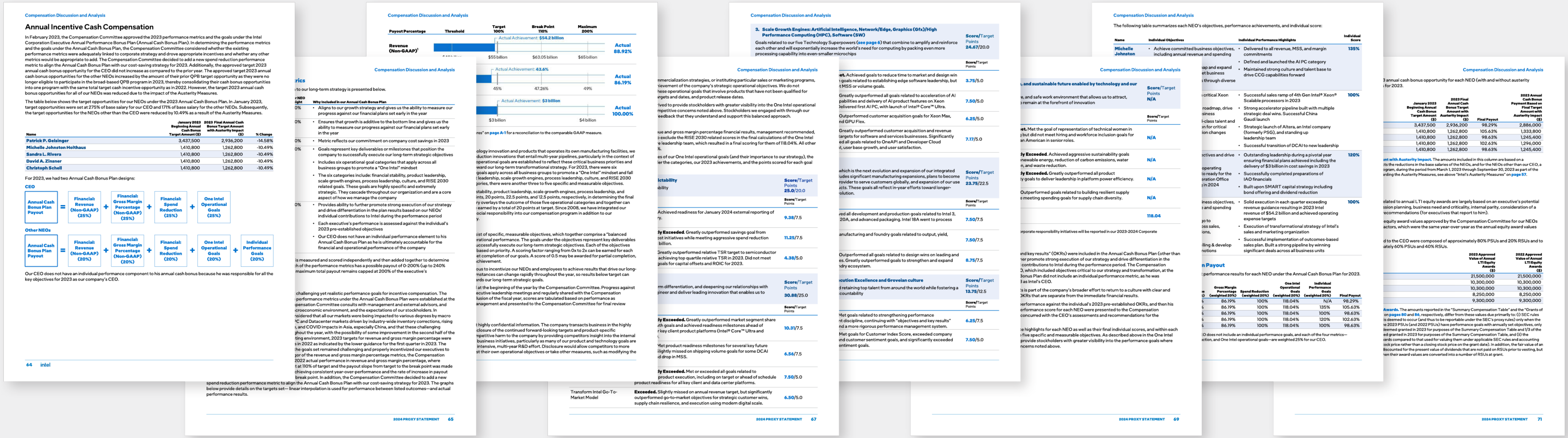


◀ Table of Contents Topic Table of Contents

Key Examples

Intel 2024 Proxy Statement

Includes math boxes, slide bar results and expanded presentation of results and individual performance



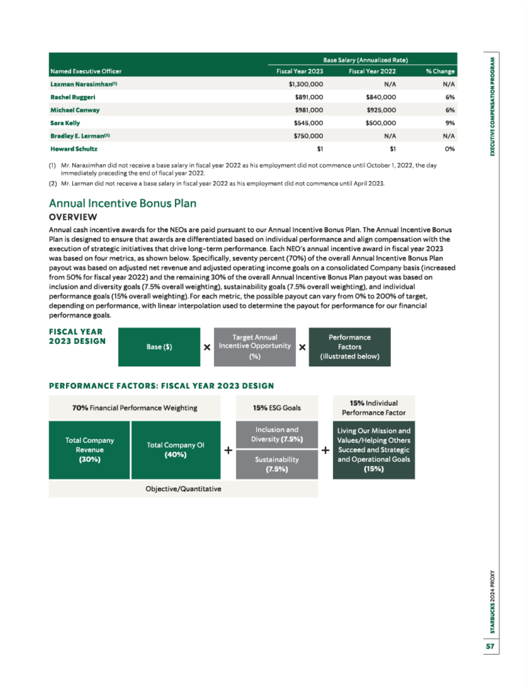
◀ Table of Contents Topic Table of Contents

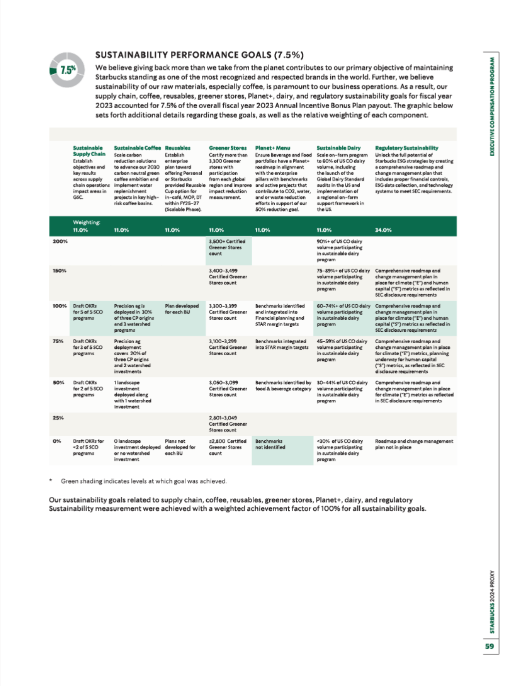
Key Examples

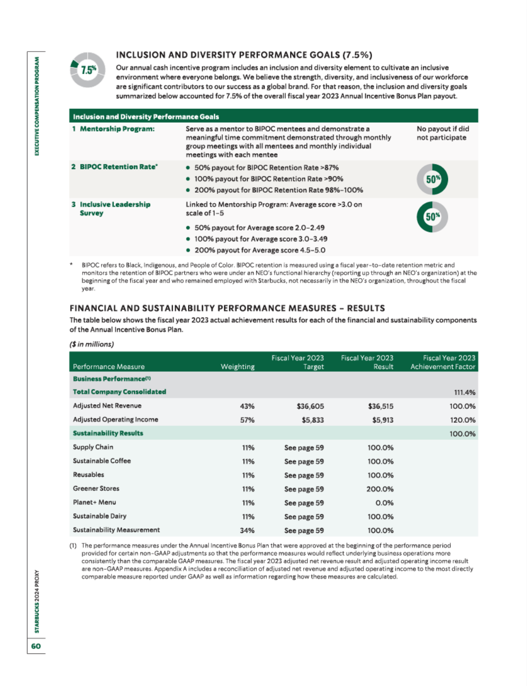
ESG Metrics

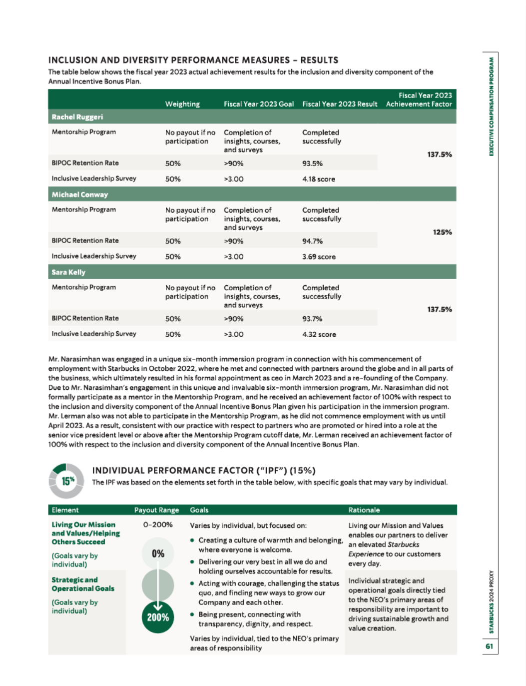
Starbucks 2024 Proxy Statement

Calculation box plus description and results of sustainability and DEI metrics in short-term incentive plan







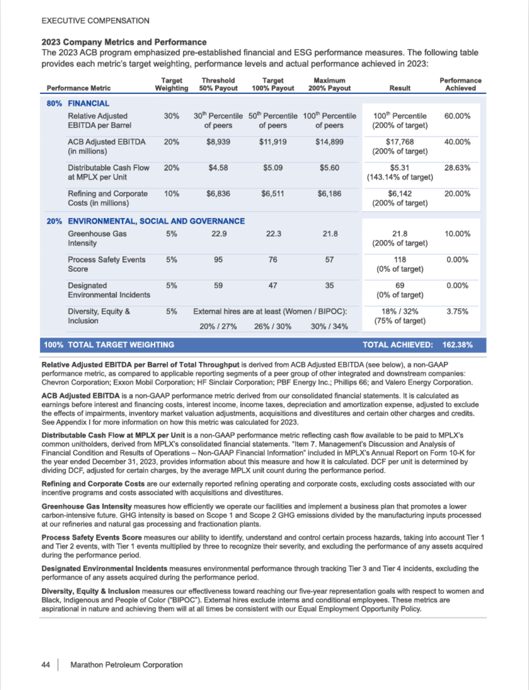


◀ Table of Contents   Topic Table of Contents

Key Examples

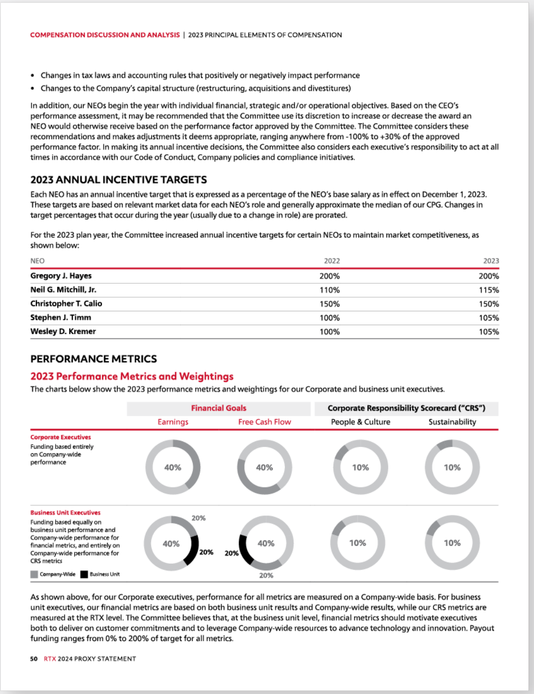
Marathon Petroleum 2024 Proxy Statement

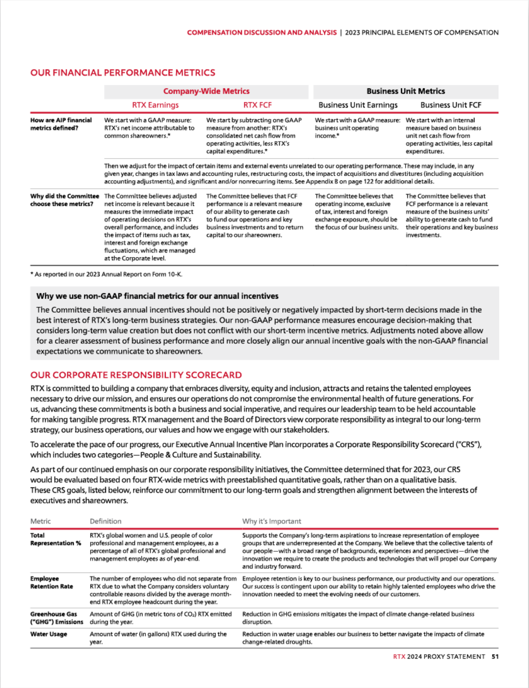
Overview and explanation of short-term incentive plan metrics, including ESG metrics

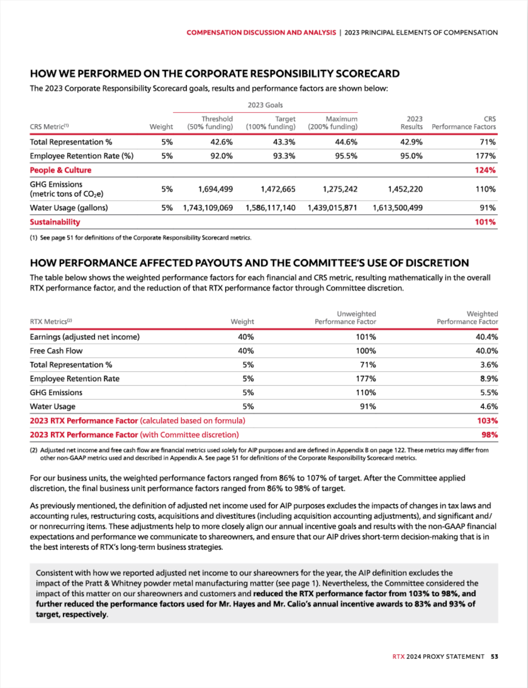


Raytheon Technologies 2024 Proxy Statement

Incorporation of Corporate Responsibility Scorecard into short-term incentive compensation





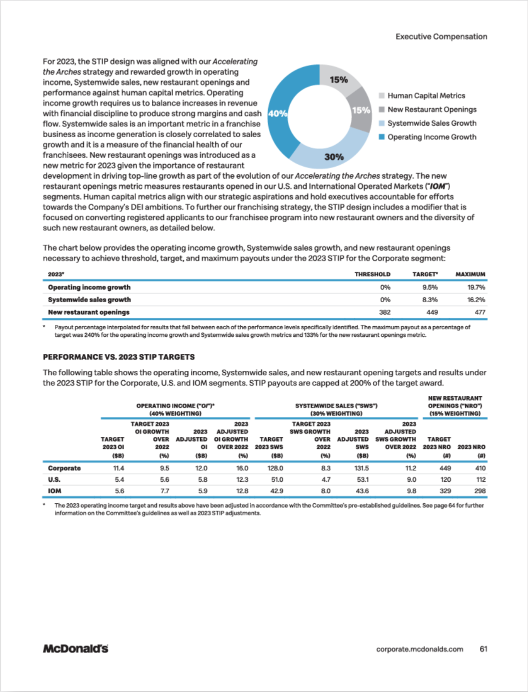


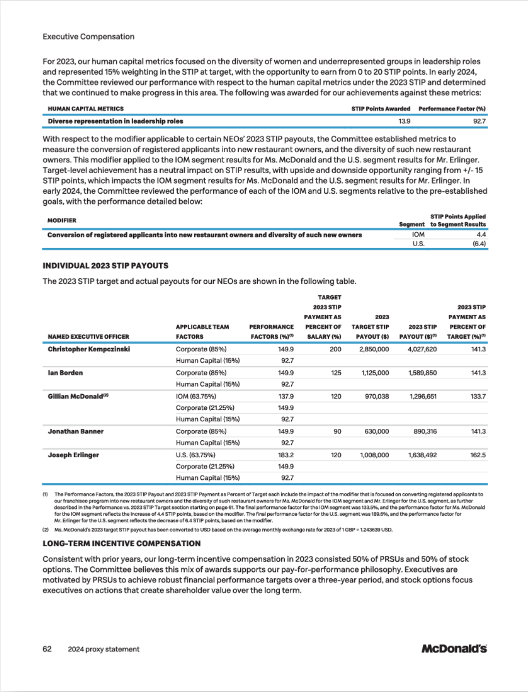
◄ Table of Contents Topic Table of Contents

Key Examples

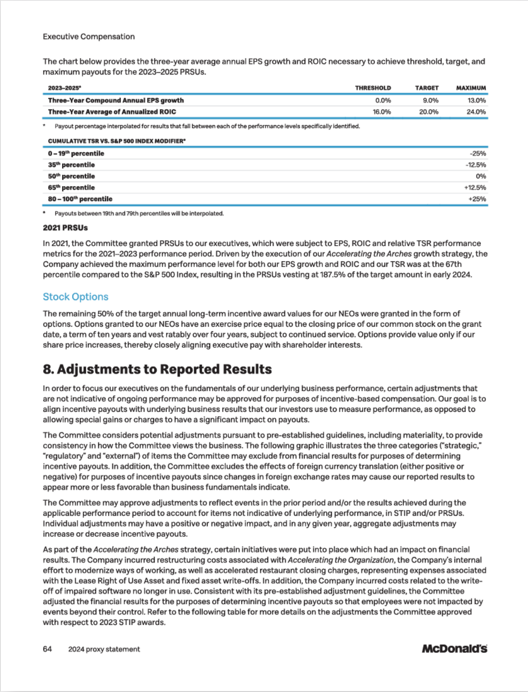
McDonald's 2024 Proxy Statement

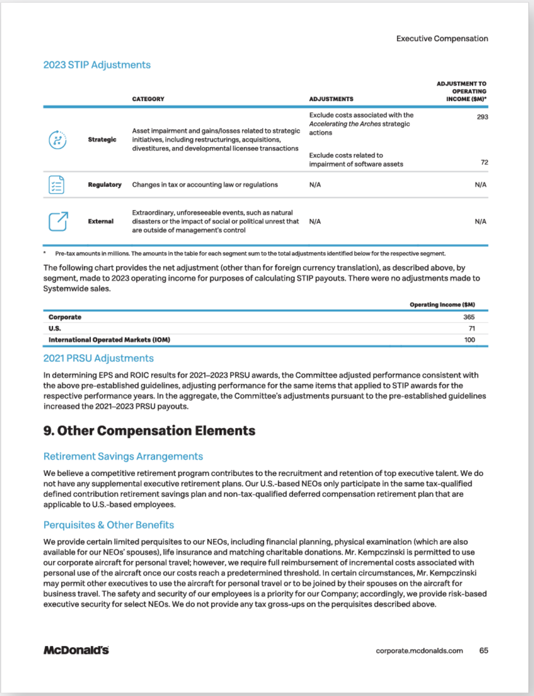
Inclusion and explanation of Human Capital Metrics in short-term incentive compensation





Adjustments to Short-Term and Long-Term Incentive Compensation





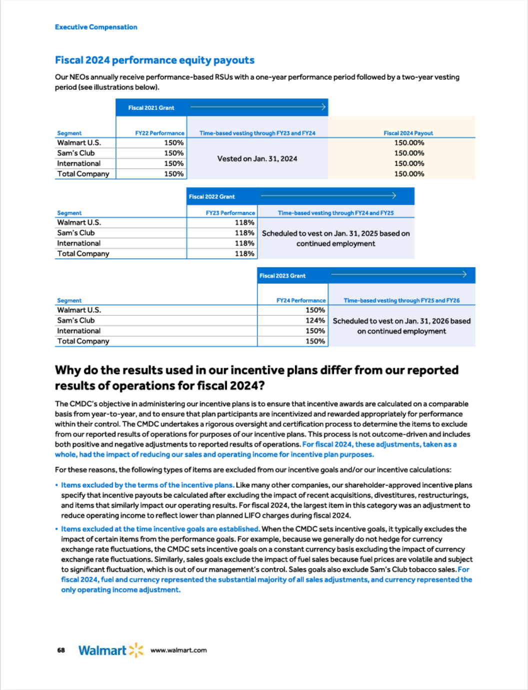
◄ Table of Contents   Topic Table of Contents

Key Examples

Adjustments to Performance Compensation

Walmart 2024 Proxy Statement

Explanation of rationale and tabular presentation of impact



Executive Compensation

Fiscal 2024 performance equity payouts

Our NEOs annually receive performance-based RSUs with a one-year performance period followed by a two-year vesting period (see illustrations below).

Segment	Fiscal 2021 Grant: FY22 Performance	Time-based vesting through FY23 and FY24	Fiscal 2024 Payout
Walmart U.S.	150%	Vested on Jan. 31, 2024	150.00%
Sam's Club	150%		150.00%
International	150%		150.00%
Total Company	150%		150.00%

Segment	Fiscal 2022 Grant: FY23 Performance	Time-based vesting through FY24 and FY25
Walmart U.S.	118%	Scheduled to vest on Jan. 31, 2025 based on continued employment
Sam's Club	118%	
International	118%	
Total Company	118%	

Segment	Fiscal 2023 Grant: FY24 Performance	Time-based vesting through FY25 and FY26
Walmart U.S.	150%	Scheduled to vest on Jan. 31, 2026 based on continued employment
Sam's Club	124%	
International	150%	
Total Company	150%	

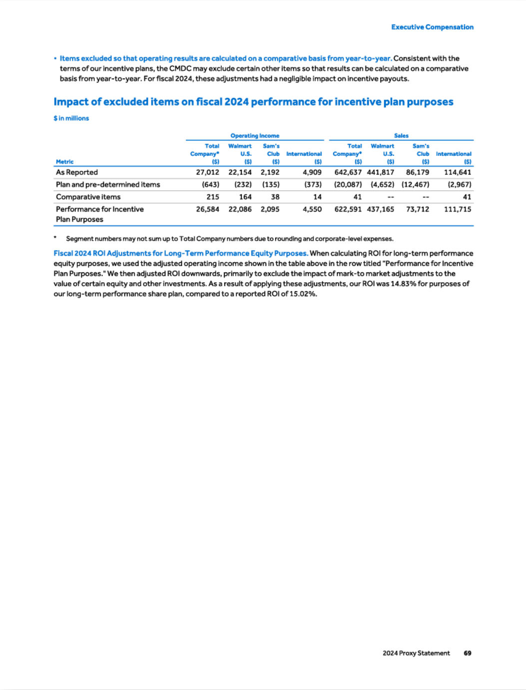
Why do the results used in our incentive plans differ from our reported results of operations for fiscal 2024?

The CMDC's objective in administering our incentive plans is to ensure that incentive awards are calculated on a comparable basis from year-to-year, and to ensure that plan participants are incentivized and rewarded appropriately for performance within their control. The CMDC undertakes a rigorous oversight and certification process to determine the items to exclude from our reported results of operations for purposes of our incentive plans. This process is not outcome-driven and includes both positive and negative adjustments to reported results of operations. For fiscal 2024, these adjustments, taken as a whole, had the impact of reducing our sales and operating income for incentive plan purposes.

For these reasons, the following types of items are excluded from our incentive goals and/or our incentive calculations:

- Items excluded by the terms of the incentive plans. Like many other companies, our shareholder-approved incentive plans specify that incentive payouts be calculated after excluding the impact of recent acquisitions, divestitures, restructurings, and items that similarly impact our operating results. For fiscal 2024, the largest item in this category was an adjustment to reduce operating income to reflect lower than planned LIFO charges during fiscal 2024.
- Items excluded at the time incentive goals are established. When the CMDC sets incentive goals, it typically excludes the impact of certain items from the performance goals. For example, because we generally do not hedge for currency exchange rate fluctuations, the CMDC sets incentive goals on a constant currency basis excluding the impact of currency exchange rate fluctuations. Similarly, sales goals exclude the impact of fuel sales because fuel prices are volatile and subject to significant fluctuation, which is out of our management's control. Sales goals also exclude Sam's Club tobacco sales. For fiscal 2024, fuel and currency represented the substantial majority of all sales adjustments, and currency represented the only operating income adjustment.

68 Walmart www.walmart.com



Executive Compensation

- Items excluded so that operating results are calculated on a comparative basis from year-to-year. Consistent with the terms of our incentive plans, the CMDC may exclude certain other items so that results can be calculated on a comparative basis from year-to-year. For fiscal 2024, these adjustments had a negligible impact on incentive payouts.

Impact of excluded items on fiscal 2024 performance for incentive plan purposes

$ in millions

Metric	Operating Income: Total Company* ($)	Operating Income: Walmart U.S. ($)	Operating Income: Sam's Club ($)	Operating Income: International ($)	Sales: Total Company* ($)	Sales: Walmart U.S. ($)	Sales: Sam's Club ($)	Sales: International ($)
As Reported	27,012	22,154	2,192	4,909	642,637	441,817	86,179	114,641
Plan and pre-determined items	(643)	(232)	(135)	(373)	(20,087)	(4,652)	(12,467)	(2,967)
Comparative items	215	164	38	14	41	--	--	41
Performance for Incentive Plan Purposes	26,584	22,086	2,095	4,550	622,591	437,165	73,712	111,715

* Segment numbers may not sum up to Total Company numbers due to rounding and corporate-level expenses.

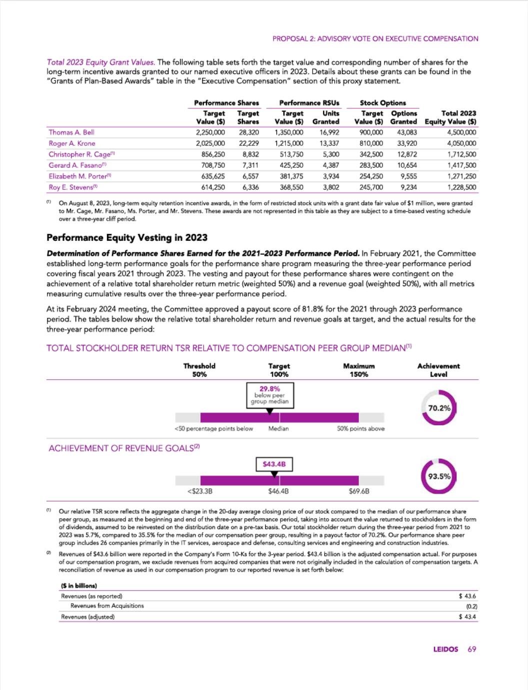
Fiscal 2024 ROI Adjustments for Long-Term Performance Equity Purposes. When calculating ROI for long-term performance equity purposes, we used the adjusted operating income shown in the table above in the row titled "Performance for Incentive Plan Purposes." We then adjusted ROI downwards, primarily to exclude the impact of mark-to market adjustments to the value of certain equity and other investments. As a result of applying these adjustments, our ROI was 14.83% for purposes of our long-term performance share plan, compared to a reported ROI of 15.02%.

2024 Proxy Statement 69

Adjustment to Long-Term Incentive Compensation

Leidos 2024 Proxy Statement

Footnote explanation of adjustment to revenue for LTI calculation



PROPOSAL 2: ADVISORY VOTE ON EXECUTIVE COMPENSATION

Total 2023 Equity Grant Values. The following table sets forth the target value and corresponding number of shares for the long-term incentive awards granted to our named executive officers in 2023. Details about these grants can be found in the "Grants of Plan-Based Awards" table in the "Executive Compensation" section of this proxy statement.

	Performance Shares: Target Value ($)	Performance Shares: Target Shares	Performance RSUs: Target Value ($)	Performance RSUs: Units Granted	Stock Options: Target Value ($)	Stock Options: Options Granted	Total 2023 Equity Value ($)
Thomas A. Bell	2,250,000	28,320	1,350,000	16,992	900,000	43,083	4,500,000
Roger A. Krone	2,025,000	22,229	1,215,000	13,337	810,000	33,920	4,050,000
Christopher R. Cage(1)	856,250	8,832	513,750	5,300	342,500	12,872	1,712,500
Gerard A. Fasano(1)	708,750	7,311	425,250	4,387	283,500	10,654	1,417,500
Elizabeth M. Porter(1)	635,625	6,557	381,375	3,934	254,250	9,555	1,271,250
Roy E. Stevens(1)	614,250	6,336	368,550	3,802	245,700	9,234	1,228,500

(1) On August 8, 2023, long-term equity retention incentive awards, in the form of restricted stock units with a grant date fair value of $1 million, were granted to Mr. Cage, Mr. Fasano, Ms. Porter, and Mr. Stevens. These awards are not represented in this table as they are subject to a time-based vesting schedule over a three-year cliff period.

Performance Equity Vesting in 2023

Determination of Performance Shares Earned for the 2021–2023 Performance Period. In February 2021, the Committee established long-term performance goals for the performance share program measuring the three-year performance period covering fiscal years 2021 through 2023. The vesting and payout for these performance shares were contingent on the achievement of a relative total shareholder return metric (weighted 50%) and a revenue goal (weighted 50%), with all metrics measuring cumulative results over the three-year performance period.

At its February 2024 meeting, the Committee approved a payout score of 81.8% for the 2021 through 2023 performance period. The tables below show the relative total shareholder return and revenue goals at target, and the actual results for the three-year performance period:

TOTAL STOCKHOLDER RETURN TSR RELATIVE TO COMPENSATION PEER GROUP MEDIAN(1)

Threshold 50%
Target 100%
Maximum 150%
Achievement Level
29.8% below peer group median
<50 percentage points below
Median
50% points above
70.2%

ACHIEVEMENT OF REVENUE GOALS(2)

$43.4B
<$23.3B
$46.4B
$69.6B
93.5%

(1) Our relative TSR score reflects the aggregate change in the 20-day average closing price of our stock compared to the median of our performance share peer group, as measured at the beginning and end of the three-year performance period, taking into account the value returned to stockholders in the form of dividends, assumed to be reinvested on the distribution date on a pre-tax basis. Our total stockholder return during the three-year period from 2021 to 2023 was 5.7%, compared to 35.5% for the median of our compensation peer group, resulting in a payout factor of 70.2%. Our performance share peer group includes 26 companies primarily in the IT services, aerospace and defense, consulting services and engineering and construction industries.

(2) Revenues of $43.6 billion were reported in the Company's Form 10-Ks for the 3-year period. $43.4 billion is the adjusted compensation actual. For purposes of our compensation program, we exclude revenues from acquired companies that were not originally included in the calculation of compensation targets. A reconciliation of revenue as used in our compensation program to our reported revenue is set forth below:

($ in billions)	
Revenues (as reported)	$ 43.6
Revenues from Acquisitions	(0.2)
Revenues (adjusted)	$ 43.4

LEIDOS 69

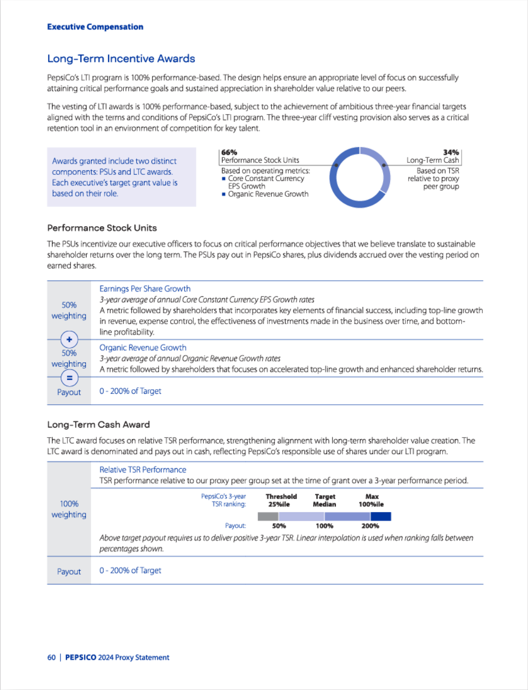
◀ Table of Contents Topic Table of Contents

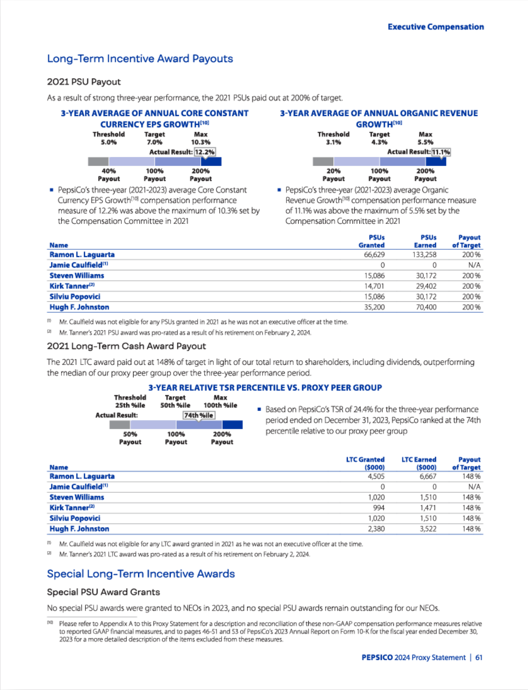
Key Examples

Long-Term Incentive

PepsiCo 2024 Proxy Statement

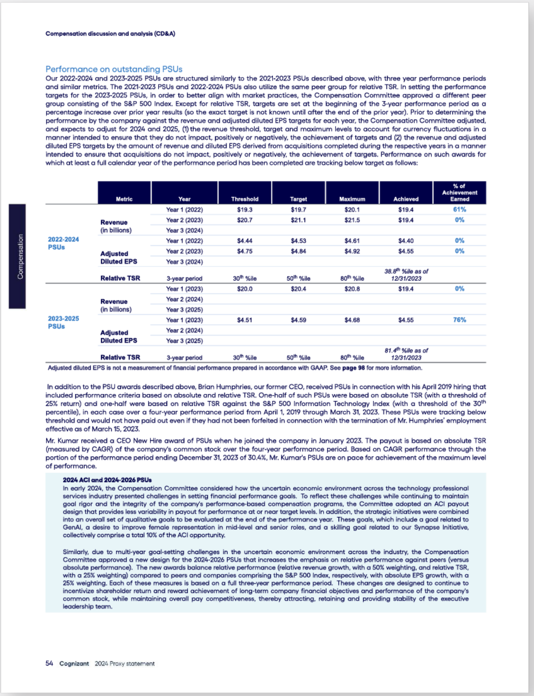
Concise, visual overview of LTI mix, math calculation, slide bar results and payout of awards vesting in year





Cognizant 2024 Proxy Statement

Concise visual presentation of PSU weighting and results as well as outstanding equity overview

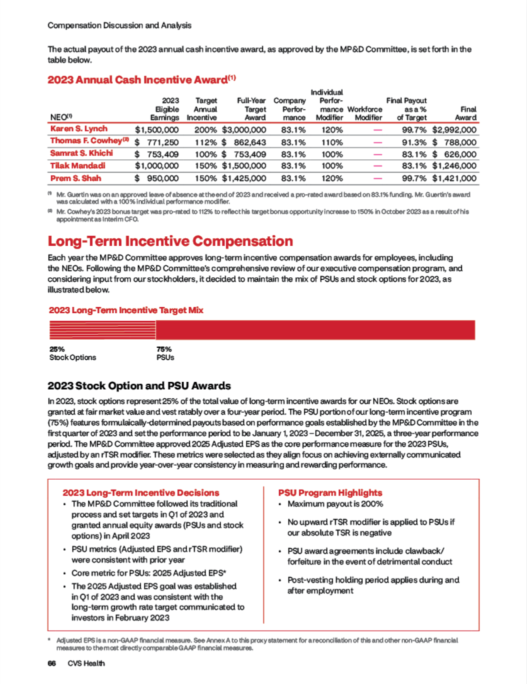


◄ Table of Contents Topic Table of Contents

Key Examples

CVS Health 2024 Proxy Statement

Pay mix infographic and decisions and program highlights infographic, as well as detailed discussion of in-year awards and outstanding awards



Compensation Discussion and Analysis

The actual payout of the 2023 annual cash incentive award, as approved by the MP&D Committee, is set forth in the table below.

2023 Annual Cash Incentive Award[1]

NEO[1]	2023 Eligible Earnings	Target Annual Incentive	Full-Year Target Award	Company Performance	Individual Performance Modifier	Workforce Modifier	Final Payout as a % of Target	Final Award
Karen S. Lynch	$1,500,000	200%	$3,000,000	83.1%	120%	—	99.7%	$2,992,000
Thomas F. Cowhey[2]	$ 771,250	112%	$ 862,643	83.1%	110%	—	91.3%	$ 788,000
Samrat S. Khichi	$ 753,409	100%	$ 753,409	83.1%	100%	—	83.1%	$ 626,000
Tilak Mandadi	$1,000,000	150%	$1,500,000	83.1%	100%	—	83.1%	$1,246,000
Prem S. Shah	$ 950,000	150%	$1,425,000	83.1%	120%	—	99.7%	$1,421,000

(1) Mr. Guertin was on an approved leave of absence at the end of 2023 and received a pro-rated award based on 83.1% funding. Mr. Guertin's award was calculated with a 100% individual performance modifier.

(2) Mr. Cowhey's 2023 bonus target was pro-rated to 112% to reflect his target bonus opportunity increase to 150% in October 2023 as a result of his appointment as Interim CFO.

Long-Term Incentive Compensation

Each year the MP&D Committee approves long-term incentive compensation awards for employees, including the NEOs. Following the MP&D Committee's comprehensive review of our executive compensation program, and considering input from our stockholders, it decided to maintain the mix of PSUs and stock options for 2023, as illustrated below.

2023 Long-Term Incentive Target Mix

25% Stock Options
75% PSUs

2023 Stock Option and PSU Awards

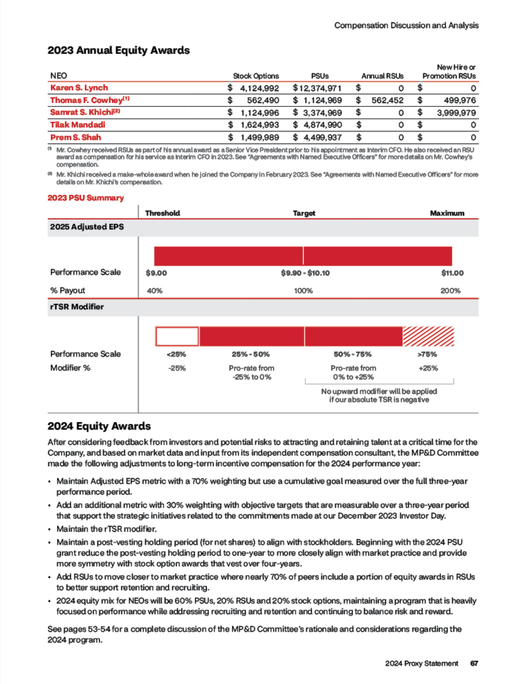
In 2023, stock options represent 25% of the total value of long-term incentive awards for our NEOs. Stock options are granted at fair market value and vest ratably over a four-year period. The PSU portion of our long-term incentive program (75%) features formulaically-determined payouts based on performance goals established by the MP&D Committee in the first quarter of 2023 and set the performance period to be January 1, 2023 – December 31, 2025, a three-year performance period. The MP&D Committee approved 2025 Adjusted EPS as the core performance measure for the 2023 PSUs, adjusted by an rTSR modifier. These metrics were selected as they align focus on achieving externally communicated growth goals and provide year-over-year consistency in measuring and rewarding performance.

2023 Long-Term Incentive Decisions
- The MP&D Committee followed its traditional process and set targets in Q1 of 2023 and granted annual equity awards (PSUs and stock options) in April 2023
- PSU metrics (Adjusted EPS and rTSR modifier) were consistent with prior year
- Core metric for PSUs: 2025 Adjusted EPS*
- The 2025 Adjusted EPS goal was established in Q1 of 2023 and was consistent with the long-term growth rate target communicated to investors in February 2023

PSU Program Highlights
- Maximum payout is 200%
- No upward rTSR modifier is applied to PSUs if our absolute TSR is negative
- PSU award agreements include clawback/forfeiture in the event of detrimental conduct
- Post-vesting holding period applies during and after employment

* Adjusted EPS is a non-GAAP financial measure. See Annex A to this proxy statement for a reconciliation of this and other non-GAAP financial measures to the most directly comparable GAAP financial measures.

66 CVS Health



Compensation Discussion and Analysis

2023 Annual Equity Awards

NEO	Stock Options	PSUs	Annual RSUs	New Hire or Promotion RSUs
Karen S. Lynch	$ 4,124,992	$12,374,971	$ 0	$ 0
Thomas F. Cowhey[1]	$ 562,490	$ 1,124,969	$ 562,452	$ 499,976
Samrat S. Khichi[2]	$ 1,124,996	$ 3,374,969	$ 0	$ 3,999,979
Tilak Mandadi	$ 1,624,993	$ 4,874,990	$ 0	$ 0
Prem S. Shah	$ 1,499,989	$ 4,499,937	$ 0	$ 0

(1) Mr. Cowhey received RSUs as part of his annual award as a Senior Vice President prior to his appointment as Interim CFO. He also received an RSU award as compensation for his service as Interim CFO in 2023. See "Agreements with Named Executive Officers" for more details on Mr. Cowhey's compensation.

(2) Mr. Khichi received a make-whole award when he joined the Company in February 2023. See "Agreements with Named Executive Officers" for more details on Mr. Khichi's compensation.

2023 PSU Summary

	Threshold	Target	Maximum
2025 Adjusted EPS			
Performance Scale	$9.00	$9.90 - $10.10	$11.00
% Payout	40%	100%	200%

rTSR Modifier				
Performance Scale	<25%	25% - 50%	50% - 75%	>75%
Modifier %	-25%	Pro-rate from -25% to 0%	Pro-rate from 0% to +25%	+25%

No upward modifier will be applied if our absolute TSR is negative

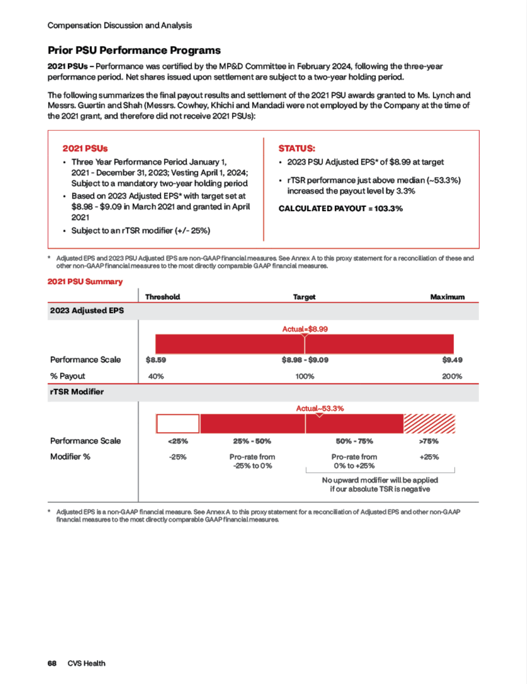
2024 Equity Awards

After considering feedback from investors and potential risks to attracting and retaining talent at a critical time for the Company, and based on market data and input from its independent compensation consultant, the MP&D Committee made the following adjustments to long-term incentive compensation for the 2024 performance year:

- Maintain Adjusted EPS metric with a 70% weighting but use a cumulative goal measured over the full three-year performance period.
- Add an additional metric with 30% weighting with objective targets that are measurable over a three-year period that support the strategic initiatives related to the commitments made at our December 2023 Investor Day.
- Maintain the rTSR modifier.
- Maintain a post-vesting holding period (for net shares) to align with stockholders. Beginning with the 2024 PSU grant reduce the post-vesting holding period to one-year to more closely align with market practice and provide more symmetry with stock option awards that vest over four-years.
- Add RSUs to move closer to market practice where nearly 70% of peers include a portion of equity awards in RSUs to better support retention and recruiting.
- 2024 equity mix for NEOs will be 60% PSUs, 20% RSUs and 20% stock options, maintaining a program that is heavily focused on performance while addressing recruiting and retention and continuing to balance risk and reward.

See pages 53-54 for a complete discussion of the MP&D Committee's rationale and considerations regarding the 2024 program.

2024 Proxy Statement 67



Compensation Discussion and Analysis

Prior PSU Performance Programs

2021 PSUs – Performance was certified by the MP&D Committee in February 2024, following the three-year performance period. Net shares issued upon settlement are subject to a two-year holding period.

The following summarizes the final payout results and settlement of the 2021 PSU awards granted to Ms. Lynch and Messrs. Guertin and Shah (Messrs. Cowhey, Khichi and Mandadi were not employed by the Company at the time of the 2021 grant, and therefore did not receive 2021 PSUs):

2021 PSUs
- Three Year Performance Period January 1, 2021 - December 31, 2023; Vesting April 1, 2024; Subject to a mandatory two-year holding period
- Based on 2023 Adjusted EPS* with target set at $8.98 - $9.09 in March 2021 and granted in April 2021
- Subject to an rTSR modifier (+/- 25%)

STATUS:
- 2023 PSU Adjusted EPS* of $8.99 at target
- rTSR performance just above median (~53.3%) increased the payout level by 3.3%

CALCULATED PAYOUT = 103.3%

* Adjusted EPS and 2023 PSU Adjusted EPS are non-GAAP financial measures. See Annex A to this proxy statement for a reconciliation of these and other non-GAAP financial measures to the most directly comparable GAAP financial measures.

2021 PSU Summary

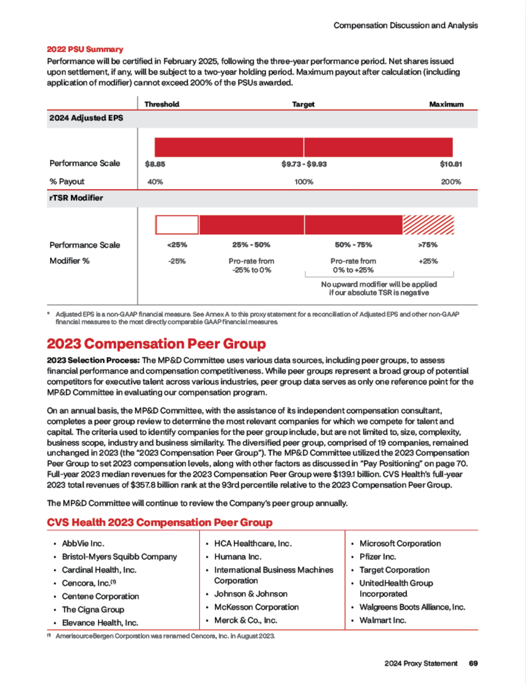
	Threshold	Target	Maximum
2023 Adjusted EPS		Actual=$8.99	
Performance Scale	$8.59	$8.98 - $9.09	$9.49
% Payout	40%	100%	200%

rTSR Modifier			Actual~53.3%	
Performance Scale	<25%	25% - 50%	50% - 75%	>75%
Modifier %	-25%	Pro-rate from -25% to 0%	Pro-rate from 0% to +25%	+25%

No upward modifier will be applied if our absolute TSR is negative

* Adjusted EPS is a non-GAAP financial measure. See Annex A to this proxy statement for a reconciliation of Adjusted EPS and other non-GAAP financial measures to the most directly comparable GAAP financial measures.

68 CVS Health



Compensation Discussion and Analysis

2022 PSU Summary

Performance will be certified in February 2025, following the three-year performance period. Net shares issued upon settlement, if any, will be subject to a two-year holding period. Maximum payout after calculation (including application of modifier) cannot exceed 200% of the PSUs awarded.

	Threshold	Target	Maximum
2024 Adjusted EPS			
Performance Scale	$8.85	$9.73 - $9.93	$10.81
% Payout	40%	100%	200%

rTSR Modifier				
Performance Scale	<25%	25% - 50%	50% - 75%	>75%
Modifier %	-25%	Pro-rate from -25% to 0%	Pro-rate from 0% to +25%	+25%

No upward modifier will be applied if our absolute TSR is negative

* Adjusted EPS is a non-GAAP financial measure. See Annex A to this proxy statement for a reconciliation of Adjusted EPS and other non-GAAP financial measures to the most directly comparable GAAP financial measures.

2023 Compensation Peer Group

2023 Selection Process: The MP&D Committee uses various data sources, including peer groups, to assess financial performance and compensation competitiveness. While peer groups represent a broad group of potential competitors for executive talent across various industries, peer group data serves as only one reference point for the MP&D Committee in evaluating our compensation program.

On an annual basis, the MP&D Committee, with the assistance of its independent compensation consultant, completes a peer group review to determine the most relevant companies for which we compete for talent and capital. The criteria used to identify companies for the peer group include, but are not limited to, size, complexity, business scope, industry and business similarity. The diversified peer group, comprised of 19 companies, remained unchanged in 2023 (the "2023 Compensation Peer Group"). The MP&D Committee utilized the 2023 Compensation Peer Group to set 2023 compensation levels, along with other factors as discussed in "Pay Positioning" on page 70. Full-year 2023 median revenues for the 2023 Compensation Peer Group were $139.1 billion. CVS Health's full-year 2023 total revenues of $357.8 billion rank at the 93rd percentile relative to the 2023 Compensation Peer Group.

The MP&D Committee will continue to review the Company's peer group annually.

CVS Health 2023 Compensation Peer Group

- AbbVie Inc.
- Bristol-Myers Squibb Company
- Cardinal Health, Inc.
- Cencora, Inc.[1]
- Centene Corporation
- The Cigna Group
- Elevance Health, Inc.
- HCA Healthcare, Inc.
- Humana Inc.
- International Business Machines Corporation
- Johnson & Johnson
- McKesson Corporation
- Merck & Co., Inc.
- Microsoft Corporation
- Pfizer Inc.
- Target Corporation
- UnitedHealth Group Incorporated
- Walgreens Boots Alliance, Inc.
- Walmart Inc.

(1) AmerisourceBergen Corporation was renamed Cencora, Inc. in August 2023.

2024 Proxy Statement 69

Key Examples

Chord Energy 2024 Proxy Statement

Discussion of atypical grant year due to M&A activity, includes overview of outstanding equity and impact of merger on vesting

Executive Compensation Matters

unconsolidated affiliate of $10.8 million. See "Non-GAAP Financial Measures" in the Company's earnings release furnished as exhibit 99.1 to the Current Report on Form 8-K filed with the SEC on February 21, 2024 for additional information on Adjusted EBITDA, including a reconciliation to the most directly comparable financial measures under US GAAP.

(2) Cash G&A is a non-GAAP financial measure. The Company defines Cash G&A as total general and administrative ("G&A") expenses less G&A expenses directly attributable to the merger of equals with Whiting, non-cash equity-based compensation expenses and other non-cash charges. See "Non-GAAP Financial Measures" in the Company's earnings release furnished as exhibit 99.1 to the Current Report on Form 8-K filed with the SEC on February 21, 2024 for additional information on Cash G&A, including a reconciliation to the most directly comparable financial measures under US GAAP.

(3) Finding and development ("F&D") represents the net operated drilling and completion costs for wells brought to production in 2023 divided by the net EUR of those wells.

(4) The Company achieved an annual absolute TSR result greater than 10% resulting in a positive 10% modifier applied to the total scorecard results.

As shown in the table above, weighted results across the metrics produced a total scorecard rating of 98.6%. Applying the TSR modifier multiple of 1.1x led to a final rating of 108.5%. Therefore, for 2023, the Committee approved, and our Named Executive Officers received, payment of the performance-based cash incentive awards at 108.5% of their 2023 cash incentive targets, in the amounts set forth below.

	2023 Target Annual Incentive Award	2023 Actual Annual Incentive Award
Daniel E. Brown	$ 1,020,000	$ 1,106,700
Michael H. Lou	$ 500,000	$ 542,500
Charles J. Rimer	$ 500,000	$ 542,500
Shannon B. Kinney[(1)]	$ 197,655	$ 214,455

[(1)] Ms. Kinney's annual incentive award was pro-rated for the period from July 18, 2023 through December 31, 2023.

2023 Long-Term Incentive Awards

Our 2023 long-term incentive program was not indicative of a typical year for us. As described under "—Actions Taken for the 2024 Fiscal Year," the Company has established and implemented a long-term incentive program for 2024, which consists of grants of absolute TSR and relative TSR PSUs, as well as time-vested RSUs.

For 2023, instead of making awards pursuant to a similar program, the Committee reviewed the awards then outstanding to Executives, which were originally granted under legacy Whiting and Oasis plans, and made recommendations to supplement the existing incentives with the 2023 RSU awards described below.

In the Fall of 2022, the Committee analyzed and evaluated the Company's executive compensation program, including the outstanding equity awards. The Committee considered the completed 2022 Merger and the increased size and complexity of the combined company. As a result, the Committee recommended, and the Board approved, the grants of the 2023 RSUs to Messrs. Brown, Lou, and Rimer. The 2023 RSU awards, which cliff vest in January 2026, were intended to bring total compensation for our Named Executive Officers in line with market compensation for their positions and to be retentive by adding value at a vesting date beyond the vesting periods for the existing awards. Please see the illustration under "—Overview of Outstanding Equity" below. The Committee considered peer data and Meridian's recommendations in approving the 2023 RSU awards.

At the beginning of 2023, our Named Executive Officers (except for Ms. Kinney) received the 2023 RSUs in the amounts set forth below, which 2023 RSUs will cliff vest on January 1, 2026, the third anniversary of the grant date, subject to the applicable Named Executive Officer's continued employment through until such date.

68 | ChordEnergy 2024 Proxy Statement

Executive Compensation Matters

	2023 RSUs Granted (#)	Approximate Grant Date Fair Value
Daniel E. Brown	7,347	$ 1,000,000
Michael H. Lou	3,673	$ 500,000
Charles J. Rimer	12,490	$ 1,700,000

Ms. Kinney joined the Company in July 2023 and received an award of 19,882 RSUs on August 1, 2023, in connection with the start of her service as Executive Vice President, General Counsel and Corporate Secretary of the Company. Ms. Kinney's award vests in three equal installments on the first, second, and third anniversaries of the grant date, subject to her continued employment through until such date.

Overview of Outstanding Equity

The following table illustrates the legacy awards in place as of December 31, 2022 and the addition of the RSUs granted in 2023.

	2021	2022	2023	2024	2025	2026
	Legacy Long-Term Incentive Awards Outstanding as of December 31, 2022 (Brown and Lou)					
2021 RSUs		25% vested	25% vests	25% vests	25% vests	
2021 LSUs[(1)]	Earned at 300% in connection with 2022 Merger			Cliff vests in 2024	Cliff vests in 2025	
2021 PSUs (Peer Group)	Earned at 121.875% in connection with 2022 Merger		50% vests on 12/31/2023	50% vests on 12/31/2024		
2021 PSUs (Index)	Earned at 200% in connection with 2022 Merger		50% vests on 12/31/2023	50% vests on 12/31/2024		
	Legacy Long-Term Incentive Awards Outstanding as of December 31, 2022 (Rimer)					
2021 RSUs		33.3% vested	33.3% vests	33.3% vests		
2021 RSUs						Cliff vests in 2026
2022 RSUs			33.3% vests	33.3% vests	33.3% vests	
2021 PSUs	Earned at 200% in connection with 2022 Merger		Cliff vests on 12/31/2023			
2022 PSUs	Earned at 100% in connection with 2022 Merger			Cliff vests on 12/31/24		
	Long-Term Incentive Awards Granted in 2023					
2023 RSUs (Brown, Lou, Rimer)[(2)]						Cliff vests in 2026
2023 RSUs (Ms. Kinney only)[(3)]				33.3% vests	33.3% vests	33.3% vests

[(1)] 2021 LSUs are absolute TSR PSUs.

[(2)] Awards granted as of January 1, 2023 to Messrs. Brown, Rimer, and Lou.

[(3)] Award granted as of August 1, 2023 to Ms. Kinney in connection with her joining the Company.

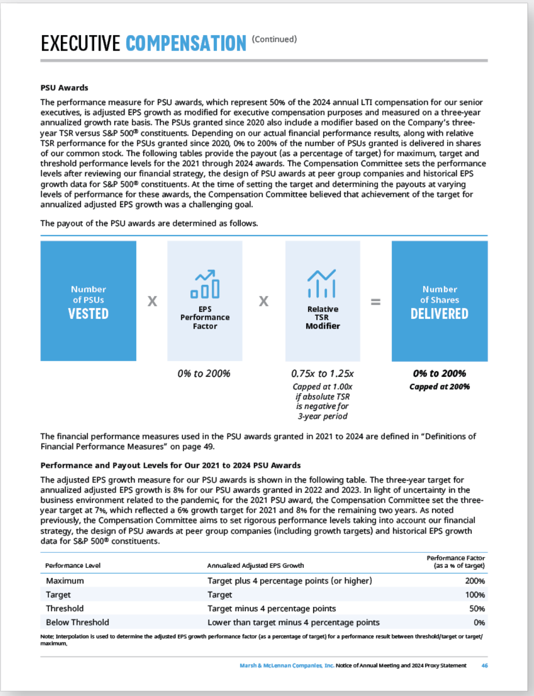
2024 Proxy Statement ChordEnergy | 69

◄ Table of Contents Topic Table of Contents

Key Examples

Marsh & McLennan 2024 Proxy Statement

Includes math calculation, alternate presentation of slide bar results, overall payout and overview of outstanding equity awards



EXECUTIVE COMPENSATION (Continued)

PSU Awards

The performance measure for PSU awards, which represent 50% of the 2024 annual LTI compensation for our senior executives, is adjusted EPS growth as modified for executive compensation purposes and measured on a three-year annualized growth rate basis. The PSUs granted since 2020 also include a modifier based on the Company's three-year TSR versus S&P 500® constituents. Depending on our actual financial performance results, along with relative TSR performance for the PSUs granted since 2020, 0% to 200% of the number of PSUs granted is delivered in shares of our common stock. The following tables provide the payout (as a percentage of target) for maximum, target and threshold performance levels for the 2021 through 2024 awards. The Compensation Committee sets the performance levels after reviewing our financial strategy, the design of PSU awards at peer group companies and historical EPS growth data for S&P 500® constituents. At the time of setting the target and determining the payouts at varying levels of performance for these awards, the Compensation Committee believed that achievement of the target for annualized adjusted EPS growth was a challenging goal.

The payout of the PSU awards are determined as follows.

The financial performance measures used in the PSU awards granted in 2021 to 2024 are defined in "Definitions of Financial Performance Measures" on page 49.

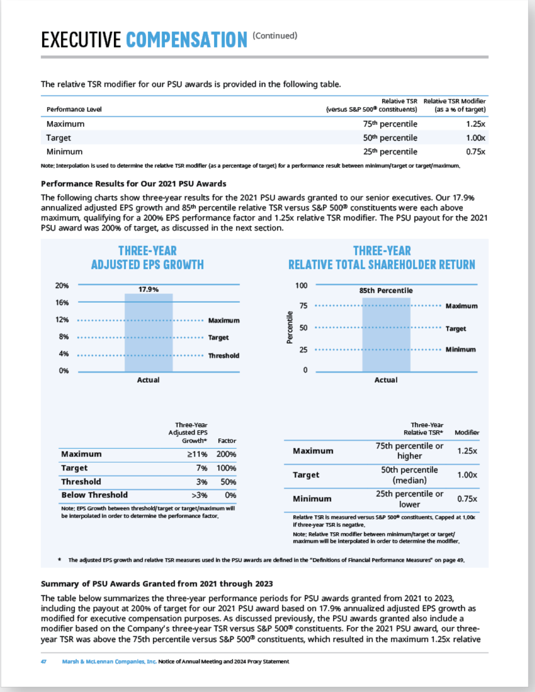
Performance and Payout Levels for Our 2021 to 2024 PSU Awards

The adjusted EPS growth measure for our PSU awards is shown in the following table. The three-year target for annualized adjusted EPS growth is 8% for our PSU awards granted in 2022 and 2023. In light of uncertainty in the business environment related to the pandemic, for the 2021 PSU award, the Compensation Committee set the three-year target at 7%, which reflected a 6% growth target for 2021 and 8% for the remaining two years. As noted previously, the Compensation Committee aims to set rigorous performance levels taking into account our financial strategy, the design of PSU awards at peer group companies (including growth targets) and historical EPS growth data for S&P 500® constituents.

Performance Level	Annualized Adjusted EPS Growth	Performance Factor (as a % of target)
Maximum	Target plus 4 percentage points (or higher)	200%
Target	Target	100%
Threshold	Target minus 4 percentage points	50%
Below Threshold	Lower than target minus 4 percentage points	0%

Note: Interpolation is used to determine the adjusted EPS growth performance factor (as a percentage of target) for a performance result between threshold/target or target/maximum.

Marsh & McLennan Companies, Inc. Notice of Annual Meeting and 2024 Proxy Statement 46



EXECUTIVE COMPENSATION (Continued)

The relative TSR modifier for our PSU awards is provided in the following table.

Performance Level	Relative TSR (versus S&P 500® constituents)	Relative TSR Modifier (as a % of target)
Maximum	75th percentile	1.25x
Target	50th percentile	1.00x
Minimum	25th percentile	0.75x

Note: Interpolation is used to determine the relative TSR modifier (as a percentage of target) for a performance result between minimum/target or target/maximum.

Performance Results for Our 2021 PSU Awards

The following charts show three-year results for the 2021 PSU awards granted to our senior executives. Our 17.9% annualized adjusted EPS growth and 85th percentile relative TSR versus S&P 500® constituents were each above maximum, qualifying for a 200% EPS performance factor and 1.25x relative TSR modifier. The PSU payout for the 2021 PSU award was 200% of target, as discussed in the next section.

	Three-Year Adjusted EPS Growth*	Factor
Maximum	≥11%	200%
Target	7%	100%
Threshold	3%	50%
Below Threshold	>3%	0%

Note: EPS Growth between threshold/target or target/maximum will be interpolated in order to determine the performance factor.

	Three-Year Relative TSR*	Modifier
Maximum	75th percentile or higher	1.25x
Target	50th percentile (median)	1.00x
Minimum	25th percentile or lower	0.75x

Relative TSR is measured versus S&P 500® constituents. Capped at 1.00x if three-year TSR is negative.

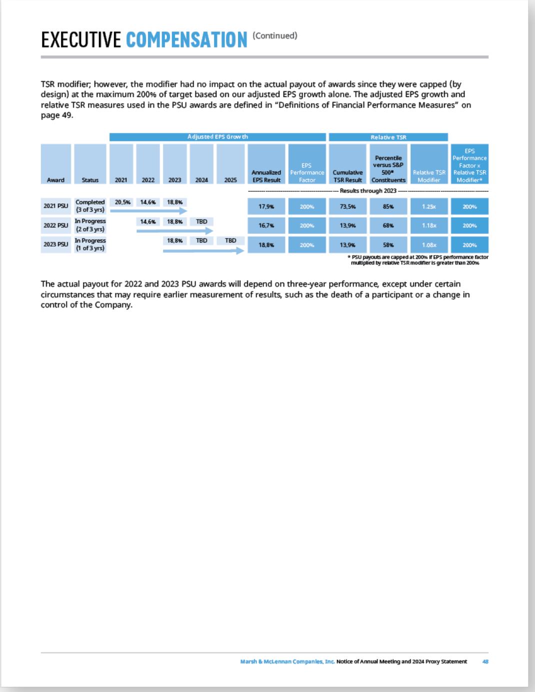
Note: Relative TSR modifier between minimum/target or target/maximum will be interpolated in order to determine the modifier.

* The adjusted EPS growth and relative TSR measures used in the PSU awards are defined in the "Definitions of Financial Performance Measures" on page 49.

Summary of PSU Awards Granted from 2021 through 2023

The table below summarizes the three-year performance periods for PSU awards granted from 2021 to 2023, including the payout at 200% of target for our 2021 PSU award based on 17.9% annualized adjusted EPS growth as modified for executive compensation purposes. As discussed previously, the PSU awards granted also include a modifier based on the Company's three-year TSR versus S&P 500® constituents. For the 2021 PSU award, our three-year TSR was above the 75th percentile versus S&P 500® constituents, which resulted in the maximum 1.25x relative

47 Marsh & McLennan Companies, Inc. Notice of Annual Meeting and 2024 Proxy Statement



EXECUTIVE COMPENSATION (Continued)

TSR modifier; however, the modifier had no impact on the actual payout of awards since they were capped (by design) at the maximum 200% of target based on our adjusted EPS growth alone. The adjusted EPS growth and relative TSR measures used in the PSU awards are defined in "Definitions of Financial Performance Measures" on page 49.

		Adjusted EPS Growth							Relative TSR			
Award	Status	2021	2022	2023	2024	2025	Annualized EPS Result	EPS Performance Factor	Cumulative TSR Result	Percentile versus S&P 500® Constituents	Relative TSR Modifier	EPS Performance Factor x Relative TSR Modifier*
							Results through 2023					
2021 PSU	Completed (3 of 3 yrs)	20.5%	14.6%	18.8%			17.9%	200%	73.5%	85%	1.25x	200%
2022 PSU	In Progress (2 of 3 yrs)		14.6%	18.8%	TBD		16.7%	200%	13.9%	68%	1.18x	200%
2023 PSU	In Progress (1 of 3 yrs)			18.8%	TBD	TBD	18.8%	200%	13.9%	58%	1.08x	200%

* PSU payouts are capped at 200% if EPS performance factor multiplied by relative TSR modifier is greater than 200%.

The actual payout for 2022 and 2023 PSU awards will depend on three-year performance, except under certain circumstances that may require earlier measurement of results, such as the death of a participant or a change in control of the Company.

Marsh & McLennan Companies, Inc. Notice of Annual Meeting and 2024 Proxy Statement 48

CEO/NEO Scorecards

Over the last few years, we have seen a trend toward using compensation scorecards, which explain in one place the compensation decisions and individual performance factors considered for each named executive officer. Scorecards provide additional transparency around the compensation process and respond to the SEC's requirement that the CD&A disclose how individual performance affects pay.

What to Think About

Investors want to understand the factors the compensation committee considers and how the actual compensation paid to an officer was tied to their performance accomplishments--especially when the committee has some discretion.

Compensation scorecards can be simple, depicting only an officer's salary and annual and long-term incentives, but many are more involved. Other common features include:

- graphics showing the actual amounts paid during the year compared to the target amounts awarded
- thumbnail headshots
- an overview of the officer's responsibilities
- a summary of the officer's accomplishments during the year (where relevant, compared to any goals previously set)
- biographical information and professional background
- expected compensation adjustments for the year to come

Finally, to alleviate investor and proxy advisor concerns, scorecards should describe how discretion was used, if at all. Many companies provide a scorecard for each named executive officer, but some only include a fulsome scorecard for the CEO and summary descriptions for the other named executives.

We believe comprehensive summaries are helpful, particularly when individual performance is considered in determining compensation or when performance metrics are not the same for all of the executives. Scorecards are best placed at the start of the CD&A to provide context for the discussion that follows or near the end--after the various compensation components are explained--to summarize the compensation story.

Labrador Transparency Award Criteria

- The CD&A includes a consolidated presentation of each individual NEO's role, performance and total direct compensation (e.g., "NEO pay summary" or "scorecard").

◂ Table of Contents   Topic Table of Contents

Benchmarking

CEO/NEO Scorecards

48.0%

CD&A includes a discussion or presentation of each individual NEO's role, performance and total direct compensation

Scorecard includes:

91.7%
How each NEO performed (narrative text)

64.6%
Annual incentive payout

83.3%
NEO's role/position

56.3%
Long-term incentive payout

45.8%
Target pay opportunity

60.4%
Total direct compensation (actual)

Key Examples

International Paper 2024 Proxy Statement

For each NEO, summarizes professional background, explains each element of compensation, and shows target pay against actual pay

Table of Contents

Compensation Discussion & Analysis (CD&A) / 5/NEO Compensation

Mark S. Sutton

Chairman of the Board and Chief Executive Officer

Mark Sutton has 39 years of service with the Company and was appointed CEO effective November 2014 and Chairman of the Board effective January 2015. Mr. Sutton served as President and Chief Operating Officer from June through October 2014, prior to which he was Senior Vice President, Industrial Packaging, a role he assumed in November 2011. Prior to that role, he led our Printing and Communication Papers business since January 2010. He previously served as Senior Vice President, Supply Chain from March 2008 through 2009, Vice President, Supply Chain from June 2007 through February 2008, and Vice President, Strategic Planning from January 2005 through May 2007.

2023 Realized Compensation

Element of Compensation	Compensation Amount	Rationale
2023 Base Salary	$1,450,000 *(no base salary increase in 2023)*	No adjustment was made to Mr. Sutton's base salary as it was determined by the Board of Directors to be within our targeted market range.
2023 AIP Award	$493,700 *(22.7% combined Company and individual performance achievement)*	Mr. Sutton's AIP payment was awarded at 22.7% of target (reflecting 100% for individual performance) and thus was based solely on the Company's performance achievement.
2021-2023 PSP Payout	178,816 shares, including reinvested dividends and an anti-dilution adjustment (related to the spin-off of Sylvamo) *(valued at $6,305,065 including a fractional share)*	PSP payout of 75.17% was based solely on the Company's performance achievement in Adjusted ROIC and relative TSR described in Section 4.

The chart below compares Mr. Sutton's 2023 actual compensation paid against targeted compensation amounts.

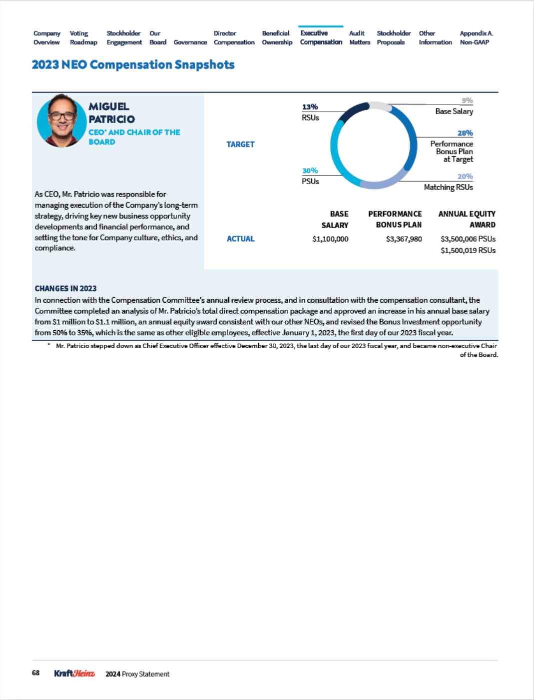
Target LTI is based on 196,683 target shares valued at $52.75, using the 20-day average stock price as of December 31, 2020.

Actual LTI is based on 178,816 shares, which includes the original target shares plus reinvested dividends and an anti-dilution adjustment related to the spin-off of Sylvamo, multiplied by 75.17% performance achievement and valued at $35.26, the Company's closing share price on February 9, 2024.

www.internationalpaper.com /69

Kraft Heinz 2024 Proxy Statement

Summarizes the NEO's role and explains target and actual compensation and changes for the year



Company Overview | Voting Roadmap | Stockholder Engagement | Our Board | Governance | Director Compensation | Beneficial Ownership | Executive Compensation | Audit Matters | Stockholder Proposals | Other Information | Appendix A. Non-GAAP

2023 NEO Compensation Snapshots

MIGUEL PATRICIO
CEO* AND CHAIR OF THE BOARD

As CEO, Mr. Patricio was responsible for managing execution of the Company's long-term strategy, driving key new business opportunity developments and financial performance, and setting the tone for Company culture, ethics, and compliance.

	BASE SALARY	PERFORMANCE BONUS PLAN	ANNUAL EQUITY AWARD
ACTUAL	$1,100,000	$3,367,980	$3,500,006 PSUs $1,500,019 RSUs

CHANGES IN 2023

In connection with the Compensation Committee's annual review process, and in consultation with the compensation consultant, the Committee completed an analysis of Mr. Patricio's total direct compensation package and approved an increase in his annual base salary from $1 million to $1.1 million, an annual equity award consistent with our other NEOs, and revised the Bonus Investment opportunity from 50% to 35%, which is the same as other eligible employees, effective January 1, 2023, the first day of our 2023 fiscal year.

* Mr. Patricio stepped down as Chief Executive Officer effective December 30, 2023, the last day of our 2023 fiscal year, and became non-executive Chair of the Board.

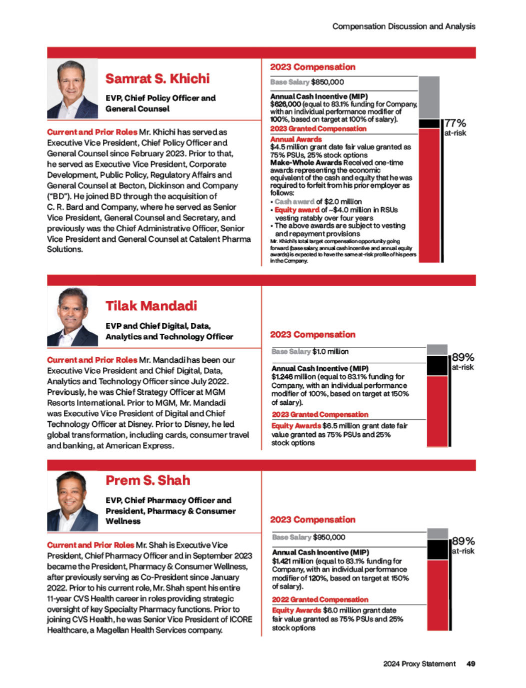
68 KraftHeinz 2024 Proxy Statement

◄ Table of Contents   Topic Table of Contents

Key Examples

CVS Health 2024 Proxy Statement

Summarizes the NEO's history with the company and compensation for the year



Compensation Discussion and Analysis

Samrat S. Khichi

EVP, Chief Policy Officer and General Counsel

Current and Prior Roles Mr. Khichi has served as Executive Vice President, Chief Policy Officer and General Counsel since February 2023. Prior to that, he served as Executive Vice President, Corporate Development, Public Policy, Regulatory Affairs and General Counsel at Becton, Dickinson and Company ("BD"). He joined BD through the acquisition of C. R. Bard and Company, where he served as Senior Vice President, General Counsel and Secretary, and previously was the Chief Administrative Officer, Senior Vice President and General Counsel at Catalent Pharma Solutions.

2023 Compensation

Base Salary $850,000

Annual Cash Incentive (MIP)
$626,000 (equal to 83.1% funding for Company, with an individual performance modifier of 100%, based on target at 100% of salary).

2023 Granted Compensation

Annual Awards
$4.5 million grant date fair value granted as 75% PSUs, 25% stock options
Make-Whole Awards Received one-time awards representing the economic equivalent of the cash and equity that he was required to forfeit from his prior employer as follows:
- Cash award of $2.0 million
- Equity award of ~$4.0 million in RSUs vesting ratably over four years
- The above awards are subject to vesting and repayment provisions

Mr. Khichi's total target compensation opportunity going forward (base salary, annual cash incentive and annual equity awards) is expected to have the same at-risk profile of his peers in the Company.

77% at-risk

Tilak Mandadi

EVP and Chief Digital, Data, Analytics and Technology Officer

Current and Prior Roles Mr. Mandadi has been our Executive Vice President and Chief Digital, Data, Analytics and Technology Officer since July 2022. Previously, he was Chief Strategy Officer at MGM Resorts International. Prior to MGM, Mr. Mandadi was Executive Vice President of Digital and Chief Technology Officer at Disney. Prior to Disney, he led global transformation, including cards, consumer travel and banking, at American Express.

2023 Compensation

Base Salary $1.0 million

Annual Cash Incentive (MIP)
$1.246 million (equal to 83.1% funding for Company, with an individual performance modifier of 100%, based on target at 150% of salary).

2023 Granted Compensation

Equity Awards $6.5 million grant date fair value granted as 75% PSUs and 25% stock options

89% at-risk

Prem S. Shah

EVP, Chief Pharmacy Officer and President, Pharmacy & Consumer Wellness

Current and Prior Roles Mr. Shah is Executive Vice President, Chief Pharmacy Officer and in September 2023 became the President, Pharmacy & Consumer Wellness, after previously serving as Co-President since January 2022. Prior to his current role, Mr. Shah spent his entire 11-year CVS Health career in roles providing strategic oversight of key Specialty Pharmacy functions. Prior to joining CVS Health, he was Senior Vice President of ICORE Healthcare, a Magellan Health Services company.

2023 Compensation

Base Salary $950,000

Annual Cash Incentive (MIP)
$1.421 million (equal to 83.1% funding for Company, with an individual performance modifier of 120%, based on target at 150% of salary).

2022 Granted Compensation

Equity Awards $6.0 million grant date fair value granted as 75% PSUs and 25% stock options

89% at-risk

2024 Proxy Statement 49

AIG 2024 Proxy Statement

Provides detail about the NEO's achievements in four categories relevant to the annual incentive award and then shows how the bonus amount was calculated

Compensation Discussion and Analysis 2023 Compensation Decisions and Outcomes

Kevin T. Hogan

President & Chief Executive Officer, Corebridge Financial, Inc.

Pillar and Goal Overview	Achievements
Financial ▪ Achieve Corebridge's 2023 financial performance goals ▪ Maintain strong balance sheet and capital management discipline	▪ Delivered strong 2023 financial results for Corebridge — Pre-Tax Income was $940 million; Adjusted Pre-Tax Operating Income* was $3.2 billion, an increase of $339 million year-over-year — Delivered RoAE of 10.7 percent; Improved Adjusted RoAE* by 90 basis points year-over-year — Achieved Operating Earnings* of $4.10 per share, exceeding consensus and target ▪ Oversaw proactive balance sheet management supportive of significant growth and capital management objectives ▪ Returned over $2.2 billion to Corebridge shareholders through $589 million in regular dividends, $1.1 billion in special dividends and $498 million of share repurchases ▪ Opportunistically paid off $1.25 billion of Corebridge's remaining outstanding $1.5 billion Delayed Draw Term Facility balance using proceeds from Corebridge senior note issuances, reducing interest expense ▪ Maintained strong Corebridge parent company liquidity, ending the year with $1.6 billion
Strategic ▪ Fully integrate best-in-class partnerships and third-party asset management capabilities	▪ Successfully completed outsourcing strategies, representing approximately $86 million in expense savings ▪ Completed integration of third-party asset managers (BlackRock and Blackstone Inc.) into Corebridge's Investments data environment ▪ Established relationships with key stakeholders, including investors, analysts, rating agencies and regulators
Operational ▪ Simplify Corebridge's operating model ▪ Deliver on Corebridge Forward, Corebridge's expense savings and modernization initiative	▪ Facilitated simplification of Corebridge's operating model via completed sale of Laya in October 2023 and entry into a definitive agreement to sell Corebridge's UK Life business ▪ Reorganized Corebridge operations, including Legal, Compliance and Regulatory and Enterprise Risk Management functions ▪ Oversaw substantial operational and physical separation from AIG and further implemented standalone infrastructure ▪ Executed or contracted for over 85 percent of targeted savings via Corebridge Forward ▪ Substantially progressed implementation of BlackRock's Aladdin platform within Investments
Organizational ▪ Promote culture of integrity and risk management ▪ Retain and attract leading and diverse talent	▪ Engaged employees through various internal events, including Corebridge's second annual Diversity, Equity, Inclusion and Belonging Month ▪ Recruited diverse, industry leading talent to executive and senior leadership roles throughout Corebridge ▪ Initiated company-wide, multi-year governance and controls projects with respect to financial controls, risk management and compliance functions

Kevin T. Hogan Individual Performance Score: 104%

Based on these accomplishments, the CMRC determined that Mr. Hogan delivered consistent high-quality performance in 2023. As a result, the CMRC approved an Individual Performance of 104 percent, which, when combined with the Corebridge quantitative Business Performance Score, resulted in an STI payment of $3,250,000, representing 144 percent of target.

Target Short-Term Incentive Award $2,250,000 × Business Performance Score *Corebridge* 139% × Individual Performance Score 104% = Actual Short-Term Incentive Award **(144% of target) $3,250,000**

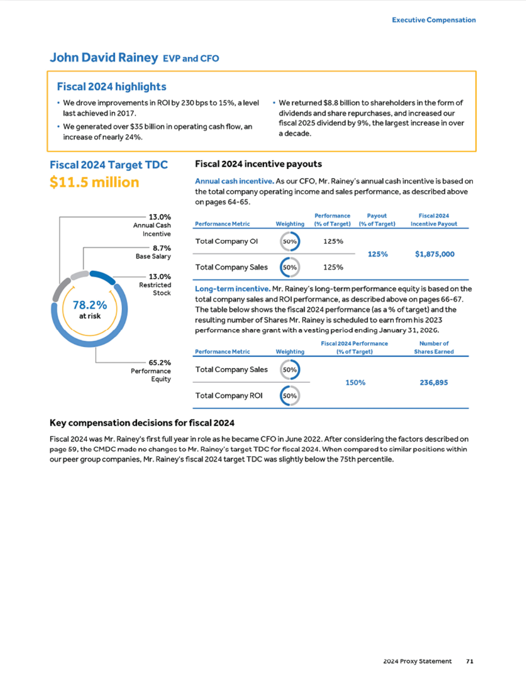
58 AIG 2024 PROXY STATEMENT

Table of Contents   Topic Table of Contents

Key Examples

Walmart 2024 Proxy Statement

Summarizes accomplishments for the year and provides detail about the NEO's incentive payouts



Executive Compensation

John David Rainey EVP and CFO

Fiscal 2024 highlights

- We drove improvements in ROI by 230 bps to 15%, a level last achieved in 2017.
- We generated over $35 billion in operating cash flow, an increase of nearly 24%.
- We returned $8.8 billion to shareholders in the form of dividends and share repurchases, and increased our fiscal 2025 dividend by 9%, the largest increase in over a decade.

Fiscal 2024 Target TDC

$11.5 million

Fiscal 2024 incentive payouts

Annual cash incentive. As our CFO, Mr. Rainey's annual cash incentive is based on the total company operating income and sales performance, as described above on pages 64-65.

Performance Metric	Weighting	Performance (% of Target)	Payout (% of Target)	Fiscal 2024 Incentive Payout
Total Company OI	50%	125%	125%	$1,875,000
Total Company Sales	50%	125%		

Long-term incentive. Mr. Rainey's long-term performance equity is based on the total company sales and ROI performance, as described above on pages 66-67. The table below shows the fiscal 2024 performance (as a % of target) and the resulting number of Shares Mr. Rainey is scheduled to earn from his 2023 performance share grant with a vesting period ending January 31, 2026.

Performance Metric	Weighting	Fiscal 2024 Performance (% of Target)	Number of Shares Earned
Total Company Sales	50%	150%	236,895
Total Company ROI	50%		

Key compensation decisions for fiscal 2024

Fiscal 2024 was Mr. Rainey's first full year in role as he became CFO in June 2022. After considering the factors described on page 59, the CMDC made no changes to Mr. Rainey's target TDC for fiscal 2024. When compared to similar positions within our peer group companies, Mr. Rainey's fiscal 2024 target TDC was slightly below the 75th percentile.

2024 Proxy Statement 71

Table of Contents Topic Table of Contents

CEO Pay Ratio

Public companies are required to disclose the median annual total compensation of all employees of the registrant (except the CEO), the total compensation of the CEO, and the ratio between those two amounts. Companies must also include a narrative disclosure about the methodology used to identify the median employee, and any material assumptions or estimates used to determine the median employee and to calculate annual total compensation.

What to Think About

To date, CEO pay ratio does not appear to have a meaningful impact on SOP or director election votes. ISS and Glass Lewis review the ratio but don't consider it a determinative factor in their vote recommendations. Similarly, institutional investor voting guidelines generally do not reference pay ratio.

That said, criticism of a company's CEO pay ratio may be included as part of a list of concerning pay practices to garner support for a shareholder proposal or other contested event.

- **Format:** Typically disclosed in narrative format, with limited use of headings and bullet points.
  - The narrative included with the pay ratio is technical since it details the assumptions and estimates used in determining the median employee and calculating total compensation.
- **Length and location**: Usually not more than one page and located after the executive compensation tables.
- **Supplemental ratios:** Some companies disclose supplemental information to show a different ratio after certain adjustments, such as:
  - exclude nonrecurring special equity awards or cash bonuses to the CEO,
  - calculate total compensation without a cost-of-living adjustment,
  - eliminate the change in pension value from the median employee and CEO's total compensation,
  - use target annual cash incentives instead of the actual annual cash incentive paid to the CEO, or
  - show the ratio compared to a median full-time employee if the median employee is part time.
- **Employee impact:** A company's employees may be one of the most interested stakeholders, particularly how his or her total compensation compares against both the CEO and the median employee. Although rare, a few companies with large employee bases include additional disclosure on talent development and engagement in this section.

Labrador Transparency Award Criteria

- CEO pay ratio and pay versus performance disclosures are included in the Table of Contents (or in separate Executive Compensation Table of Contents).

◂ Table of Contents Topic Table of Contents

Benchmarking

CEO Pay Ratio

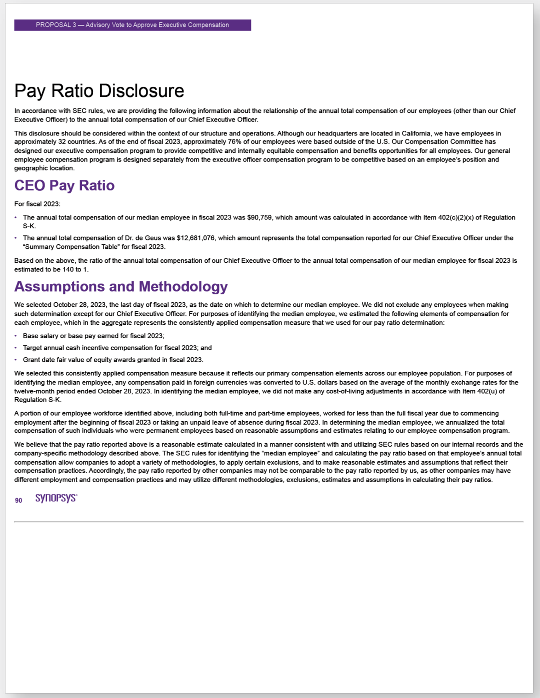
42.0%

CEO pay ratio section includes supplemental ratios

Key Examples

Synopsys 2024 Proxy Statement

Narrative with subheadings and bullet point presentation



PROPOSAL 3 — Advisory Vote to Approve Executive Compensation

Pay Ratio Disclosure

In accordance with SEC rules, we are providing the following information about the relationship of the annual total compensation of our employees (other than our Chief Executive Officer) to the annual total compensation of our Chief Executive Officer.

This disclosure should be considered within the context of our structure and operations. Although our headquarters are located in California, we have employees in approximately 32 countries. As of the end of fiscal 2023, approximately 76% of our employees were based outside of the U.S. Our Compensation Committee has designed our executive compensation program to provide competitive and internally equitable compensation and benefits opportunities for all employees. Our general employee compensation program is designed separately from the executive officer compensation program to be competitive based on an employee's position and geographic location.

CEO Pay Ratio

For fiscal 2023:

- The annual total compensation of our median employee in fiscal 2023 was $90,759, which amount was calculated in accordance with Item 402(c)(2)(x) of Regulation S-K.
- The annual total compensation of Dr. de Geus was $12,681,076, which amount represents the total compensation reported for our Chief Executive Officer under the "Summary Compensation Table" for fiscal 2023.

Based on the above, the ratio of the annual total compensation of our Chief Executive Officer to the annual total compensation of our median employee for fiscal 2023 is estimated to be 140 to 1.

Assumptions and Methodology

We selected October 28, 2023, the last day of fiscal 2023, as the date on which to determine our median employee. We did not exclude any employees when making such determination except for our Chief Executive Officer. For purposes of identifying the median employee, we estimated the following elements of compensation for each employee, which in the aggregate represents the consistently applied compensation measure that we used for our pay ratio determination:

- Base salary or base pay earned for fiscal 2023;
- Target annual cash incentive compensation for fiscal 2023; and
- Grant date fair value of equity awards granted in fiscal 2023.

We selected this consistently applied compensation measure because it reflects our primary compensation elements across our employee population. For purposes of identifying the median employee, any compensation paid in foreign currencies was converted to U.S. dollars based on the average of the monthly exchange rates for the twelve-month period ended October 28, 2023. In identifying the median employee, we did not make any cost-of-living adjustments in accordance with Item 402(u) of Regulation S-K.

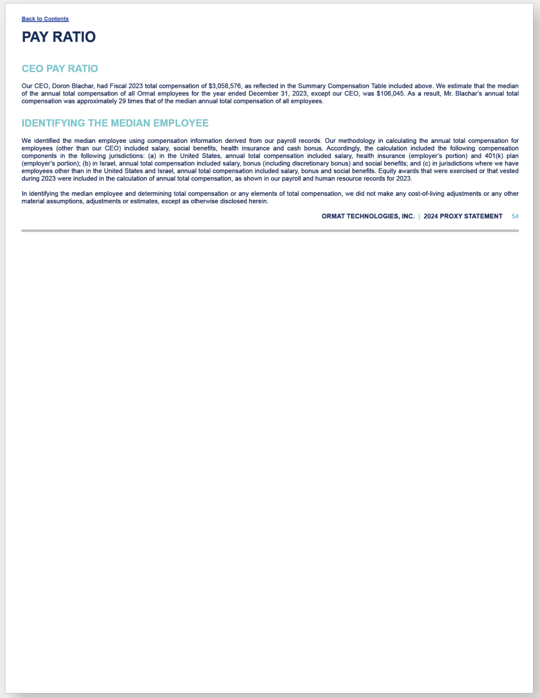
A portion of our employee workforce identified above, including both full-time and part-time employees, worked for less than the full fiscal year due to commencing employment after the beginning of fiscal 2023 or taking an unpaid leave of absence during fiscal 2023. In determining the median employee, we annualized the total compensation of such individuals who were permanent employees based on reasonable assumptions and estimates relating to our employee compensation program.

We believe that the pay ratio reported above is a reasonable estimate calculated in a manner consistent with and utilizing SEC rules based on our internal records and the company-specific methodology described above. The SEC rules for identifying the "median employee" and calculating the pay ratio based on that employee's annual total compensation allow companies to adopt a variety of methodologies, to apply certain exclusions, and to make reasonable estimates and assumptions that reflect their compensation practices. Accordingly, the pay ratio reported by other companies may not be comparable to the pay ratio reported by us, as other companies may have different employment and compensation practices and may utilize different methodologies, exclusions, estimates and assumptions in calculating their pay ratios.

90 SYNOPSYS

Ormat Technologies 2024 Proxy Statement

Narrative with subheadings



Back to Contents

PAY RATIO

CEO PAY RATIO

Our CEO, Doron Blachar, had Fiscal 2023 total compensation of $3,058,576, as reflected in the Summary Compensation Table included above. We estimate that the median of the annual total compensation of all Ormat employees for the year ended December 31, 2023, except our CEO, was $106,045. As a result, Mr. Blachar's annual total compensation was approximately 29 times that of the median annual total compensation of all employees.

IDENTIFYING THE MEDIAN EMPLOYEE

We identified the median employee using compensation information derived from our payroll records. Our methodology in calculating the annual total compensation for employees (other than our CEO) included salary, social benefits, health insurance and cash bonus. Accordingly, the calculation included the following compensation components in the following jurisdictions: (a) in the United States, annual total compensation included salary, health insurance (employer's portion) and 401(k) plan (employer's portion); (b) in Israel, annual total compensation included salary, bonus (including discretionary bonus) and social benefits; and (c) in jurisdictions where we have employees other than in the United States and Israel, annual total compensation included salary, bonus and social benefits. Equity awards that were exercised or that vested during 2023 were included in the calculation of annual total compensation, as shown in our payroll and human resource records for 2023.

In identifying the median employee and determining total compensation or any elements of total compensation, we did not make any cost-of-living adjustments or any other material assumptions, adjustments or estimates, except as otherwise disclosed herein.

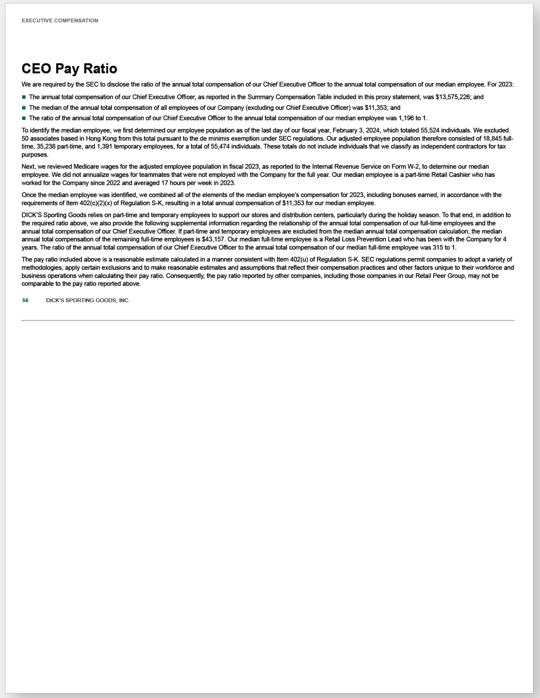
ORMAT TECHNOLOGIES, INC. | 2024 PROXY STATEMENT 54

◀ Table of Contents Topic Table of Contents

Key Examples

Dick's Sporting Goods 2024 Proxy Statement

Bullet point presentation; also includes supplemental pay ratio excluding part-time and seasonal workers


EXECUTIVE COMPENSATION

CEO Pay Ratio

We are required by the SEC to disclose the ratio of the annual total compensation of our Chief Executive Officer to the annual total compensation of our median employee. For 2023:

- The annual total compensation of our Chief Executive Officer, as reported in the Summary Compensation Table included in this proxy statement, was $13,575,226; and
- The median of the annual total compensation of all employees of our Company (excluding our Chief Executive Officer) was $11,353; and
- The ratio of the annual total compensation of our Chief Executive Officer to the annual total compensation of our median employee was 1,196 to 1.

To identify the median employee, we first determined our employee population as of the last day of our fiscal year, February 3, 2024, which totaled 55,524 individuals. We excluded 50 associates based in Hong Kong from this total pursuant to the de minimis exemption under SEC regulations. Our adjusted employee population therefore consisted of 18,845 full-time, 35,238 part-time, and 1,391 temporary employees, for a total of 55,474 individuals. These totals do not include individuals that we classify as independent contractors for tax purposes.

Next, we reviewed Medicare wages for the adjusted employee population in fiscal 2023, as reported to the Internal Revenue Service on Form W-2, to determine our median employee. We did not annualize wages for teammates that were not employed with the Company for the full year. Our median employee is a part-time Retail Cashier who has worked for the Company since 2022 and averaged 17 hours per week in 2023.

Once the median employee was identified, we combined all of the elements of the median employee's compensation for 2023, including bonuses earned, in accordance with the requirements of Item 402(c)(2)(x) of Regulation S-K, resulting in a total annual compensation of $11,353 for our median employee.

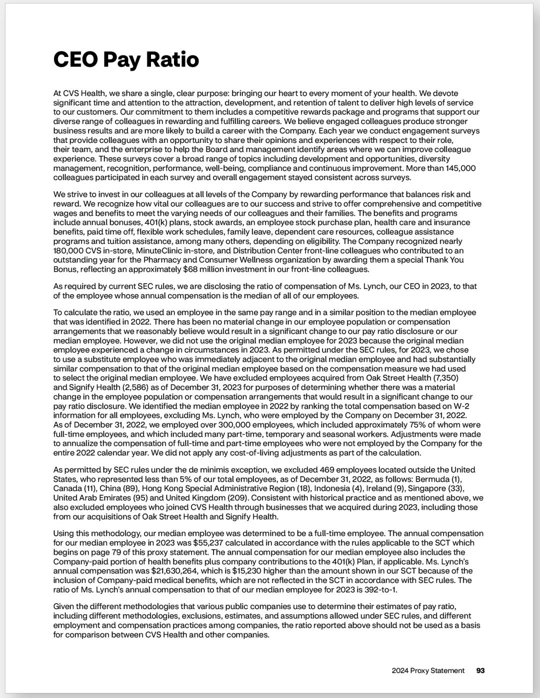
DICK'S Sporting Goods relies on part-time and temporary employees to support our stores and distribution centers, particularly during the holiday season. To that end, in addition to the required ratio above, we also provide the following supplemental information regarding the relationship of the annual total compensation of our full-time employees and the annual total compensation of our Chief Executive Officer. If part-time and temporary employees are excluded from the median annual total compensation calculation, the median annual total compensation of the remaining full-time employees is $43,157. Our median full-time employee is a Retail Loss Prevention Lead who has been with the Company for 4 years. The ratio of the annual total compensation of our Chief Executive Officer to the annual total compensation of our median full-time employee was 315 to 1.

The pay ratio included above is a reasonable estimate calculated in a manner consistent with Item 402(u) of Regulation S-K. SEC regulations permit companies to adopt a variety of methodologies, apply certain exclusions and to make reasonable estimates and assumptions that reflect their compensation practices and other factors unique to their workforce and business operations when calculating their pay ratio. Consequently, the pay ratio reported by other companies, including those companies in our Retail Peer Group, may not be comparable to the pay ratio reported above.

56 DICK'S SPORTING GOODS, INC.

CVS Health 2024 Proxy Statement

Long narrative format, starting with a lengthy discussion of employee engagement and development and highlighting a "Thank You Bonus" for front-line employees


CEO Pay Ratio

At CVS Health, we share a single, clear purpose: bringing our heart to every moment of your health. We devote significant time and attention to the attraction, development, and retention of talent to deliver high levels of service to our customers. Our commitment to them includes a competitive rewards package and programs that support our diverse range of colleagues in rewarding and fulfilling careers. We believe engaged colleagues produce stronger business results and are more likely to build a career with the Company. Each year we conduct engagement surveys that provide colleagues with an opportunity to share their opinions and experiences with respect to their role, their team, and the enterprise to help the Board and management identify areas where we can improve colleague experience. These surveys cover a broad range of topics including development and opportunities, diversity management, recognition, performance, well-being, compliance and continuous improvement. More than 145,000 colleagues participated in each survey and overall engagement stayed consistent across surveys.

We strive to invest in our colleagues at all levels of the Company by rewarding performance that balances risk and reward. We recognize how vital our colleagues are to our success and strive to offer comprehensive and competitive wages and benefits to meet the varying needs of our colleagues and their families. The benefits and programs include annual bonuses, 401(k) plans, stock awards, an employee stock purchase plan, health care and insurance benefits, paid time off, flexible work schedules, family leave, dependent care resources, colleague assistance programs and tuition assistance, among many others, depending on eligibility. The Company recognized nearly 180,000 CVS in-store, MinuteClinic in-store, and Distribution Center front-line colleagues who contributed to an outstanding year for the Pharmacy and Consumer Wellness organization by awarding them a special Thank You Bonus, reflecting an approximately $68 million investment in our front-line colleagues.

As required by current SEC rules, we are disclosing the ratio of compensation of Ms. Lynch, our CEO in 2023, to that of the employee whose annual compensation is the median of all of our employees.

To calculate the ratio, we used an employee in the same pay range and in a similar position to the median employee that was identified in 2022. There has been no material change in our employee population or compensation arrangements that we reasonably believe would result in a significant change to our pay ratio disclosure or our median employee. However, we did not use the original median employee for 2023 because the original median employee experienced a change in circumstances in 2023. As permitted under the SEC rules, for 2023, we chose to use a substitute employee who was immediately adjacent to the original median employee and had substantially similar compensation to that of the original median employee based on the compensation measure we had used to select the original median employee. We have excluded employees acquired from Oak Street Health (7,350) and Signify Health (2,586) as of December 31, 2023 for purposes of determining whether there was a material change in the employee population or compensation arrangements that would result in a significant change to our pay ratio disclosure. We identified the median employee in 2022 by ranking the total compensation based on W-2 information for all employees, excluding Ms. Lynch, who were employed by the Company on December 31, 2022. As of December 31, 2022, we employed over 300,000 employees, which included approximately 75% of whom were full-time employees, and which included many part-time, temporary and seasonal workers. Adjustments were made to annualize the compensation of full-time and part-time employees who were not employed by the Company for the entire 2022 calendar year. We did not apply any cost-of-living adjustments as part of the calculation.

As permitted by SEC rules under the de minimis exception, we excluded 469 employees located outside the United States, who represented less than 5% of our total employees, as of December 31, 2022, as follows: Bermuda (1), Canada (11), China (89), Hong Kong Special Administrative Region (18), Indonesia (4), Ireland (9), Singapore (33), United Arab Emirates (95) and United Kingdom (209). Consistent with historical practice and as mentioned above, we also excluded employees who joined CVS Health through businesses that we acquired during 2023, including those from our acquisitions of Oak Street Health and Signify Health.

Using this methodology, our median employee was determined to be a full-time employee. The annual compensation for our median employee in 2023 was $55,237 calculated in accordance with the rules applicable to the SCT which begins on page 79 of this proxy statement. The annual compensation for our median employee also includes the Company-paid portion of health benefits plus company contributions to the 401(k) Plan, if applicable. Ms. Lynch's annual compensation was $21,630,264, which is $15,230 higher than the amount shown in our SCT because of the inclusion of Company-paid medical benefits, which are not reflected in the SCT in accordance with SEC rules. The ratio of Ms. Lynch's annual compensation to that of our median employee for 2023 is 392-to-1.

Given the different methodologies that various public companies use to determine their estimates of pay ratio, including different methodologies, exclusions, estimates, and assumptions allowed under SEC rules, and different employment and compensation practices among companies, the ratio reported above should not be used as a basis for comparison between CVS Health and other companies.

2024 Proxy Statement 93

Table of Contents   Topic Table of Contents

Key Examples

Allstate 2024 Proxy Statement

Includes highlighted box with calculation methodology in bullet point presentation

Table of Contents

2024 Proxy Statement
Executive Compensation

CEO Pay Ratio

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, we are providing information about the relationship of the annual total compensation of our employees to the annual total compensation of Mr. Wilson, our CEO. This pay ratio is a reasonable estimate calculated in a manner consistent with SEC rules.

To calculate the 2023 CEO pay ratio, we used the same median compensated employee that we used for purposes of calculating the CEO pay ratio for 2022, as there has been no meaningful change in our employee population or employee compensation arrangements that we believe would significantly impact the CEO pay ratio.

- the annual total compensation of our median employee was $68,814; and
- the annual total compensation of our CEO, as reported in the Summary Compensation Table in this Proxy Statement, was $16,487,957.
- The ratio of the annual total compensation of Mr. Wilson to our median employee was 239:1.

In 2022, to calculate the ratio, we followed SEC permitted rules and used the following methodology and material assumptions, adjustments, and estimates:

- December 31, 2022 was selected as the determination date as it enabled us to choose a pay date that aligned across our enterprise.
- As of December 31, 2022, our U.S. and non-U.S. employee population consisted of approximately 54,500 full-time, part-time, seasonal and temporary employees. Employees in all countries were included in the calculation, with the exception of 1,058 employees in Australia, Japan, Malta, Bermuda, Norway, Belgium, and Mexico (15, 17, 2, 5, 2, 1, and 1,016 in each jurisdiction, respectively).
- The Allstate agent population was excluded since they are not employees of Allstate or its subsidiaries.
- Total cash (base salary plus incentive compensation) was selected as the most appropriate and consistently applied compensation measure to determine the median worker since equity awards are not broadly distributed.
- Employee compensation was measured using a twelve-month look-back period ending December 31, 2022.
- Permanent employees hired in 2022 that did not work for the entire period had their compensation adjusted as if they were employed for the entire twelve-month period.
- For non-U.S. employees, an annual average was used for each of the exchange rates.
- After identifying the median worker based on total cash compensation, annual total compensation was calculated for that person using the same methodology used for the named executives in the Summary Compensation Table on page 89.
- For 2023, after validating that the median compensated employee from 2022 was still an active employee, annual total compensation was recalculated for 2023. The median employee's annual total compensation was $68,814. The median employee was a claims analyst in the United States with total cash compensation of $68,814 and a change in pension value of $3,689.

The SEC rules for identifying the median of our employees and calculating the pay ratio allow companies to use a variety of methodologies, to apply certain exclusions, and to make reasonable estimates and assumptions that reflect a company's employee population and compensation practices. For that reason, the pay ratio reported by other companies may not be comparable to the pay ratio reported above. Neither the committee nor management of the company used the pay ratio measure in making compensation decisions.

104 The Allstate Corporation | AllstateProxy.com

◂ Table of Contents Topic Table of Contents

Pay Versus Performance

In August 2022, the SEC adopted rules to implement a requirement mandated by the Dodd-Frank Act, requiring companies to disclose information about the relationship between executive compensation actually paid and the company's financial performance. Companies are also required to tag specific data points and disclosures in interactive data format using eXtensible Business Reporting Language (XBRL).

Most companies have taken the approach that less is more while waiting to see if a clear market practice develops. Overall, disclosures closely track the required information: the table, footnotes, list of most important measures and the narrative explaining the relationship between compensation actually paid and performance (which are typically presented through infographics with little additional discussion). Some companies include a lead-in paragraph or two before the required PvP table to level set that the disclosure is being provided in response to the new requirements or calculated in connection with the new rules but is not consistent with how their Compensation Committee seeks to align pay and performance when making compensation decisions (then referring readers to the CD&A). We believe the required PvP disclosures will not replace the disclosures in the compensation tables and CD&A on plan design, goal-setting rigor, and incentive plan payouts to help demonstrate to stakeholders the ultimate pay for performance aspect of the company's compensation program.

What To Think About

- **Where to include**: Companies typically place the new section under its own heading at the end of the compensation disclosures, most often after the CEO pay ratio discussion.
- **Company Selected Measure:** Much effort goes into the selection of the Company Selected Measure, which represents the most important financial performance measure that is not otherwise required to be disclosed in the PvP table and that is used by the company to link CAP in the most recently completed fiscal year to company performance. Common CSMs include: profit measures (such as EPS, EBITDA and operating or pre-tax profit), revenue, and return measures (such as return on equity, return on assets, return on capital/income or return on investment). Most CSMs are non-GAAP and tend to be the most heavily weighted financial measure used in a company's annual or long-term equity incentive plan.
- **Footnotes to the PvP Table:** Footnotes are generally used liberally to explain the information in the table and provide the most significant narrative transparency of the data presented. Companies use differing practices in disclosing their assumptions and how those might differ from the information presented in the Summary Compensation Table; however, we anticipate more consistency over time once more market precedent is available.
- **Peer Group**: With regard to the comparison of company TSR to peer group TSR, the significant majority of companies use the same industry index used in their Form 10-K stock performance graph rather than the peer group referenced in their CD&A.
- **List of Most Important Measures:** Most companies provide between three and five financial performance measures, with profit, TSR and revenue among the most common measures. Non-financial performance measures, such as operational or ESG- or DEI-related metrics, are included to a lesser extent. While companies are given the option to include a separate list of performance measures for the CEO and the other NEOs, most companies opt to provide a single list of performance measures and include a simple list of measures without any additional explanation of what the measure is or how it is calculated.
- **Clear Description/Narrative:** In response to the requirement to provide a "clear description" of the relationship between paid compensation and the disclosed performance measures, the significant majority include infographics, such as bar or line graphs, for each financial measure in the table. Many present three graphics: (i) CEO CAP to TSR, NEO CAP to TSR and company TSR to peer group TSR, (ii) CEO CAP and NEO CAP versus net income and (iii) CEO CAP and NEO CAP versus the CSM. Many companies simply include the various graphics with no further explanation. Detailed narratives are most often included only where there is a lack of pay for performance demonstrated for one or more measures, such as in the case of a CEO transition or special equity awards.
- **Supplemental Disclosures:** Few companies volunteer supplemental disclosures. For companies who opt to do so in the future, it is important to comply with requirements in the rules that any such information must be: (i) clearly identified as supplemental, (ii) not be misleading, and (iii) not be presented with greater prominence than the corresponding required PvP disclosure.

Labrador Transparency Award Criteria

- CEO pay ratio and pay versus performance disclosures are included in the Table of Contents (or in separate Executive Compensation Table of Contents).
- The pay versus performance section includes graphics to demonstrate the relationship between compensation actually paid (CAP) and applicable financial metrics.

Looking Ahead

Companies should continue to monitor developing disclosure trends, particularly among their proxy peer group, and take into account all CD&Is and comment letters issued by the SEC to guide possible changes to their 2025 PvP discussions.

Best practices will continue to evolve as companies formulate their pay-for-performance approach in response to these initial years of disclosure and as investors determine how they will incorporate the additional information into their company review processes.

Benchmarking

Pay Versus Performance

Location of Pay vs. Performance discussion:

89.0%

Located directly after the executive compensation tables

Average number of pages of PVP disclosure: **3.78 pages**

88.0%

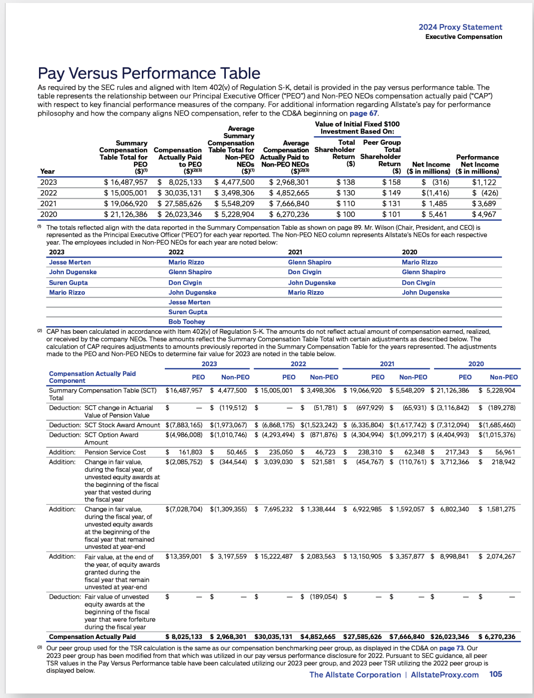
The pay vs. performance section includes graphics

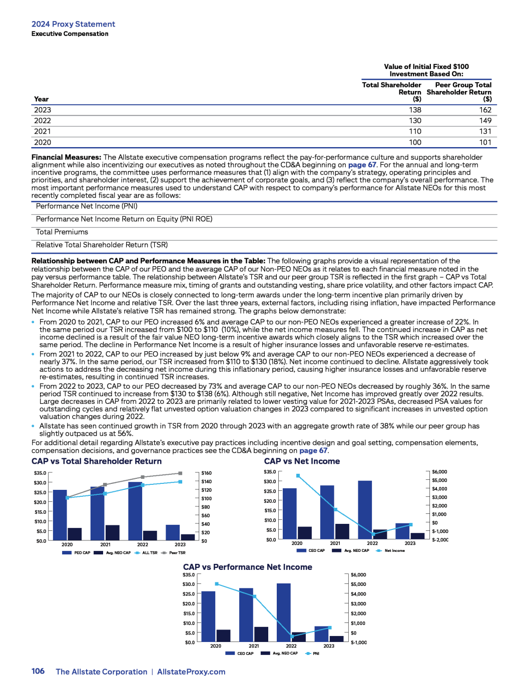
◄ Table of Contents   Topic Table of Contents

Key Examples

Allstate 2024 Proxy Statement

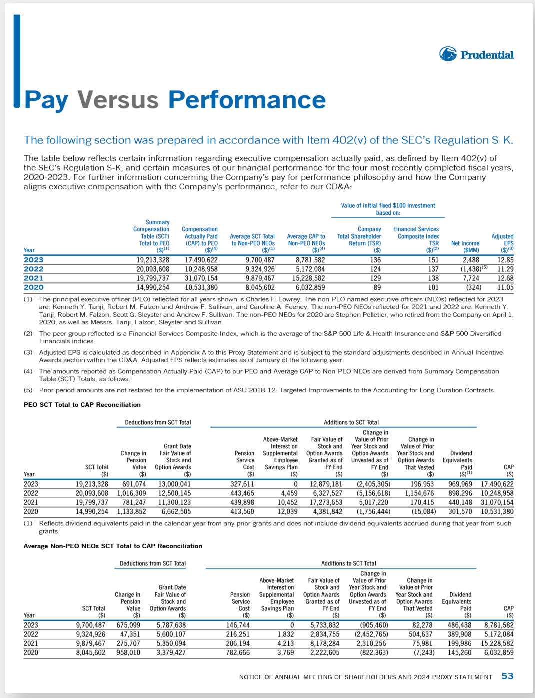
Concise, 2 page example

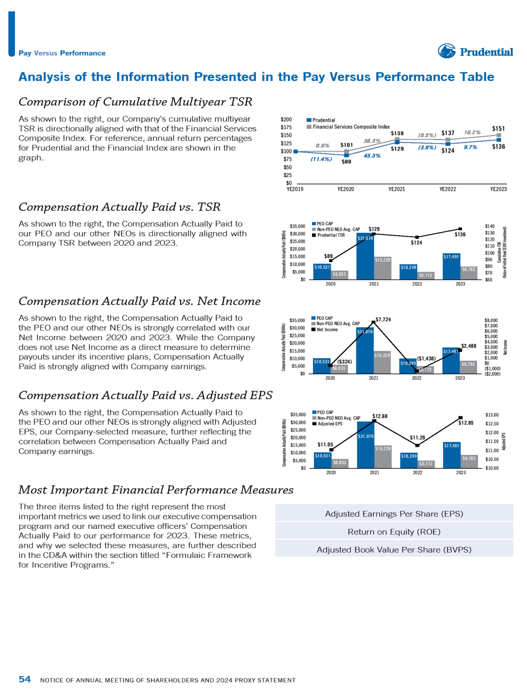

2024 Proxy Statement
Executive Compensation
Pay Versus Performance Table


2024 Proxy Statement
Executive Compensation
CAP vs Total Shareholder Return
CAP vs Net Income
CAP vs Performance Net Income

Prudential Financial 2024 Proxy Statement

Text with infographics


Prudential
Pay Versus Performance
The following section was prepared in accordance with Item 402(v) of the SEC's Regulation S-K.


Pay Versus Performance
Prudential
Analysis of the Information Presented in the Pay Versus Performance Table
Comparison of Cumulative Multiyear TSR
Compensation Actually Paid vs. TSR
Compensation Actually Paid vs. Net Income
Compensation Actually Paid vs. Adjusted EPS
Most Important Financial Performance Measures
Adjusted Earnings Per Share (EPS)
Return on Equity (ROE)
Adjusted Book Value Per Share (BVPS)

◀ Table of Contents Topic Table of Contents

Key Examples

Pfizer 2024 Proxy Statement

Includes supplemental tables

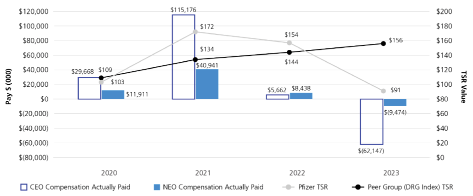
CEO AND AVERAGE NON-CEO NEO CAP PAY-VERSUS-PERFORMANCE

The following illustrates the relationship between the CAP of our CEO and average non-CEO NEOs (Avg. NEO) and company performance as well as peer performance.

- The 4-year compensation history of the CEO and Avg. NEO shows that the disclosed CAP aligns with Pfizer's TSR which outperformed the DRG Index TSR for 2022 and 2021; tracked the DRG Index for 2020 and underperformed for 2023. The values are based on a $100 investment made on December 31, 2019.
- Considering the significant weighting of long-term stock-based incentives in our pay mix (75%-80% for the CEO and 60%-70% on average for the NEOs, of target total direct compensation) due to the intended alignment between the financial interests of our executives and shareholders, the CAP values are significantly influenced by Pfizer's stock price. This is illustrated by the impact of year-over-year stock price declines since 2021. When comparing year-end stock prices in 2021 ($59.05) to 2022 ($51.24) to 2023 ($28.79), there was a reduction of approximately 13% for 2022 vs. 2021 ($51.24 vs. $59.05), and 44% for 2023 vs. 2022 ($28.79 vs. $51.24) respectively, which resulted in a significant decline in CAP values for 2022 and 2023. The significant weighting of long-term stock-based incentives in our mix is further demonstrated when the stock price increases, when comparing the 2020 year-end stock price of $36.81 to the 2021 year-end stock price of $59.05, which is an approximate 60% increase. This stock price increase resulted in a year-over-year change in value of outstanding long-term incentives which is reflected in the increase in the CAP value in 2021 compared to the CAP value in 2020.

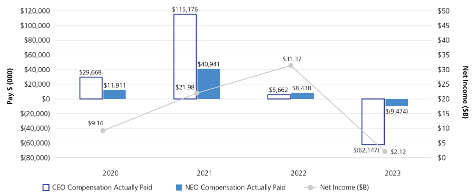
The graphs below show the alignment between pay versus performance.

CEO and Average NEOs CAP versus TSR Performance*

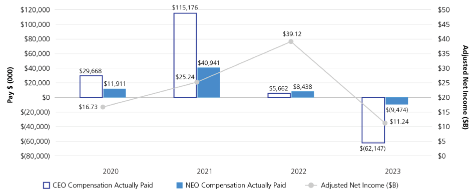


* TSR value based on $100 investment of Pfizer versus DRG Index as of December 31, 2019.

CEO and Average NEOs CAP versus Net Income (GAAP)



CEO and Average NEOs CAP versus Adjusted Net Income (Non-GAAP)



Overall, the Committee believes the executive compensation program strikes an appropriate balance between incentivizing our executives based on performance, as well as utilizing market competitive pay practices. This is also evidenced by the performance metrics the Committee selected to link pay with performance as described in the section below. See our "*Compensation Discussion and Analysis*" for additional information regarding Pfizer's pay-for-performance executive compensation program.

COMPANY PERFORMANCE METRICS

Pfizer's executive compensation program appropriately aligns pay and performance as the Committee seeks to utilize metrics that incentivize and strengthen our alignment to the Compensation Philosophy, as well as our focus on long-term sustainable growth. The metrics (non-GAAP) listed below are the performance metrics the Committee deems as the most important financial performance measures used to link compensation actually paid to our NEOs to the company's performance for the most recently completed fiscal year, as further described in our Compensation Discussion and Analysis within the sections titled "*2023 Annual Incentive Award/Global Performance Plan (GPP)*" and "*2023 Annual Long-Term Incentive Award Program*".

Most Important Performance Measures
Adjusted Net Income
Total Revenue
Adjusted Diluted EPS
Cash Flow from Operations

CEO REALIZED PAY TABLE (SUPPLEMENTAL)

The supplemental table and graphs below compare the realized pay for Dr. Bourla over four years with the disclosed SCT Total and CAP.

Year	SCT Total ($)	CAP ($)	Realized Pay[(1)] ($)
2023	21,562,064	(62,146,536)	25,724,089
2022	33,017,453	5,662,152	26,621,180
2021	24,353,219	115,175,594	16,676,919
2020	21,033,570	29,667,753	9,986,957

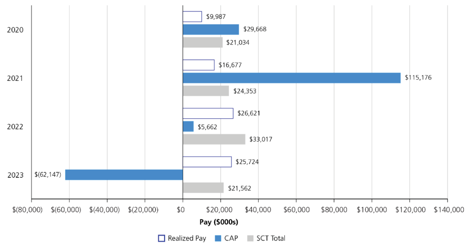
(Amounts are subject to rounding.)

(1) Realized Pay is defined as base salary, short-term incentive bonus paid on account of the performance year, and payouts/settlements of long-term incentive awards during the applicable year.

Year	Salary ($)	Bonus ($)	LTI Settlements ($)	Realized Pay ($)
2023	1,787,500	0	23,936,589	25,724,089
2022	1,737,500	7,650,000	17,233,680	26,621,180
2021	1,687,500	8,000,000	6,989,419	16,676,919
2020	1,650,000	5,491,800	2,845,157	9,986,957

(Amounts are subject to rounding.)

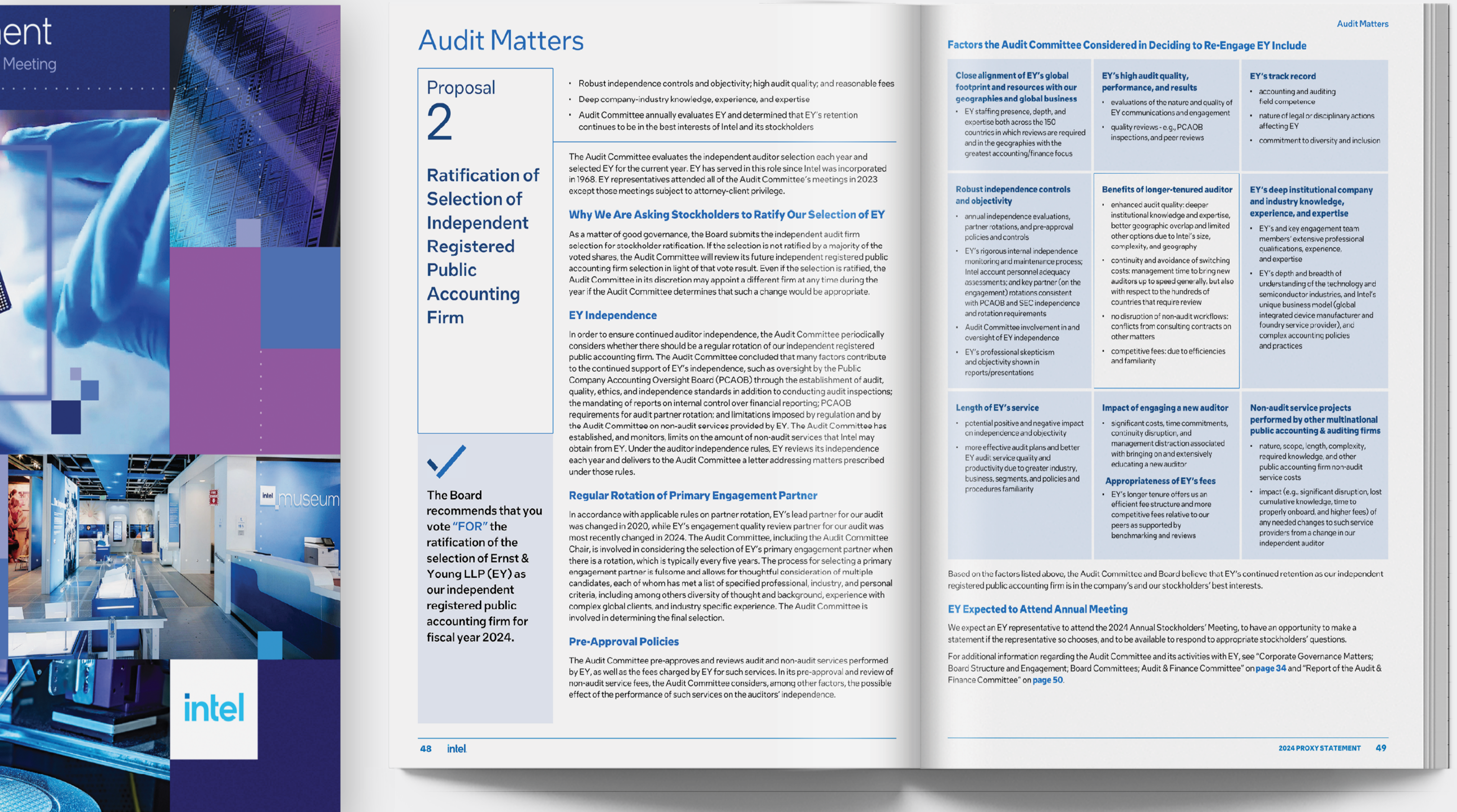
Supplemental Table: Realized Pay Comparison



The graph above illustrates our CEO's realized pay compared to the CAP and SCT Total for 2020-2023. For 2023, the year-end stock price declined from 2022, therefore resulting in a negative CAP value attributable to the decline in the value of outstanding equity awards. The CAP value differs significantly from the realized pay and SCT Total.

See our "*Compensation Discussion and Analysis*" for additional information regarding Pfizer's pay-for-performance executive compensation program.

Audit Matters



Audit Matters

Proposal 2

Ratification of Selection of Independent Registered Public Accounting Firm

The Board recommends that you vote "FOR" the ratification of the selection of Ernst & Young LLP (EY) as our independent registered public accounting firm for fiscal year 2024.

- Robust independence controls and objectivity; high audit quality; and reasonable fees
- Deep company-industry knowledge, experience, and expertise
- Audit Committee annually evaluates EY and determined that EY's retention continues to be in the best interests of Intel and its stockholders

The Audit Committee evaluates the independent auditor selection each year and selected EY for the current year. EY has served in this role since Intel was incorporated in 1968. EY representatives attended all of the Audit Committee's meetings in 2023 except those meetings subject to attorney-client privilege.

Why We Are Asking Stockholders to Ratify Our Selection of EY

As a matter of good governance, the Board submits the independent audit firm selection for stockholder ratification. If the selection is not ratified by a majority of the voted shares, the Audit Committee will review its future independent registered public accounting firm selection in light of that vote result. Even if the selection is ratified, the Audit Committee in its discretion may appoint a different firm at any time during the year if the Audit Committee determines that such a change would be appropriate.

EY Independence

In order to ensure continued auditor independence, the Audit Committee periodically considers whether there should be a regular rotation of our independent registered public accounting firm. The Audit Committee concluded that many factors contribute to the continued support of EY's independence, such as oversight by the Public Company Accounting Oversight Board (PCAOB) through the establishment of audit, quality, ethics, and independence standards in addition to conducting audit inspections; the mandating of reports on internal control over financial reporting; PCAOB requirements for audit partner rotation; and limitations imposed by regulation and by the Audit Committee on non-audit services provided by EY. The Audit Committee has established, and monitors, limits on the amount of non-audit services that Intel may obtain from EY. Under the auditor independence rules, EY reviews its independence each year and delivers to the Audit Committee a letter addressing matters prescribed under those rules.

Regular Rotation of Primary Engagement Partner

In accordance with applicable rules on partner rotation, EY's lead partner for our audit was changed in 2020, while EY's engagement quality review partner for our audit was most recently changed in 2024. The Audit Committee, including the Audit Committee Chair, is involved in considering the selection of EY's primary engagement partner when there is a rotation, which is typically every five years. The process for selecting a primary engagement partner is fulsome and allows for thoughtful consideration of multiple candidates, each of whom has met a list of specified professional, industry, and personal criteria, including among others diversity of thought and background, experience with complex global clients, and industry specific experience. The Audit Committee is involved in determining the final selection.

Pre-Approval Policies

The Audit Committee pre-approves and reviews audit and non-audit services performed by EY, as well as the fees charged by EY for such services. In its pre-approval and review of non-audit service fees, the Audit Committee considers, among other factors, the possible effect of the performance of such services on the auditors' independence.

48 intel

Audit Matters

Factors the Audit Committee Considered in Deciding to Re-Engage EY Include

Close alignment of EY's global footprint and resources with our geographies and global business
- EY staffing presence, depth, and expertise both across the 150 countries in which reviews are required and in the geographies with the greatest accounting/finance focus

EY's high audit quality, performance, and results
- evaluations of the nature and quality of EY communications and engagement
- quality reviews - e.g., PCAOB inspections, and peer reviews

EY's track record
- accounting and auditing field competence
- nature of legal or disciplinary actions affecting EY
- commitment to diversity and inclusion

Robust independence controls and objectivity
- annual independence evaluations, partner rotations, and pre-approval policies and controls
- EY's rigorous internal independence monitoring and maintenance process; Intel account personnel adequacy assessments; and key partner (on the engagement) rotations consistent with PCAOB and SEC independence and rotation requirements
- Audit Committee involvement in and oversight of EY independence
- EY's professional skepticism and objectivity shown in reports/presentations

Benefits of longer-tenured auditor
- enhanced audit quality: deeper institutional knowledge and expertise, better geographic overlap and limited other options due to Intel's size, complexity, and geography
- continuity and avoidance of switching costs: management time to bring new auditors up to speed generally, but also with respect to the hundreds of countries that require review
- no disruption of non-audit workflows: conflicts from consulting contracts on other matters
- competitive fees: due to efficiencies and familiarity

EY's deep institutional company and industry knowledge, experience, and expertise
- EY's and key engagement team members' extensive professional qualifications, experience, and expertise
- EY's depth and breadth of understanding of the technology and semiconductor industries, and Intel's unique business model (global integrated device manufacturer and foundry service provider), and complex accounting policies and practices

Length of EY's service
- potential positive and negative impact on independence and objectivity
- more effective audit plans and better EY audit service quality and productivity due to greater industry, business, segments, and policies and procedures familiarity

Impact of engaging a new auditor
- significant costs, time commitments, continuity disruption, and management distraction associated with bringing on and extensively educating a new auditor

Appropriateness of EY's fees
- EY's longer tenure offers us an efficient fee structure and more competitive fees relative to our peers as supported by benchmarking and reviews

Non-audit service projects performed by other multinational public accounting & auditing firms
- nature, scope, length, complexity, required knowledge, and other public accounting firm non-audit service costs
- impact (e.g., significant disruption, lost cumulative knowledge, time to properly onboard, and higher fees) of any needed changes to such service providers from a change in our independent auditor

Based on the factors listed above, the Audit Committee and Board believe that EY's continued retention as our independent registered public accounting firm is in the company's and our stockholders' best interests.

EY Expected to Attend Annual Meeting

We expect an EY representative to attend the 2024 Annual Stockholders' Meeting, to have an opportunity to make a statement if the representative so chooses, and to be available to respond to appropriate stockholders' questions.

For additional information regarding the Audit Committee and its activities with EY, see "Corporate Governance Matters; Board Structure and Engagement; Board Committees; Audit & Finance Committee" on page 34 and "Report of the Audit & Finance Committee" on page 50.

2024 PROXY STATEMENT 49

This section includes:

Table of Contents Topic Table of Contents

Selection and Engagement of Audit Firm

Auditor ratification is a non-binding proposal considered at a company's annual shareholders meeting. It is submitted for shareholder vote as a matter of good corporate governance and is considered "routine," meaning brokers can vote on the item without instructions from the beneficial owners of the shares. Historically, it has not been a controversial item and most shareholders have supported the recommended audit firm.

As a baseline, companies must meet SEC requirements, which includes the disclosure of the processes to pre-approve services of the auditor, a two-year itemization of the fees paid to the auditor in four categories (audit, audit-related, tax, and all other fees), and the audit committee report. In recent years, some shareholders have started raising concerns about auditors with excessive tenure, which they argue can affect an auditor's independence. Although the impact is still small, there is a noticeable trend toward more investors voting against a company's auditor for lengthy tenure or other concerns,, which has generated an expansion of many companies' disclosures related to the audit committee's annual assessment and the factors considered in the determination to retain the auditor.

What to Think About

- **Auditor Independence:** Shareholders want assurances that (i) the external auditor is independent of the company, (ii) the audit committee has conducted an annual assessment of the auditor's qualifications and independence, and (iii) the audit committee determined that retention of the auditor is in the best interests of shareholders. They also want an understanding of the processes the committee uses to annually assess independence and the quality of the external audit. The factors considered by the audit committee in making its decision provide helpful context.
- In response to these concerns, several companies use call out boxes to highlight the most important considerations for the committee, often with a special emphasis on audit quality, efficiency, and independence. Since tenure is an area of concern for some investors, some companies have included lengthy call outs that identify the benefits of a long tenured auditor and the specific controls the company utilizes to safeguard the auditor's independence.
- **Audit Fees:** Shareholders pay close attention to and scrutinize the fees paid to audit firms. When non-audit fees are a significant component of the auditor's engagement, votes against the auditor may result unless a company can demonstrate that non-audit services do not impair independence. For that reason, clear and transparent disclosure of audit, audit-related, tax, and other fees is essential. In addition, some companies provide a more stylized fee table.
- **Audit Committee Report:** While some companies limit their audit committee report to the prescribed topics, other companies use the report as an opportunity to expand upon the efforts of the audit committee. Modern trend is to include the report at the end of the Audit Matters section, following the discussion of the auditor selection, fees and pre-approval processes. Some companies provide a more stylized version of the report, including pictures of the audit committee members underneath their signatures in the report.

Labrador Transparency Award Criteria

- The audit section includes an overview of the audit firm selection process/assessment.
- The audit section includes disclosure of the length of the audit firm's engagement.
- The audit section includes a discussion of the audit committee's involvement in the selection of the audit engagement partner.

Table of Contents
Topic Table of Contents

Benchmarking

Audit Matters

The audit section includes:

69.0%
Overview of the audit firm selection process/ assessment

76.0%
Discussion of the audit committee's involvement in the selection of the audit engagement partner

78.0%
Disclosure of the length of the audit firm's engagement

Location of Audit Committee report:

58.0%
After the Audit Matters/Audit disclosure

35.0%
Before the Audit Matters/Audit disclosure

2.0%
With Audit Committee presentation in Corporate Governance

The Audit Committee Report includes:

3.0%
Electronic signatures of the members

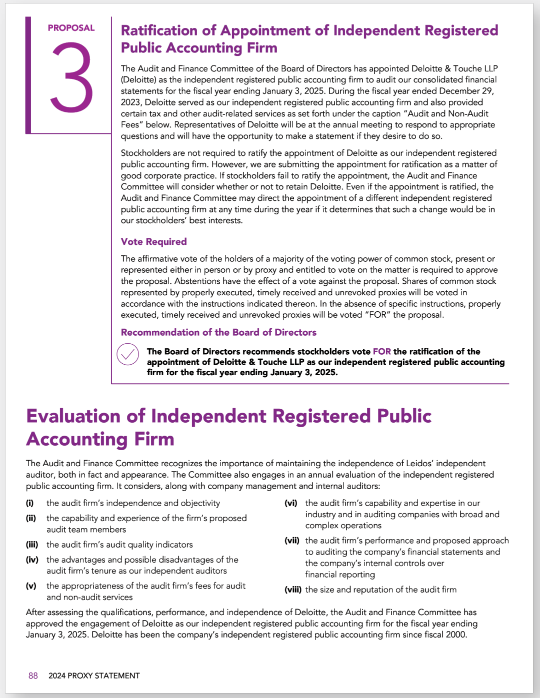
9.0%
Photos of the members

◄ Table of Contents   Topic Table of Contents

Key Examples

Leidos 2024 Proxy Statement

Bullet point presentation of auditor considerations



PROPOSAL 3

Ratification of Appointment of Independent Registered Public Accounting Firm

The Audit and Finance Committee of the Board of Directors has appointed Deloitte & Touche LLP (Deloitte) as the independent registered public accounting firm to audit our consolidated financial statements for the fiscal year ending January 3, 2025. During the fiscal year ended December 29, 2023, Deloitte served as our independent registered public accounting firm and also provided certain tax and other audit-related services as set forth under the caption "Audit and Non-Audit Fees" below. Representatives of Deloitte will be at the annual meeting to respond to appropriate questions and will have the opportunity to make a statement if they desire to do so.

Stockholders are not required to ratify the appointment of Deloitte as our independent registered public accounting firm. However, we are submitting the appointment for ratification as a matter of good corporate practice. If stockholders fail to ratify the appointment, the Audit and Finance Committee will consider whether or not to retain Deloitte. Even if the appointment is ratified, the Audit and Finance Committee may direct the appointment of a different independent registered public accounting firm at any time during the year if it determines that such a change would be in our stockholders' best interests.

Vote Required

The affirmative vote of the holders of a majority of the voting power of common stock, present or represented either in person or by proxy and entitled to vote on the matter is required to approve the proposal. Abstentions have the effect of a vote against the proposal. Shares of common stock represented by properly executed, timely received and unrevoked proxies will be voted in accordance with the instructions indicated thereon. In the absence of specific instructions, properly executed, timely received and unrevoked proxies will be voted "FOR" the proposal.

Recommendation of the Board of Directors

The Board of Directors recommends stockholders vote FOR the ratification of the appointment of Deloitte & Touche LLP as our independent registered public accounting firm for the fiscal year ending January 3, 2025.

Evaluation of Independent Registered Public Accounting Firm

The Audit and Finance Committee recognizes the importance of maintaining the independence of Leidos' independent auditor, both in fact and appearance. The Committee also engages in an annual evaluation of the independent registered public accounting firm. It considers, along with company management and internal auditors:

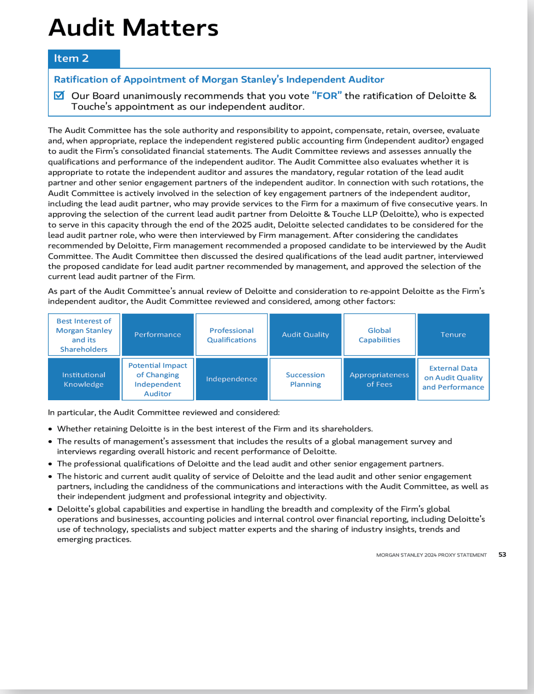
(i) the audit firm's independence and objectivity
(ii) the capability and experience of the firm's proposed audit team members
(iii) the audit firm's audit quality indicators
(iv) the advantages and possible disadvantages of the audit firm's tenure as our independent auditors
(v) the appropriateness of the audit firm's fees for audit and non-audit services
(vi) the audit firm's capability and expertise in our industry and in auditing companies with broad and complex operations
(vii) the audit firm's performance and proposed approach to auditing the company's financial statements and the company's internal controls over financial reporting
(viii) the size and reputation of the audit firm

After assessing the qualifications, performance, and independence of Deloitte, the Audit and Finance Committee has approved the engagement of Deloitte as our independent registered public accounting firm for the fiscal year ending January 3, 2025. Deloitte has been the company's independent registered public accounting firm since fiscal 2000.

88 2024 PROXY STATEMENT

Morgan Stanley 2024 Proxy Statement

Infographic and bullet point description of AC considerations in appointing auditor



Audit Matters

Item 2

Ratification of Appointment of Morgan Stanley's Independent Auditor

☑ Our Board unanimously recommends that you vote "FOR" the ratification of Deloitte & Touche's appointment as our independent auditor.

The Audit Committee has the sole authority and responsibility to appoint, compensate, retain, oversee, evaluate and, when appropriate, replace the independent registered public accounting firm (independent auditor) engaged to audit the Firm's consolidated financial statements. The Audit Committee reviews and assesses annually the qualifications and performance of the independent auditor. The Audit Committee also evaluates whether it is appropriate to rotate the independent auditor and assures the mandatory, regular rotation of the lead audit partner and other senior engagement partners of the independent auditor. In connection with such rotations, the Audit Committee is actively involved in the selection of key engagement partners of the independent auditor, including the lead audit partner, who may provide services to the Firm for a maximum of five consecutive years. In approving the selection of the current lead audit partner from Deloitte & Touche LLP (Deloitte), who is expected to serve in this capacity through the end of the 2025 audit, Deloitte selected candidates to be considered for the lead audit partner role, who were then interviewed by Firm management. After considering the candidates recommended by Deloitte, Firm management recommended a proposed candidate to be interviewed by the Audit Committee. The Audit Committee then discussed the desired qualifications of the lead audit partner, interviewed the proposed candidate for lead audit partner recommended by management, and approved the selection of the current lead audit partner of the Firm.

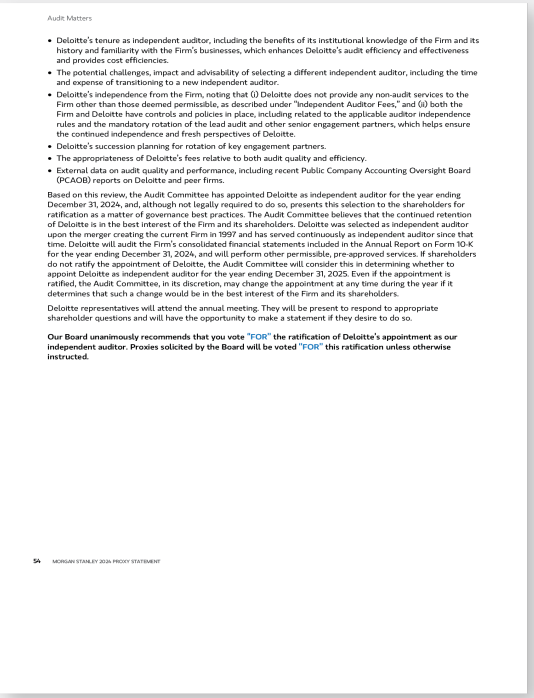
As part of the Audit Committee's annual review of Deloitte and consideration to re-appoint Deloitte as the Firm's independent auditor, the Audit Committee reviewed and considered, among other factors:

Best Interest of Morgan Stanley and its Shareholders	Performance	Professional Qualifications	Audit Quality	Global Capabilities	Tenure
Institutional Knowledge	Potential Impact of Changing Independent Auditor	Independence	Succession Planning	Appropriateness of Fees	External Data on Audit Quality and Performance

In particular, the Audit Committee reviewed and considered:

- Whether retaining Deloitte is in the best interest of the Firm and its shareholders.
- The results of management's assessment that includes the results of a global management survey and interviews regarding overall historic and recent performance of Deloitte.
- The professional qualifications of Deloitte and the lead audit and other senior engagement partners.
- The historic and current audit quality of service of Deloitte and the lead audit and other senior engagement partners, including the candidness of the communications and interactions with the Audit Committee, as well as their independent judgment and professional integrity and objectivity.
- Deloitte's global capabilities and expertise in handling the breadth and complexity of the Firm's global operations and businesses, accounting policies and internal control over financial reporting, including Deloitte's use of technology, specialists and subject matter experts and the sharing of industry insights, trends and emerging practices.

MORGAN STANLEY 2024 PROXY STATEMENT 53



Audit Matters

- Deloitte's tenure as independent auditor, including the benefits of its institutional knowledge of the Firm and its history and familiarity with the Firm's businesses, which enhances Deloitte's audit efficiency and effectiveness and provides cost efficiencies.
- The potential challenges, impact and advisability of selecting a different independent auditor, including the time and expense of transitioning to a new independent auditor.
- Deloitte's independence from the Firm, noting that (i) Deloitte does not provide any non-audit services to the Firm other than those deemed permissible, as described under "Independent Auditor Fees," and (ii) both the Firm and Deloitte have controls and policies in place, including related to the applicable auditor independence rules and the mandatory rotation of the lead audit and other senior engagement partners, which helps ensure the continued independence and fresh perspectives of Deloitte.
- Deloitte's succession planning for rotation of key engagement partners.
- The appropriateness of Deloitte's fees relative to both audit quality and efficiency.
- External data on audit quality and performance, including recent Public Company Accounting Oversight Board (PCAOB) reports on Deloitte and peer firms.

Based on this review, the Audit Committee has appointed Deloitte as independent auditor for the year ending December 31, 2024, and, although not legally required to do so, presents this selection to the shareholders for ratification as a matter of good governance best practices. The Audit Committee believes that the continued retention of Deloitte is in the best interest of the Firm and its shareholders. Deloitte was selected as independent auditor upon the merger creating the current Firm in 1997 and has served continuously as independent auditor since that time. Deloitte will audit the Firm's consolidated financial statements included in the Annual Report on Form 10-K for the year ending December 31, 2024, and will perform other permissible, pre-approved services. If shareholders do not ratify the appointment of Deloitte, the Audit Committee will consider this in determining whether to appoint Deloitte as independent auditor for the year ending December 31, 2025. Even if the appointment is ratified, the Audit Committee, in its discretion, may change the appointment at any time during the year if it determines that such a change would be in the best interest of the Firm and its shareholders.

Deloitte representatives will attend the annual meeting. They will be present to respond to appropriate shareholder questions and will have the opportunity to make a statement if they desire to do so.

Our Board unanimously recommends that you vote "FOR" the ratification of Deloitte's appointment as our independent auditor. Proxies solicited by the Board will be voted "FOR" this ratification unless otherwise instructed.

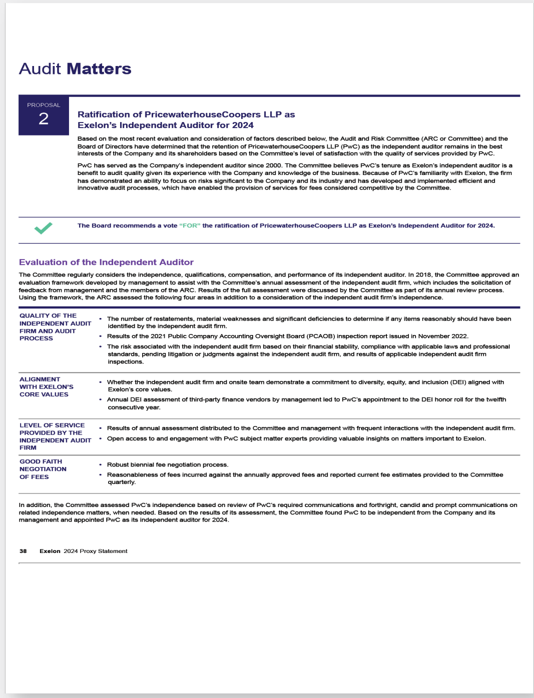
54 MORGAN STANLEY 2024 PROXY STATEMENT

Table of Contents Topic Table of Contents

Key Examples

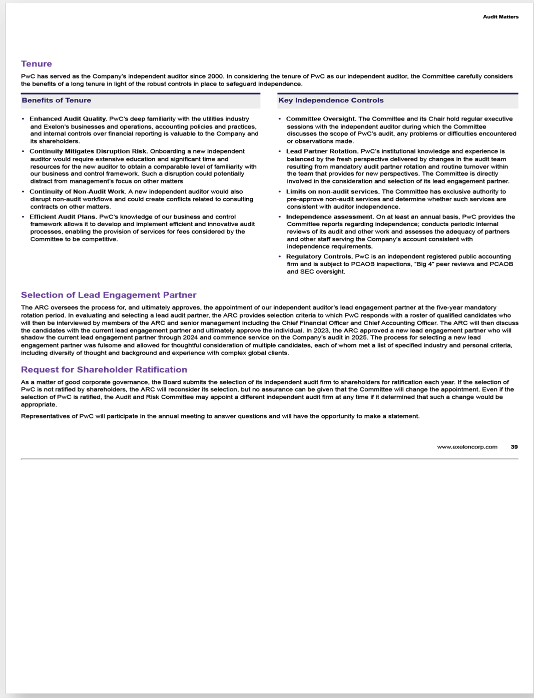
Exelon 2024 Proxy Statement

Detailed presentation on evaluation and benefits of tenure


Audit Matters

Ratification of PricewaterhouseCoopers LLP as Exelon's Independent Auditor for 2024

Evaluation of the Independent Auditor

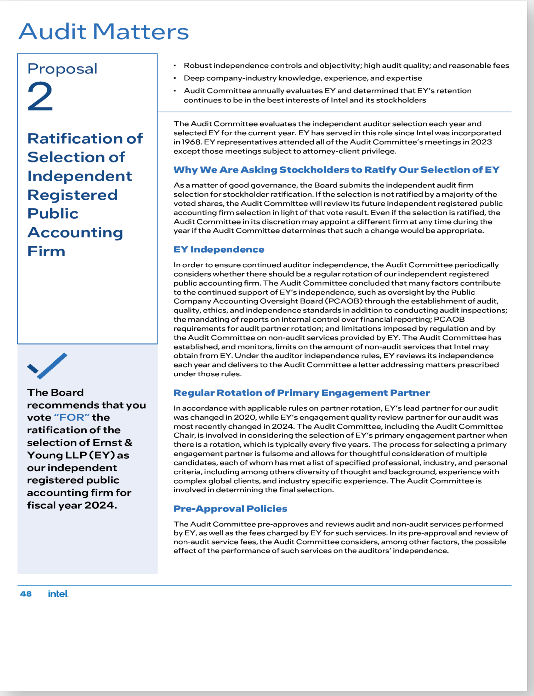

Tenure

Selection of Lead Engagement Partner

Request for Shareholder Ratification

Intel 2024 Proxy Statement

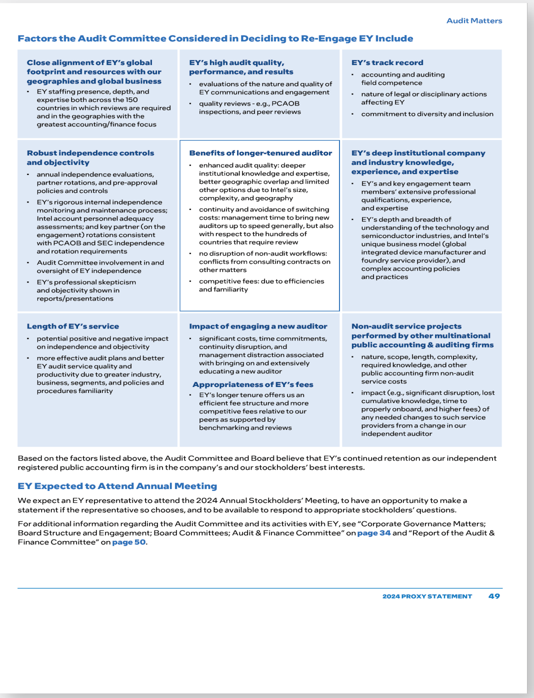
Factors Considered in Deciding to Re-engage infographic


Audit Matters

Proposal 2

Ratification of Selection of Independent Registered Public Accounting Firm

The Board recommends that you vote "FOR" the ratification of the selection of Ernst & Young LLP (EY) as our independent registered public accounting firm for fiscal year 2024.


Factors the Audit Committee Considered in Deciding to Re-Engage EY Include

Appendix

Companies Included in the Benchmark

As part of the Transparency Awards, Labrador annually reviews proxy statements published by the top 250 companies in the S&P 500. The benchmarking data in this guide is based on findings for a subset of 100 companies representing a cross-section of industries.

The 100 companies are as follows:

1. Abbott Laboratories
2. AbbVie Inc.
3. Accenture Plc
4. Adobe Incorporated
5. Advanced Micro Devices Inc.
6. Airbnb, Inc.
7. Alphabet Inc.
8. Altria Group Inc.
9. Amazon.com Inc.
10. American Express Company
11. American Tower Corporation
12. Amgen Inc.
13. Apple Inc.
14. Archer-Daniels-Midland Company
15. AT&T Inc.
16. Automatic Data Processing Inc.
17. Bank of America Corp
18. Berkshire Hathaway Inc.
19. BlackRock Inc.
20. Boeing Company
21. Booking Holdings Inc.
22. Broadcom Inc.
23. Caterpillar Inc.
24. Charles Schwab Corp
25. Chevron Corporation
26. Chipotle Mexican Grill Inc.
27. Cisco Systems Inc.
28. Citigroup Inc.
29. Colgate-Palmolive Company
30. Comcast Corporation
31. Constellation Brands Inc.
32. Costco Wholesale Corporation
33. CSX Corporation
34. Danaher Corporation
35. Deere & Company
36. Eaton Corp. Plc
37. Elevance Health Inc.
38. Eli Lilly and Company
39. Exxon Mobil Corporation
40. General Electric Company
41. Goldman Sachs Group Inc.
42. Honeywell International Inc.
43. Illinois Tool Works Inc.
44. Intel Corporation
45. Intuit Inc.
46. Intuitive Surgical Inc.
47. Johnson & Johnson
48. JPMorgan Chase & Co.
49. Kimberly-Clark Corporation
50. Linde plc
51. Lockheed Martin Corporation
52. Lowe's Companies Inc.
53. Lululemon Athletica Inc.
54. Marriott International Inc.
55. Marsh & McLennan Companies Inc.
56. Mastercard Incorporated
57. McDonald's Corporation
58. Medtronic Plc
59. Merck & Co. Inc.
60. Meta Platforms Inc.
61. Microsoft Corporation
62. Mondelez International Inc.
63. Monster Beverage Corporation
64. Morgan Stanley
65. Netflix Inc.
66. NextEra Energy Inc.
67. NIKE Inc.
68. Northrop Grumman Corp.
69. NVIDIA Corporation
70. O'Reilly Automotive Inc.
71. Oracle Corporation
72. PepsiCo Inc.
73. Pfizer Inc.
74. Philip Morris International Inc.

75. Procter & Gamble Company
76. Prologis Inc.
77. QUALCOMM Incorporated
78. Raytheon Technologies Corporation
79. S&P Global Inc.
80. Salesforce Inc.
81. Sherwin-Williams
82. Southern Company
83. Starbucks Corporation
84. Target Corporation
85. Tesla Inc.
86. Texas Instruments Incorporated
87. The Coca Cola Company
88. The Home Depot
89. Thermo Fisher Scientific Inc.
90. TJX Companies Inc
91. TMobile US Inc.
92. Union Pacific Corporation
93. United Parcel Service Inc.
94. UnitedHealth Group Incorporated
95. Verizon Communications Inc.
96. Vertex Pharmaceuticals Incorporated
97. Visa Inc.
98. Walmart Inc.
99. Walt Disney Company
100. Wells Fargo & Company