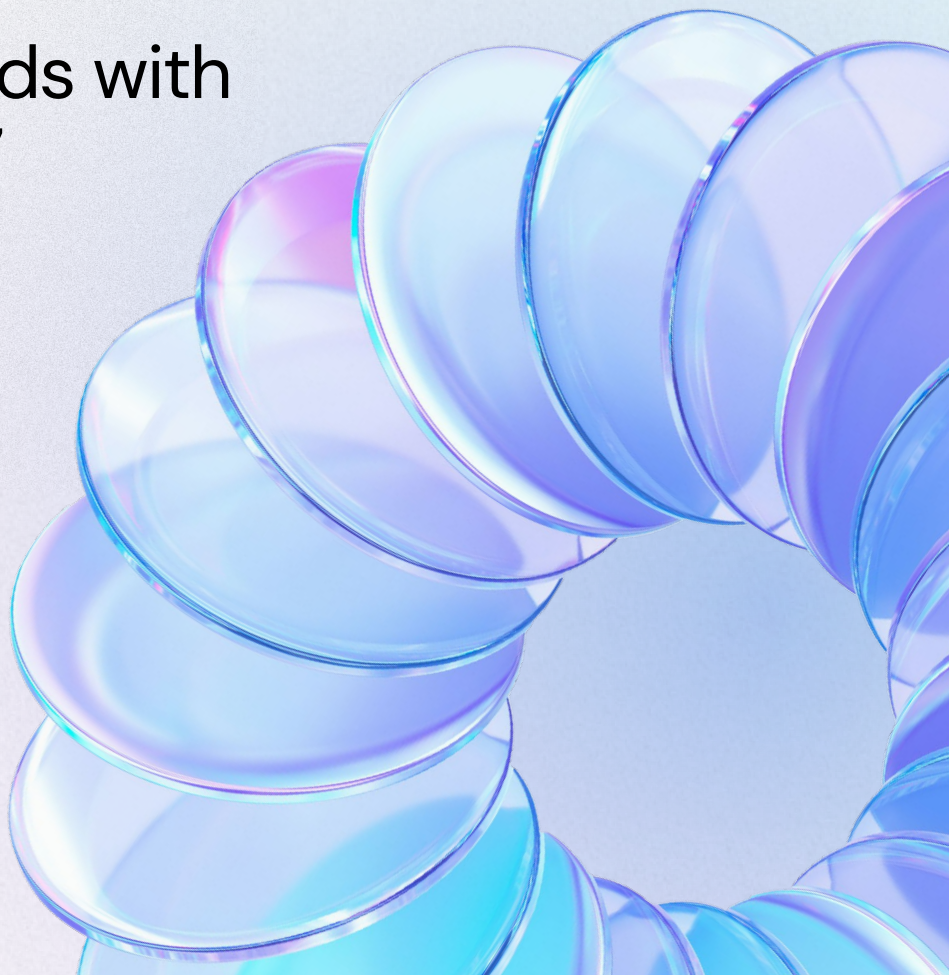
Labrador Transparency

Navigating Disclosure of Leadership Transitions in Proxy Statements

2026 Proxy Trends with Insights for 2027

November 2026

By Lois Yurow



The proxy trends series is prepared by Labrador's Lead Advisors and explores emerging trends in proxy statements in 2026 and offers insights and actionable elements for your teams to consider as you prepare your 2027 Proxy Statement.

Introduction

CEO turnovers were on the upswing in 2025: there were 168 new CEOs in the S&P 1500—the most since 2010—including 59 new CEOs in the S&P 500. A significant number of the departing executives (45% in the S&P 500) had been in their roles for less than five years. (Spencer Stuart, 2025 S&P 1500 CEO Transitions: Behind the CEO Moment, February 2026.)

When a new person assumes the very visible role of public company CEO, investors and proxy advisors want to understand who the new executive is, how and why that person was chosen, and how that person will be compensated. As recent proxies demonstrate, disclosure to address those questions can appear in multiple places.

Leadership Transition Disclosures by Proxy Section

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Leadership letter

Often companies want to announce the arrival of a new CEO at the very beginning of the proxy. For example, PayPal, Intel, Target, Walmart, and Johnson Controls all used a leadership letter to introduce the company's new CEO, explain why the individual was the right person for the role, and summarize identified priorities.

[PayPal Holdings Inc, 2026 Notice of Annual Meeting of Stockholders and Proxy Statement, page 5]



Message From Our Independent Board Chair

Dear PayPal Stockholders:

On behalf of the Board of Directors, thank you for your investment in PayPal.

I'm honored to step into the independent Chair role at this pivotal moment for our company. PayPal navigated a challenging 2025: we delivered solid performance across multiple dimensions; however, our performance on certain of our key initiatives reinforced the need to accelerate execution and bring greater discipline to how we implement our strategic priorities. The Board recognized this moment and took decisive action.

Seasoned Leadership to Drive Our Transformation

As we announced in early February 2026, the Board appointed Enrique Lores as PayPal's President and CEO effective March 1. Enrique is a seasoned chief executive who brings deep experience driving customer-centric innovation and disciplined execution, simplifying complex businesses and leading large-scale transformations.

I have had the opportunity to serve as a director alongside Enrique for nearly five years. Enrique joins with a strong track record as an executive and a demonstrated emphasis on confident decision making, clear prioritization, and disciplined execution on a global basis—a skill set well-aligned with PayPal's need for execution intensity at this juncture. His experience both as a Board member and as Chair of the PayPal Board ensures that he is beginning his tenure as CEO with deep context for PayPal's strategic initiatives, competitive challenges, and performance gaps. Enrique's compensation arrangements were thoughtfully designed with this in mind, immediately aligning his interests with those of our stockholders and incentivizing effective execution of our transformation strategy.

A Board Aligned with PayPal's Priorities

As our business has evolved, we have continued to maintain an experienced and engaged Board of Directors with skills tightly aligned with PayPal's priorities. Through deliberate succession and refreshment over time, we have ensured a thoughtful balance of institutional knowledge and fresh perspectives that enables us to effectively oversee the execution of PayPal's long-term strategy. As evidenced in our recent CEO transition, the Board regularly evaluates the Company's performance and execution against strategy and is prepared to take appropriate action to advance the best interests of our stockholders.

We have continued our own refreshment efforts over the past year, welcoming Joy Chik, Deirdre Stanley, and Alyssa Henry to the Board in March 2025, June 2025, and March 2026, respectively. Deirdre brings nearly three decades of experience as a senior executive for global organizations spanning the consumer, media, and information technology sectors, most recently serving as Executive Vice President and General Counsel of The Estée Lauder Companies. Alyssa brings to the Board deep experience scaling global commerce, payments, and technology platforms, along with expertise in software-driven merchant solutions and global platform expansion.

We have also continued to optimize our Board's oversight structure, disbanding our Audit, Risk and Compliance Committee and creating two new stand-alone committees: an Audit & Finance Committee and a Risk & Compliance Committee, formally separating financial reporting and audit oversight from enterprise risk, compliance, and regulatory oversight responsibilities. This change ensures a clear delineation of responsibilities and more effective and efficient committee-level oversight.

Ongoing Stockholder Dialogue

At the Board level, we recognize the importance of engaging with our stockholders. Investor feedback remains an integral part of our decision making process as we oversee the execution of PayPal's strategy. Since our 2025 Annual Meeting, we have contacted investors representing approximately 57% of shares held by institutional investors and have engaged with investors holding approximately 28% of shares held by institutional investors to discuss a variety of governance-focused topics of interest. These discussions complement our ongoing dialogue with stockholders that our Investor Relations team, along with executive management, conducts throughout the year regarding financial and strategic matters, including most recently our CEO transition. We look forward to continuing this important dialogue with our stockholders.

[Intel Corporation, 2026 Proxy Statement, page 4]

Letter from Your Board Chair



Dear Fellow Stockholders,

A Year of Reinvention

2025 was a defining year for Intel. It was a year of intense engagement and decisive action by both the management team and your Board, reflecting the successful leadership transition early in the year. We continued the work of reinventing Intel and its culture, and strengthening the foundations for long-term value creation. This required clarity, urgency and sustained oversight from your Board.

Reinventing Intel is a disciplined, multiyear effort to restore execution excellence, strengthen our financial foundation and re-establish the innovation engine that has long defined the company. The work underway in 2025 marked a critical step in that journey.

We deepened our relationship with the U.S. government, reflecting the critical role Intel plays in expanding the domestic semiconductor industry.

Leadership and Reinvention

Central to this reinvention was the appointment of Lip-Bu Tan as Chief Executive Officer.

Lip-Bu stepped into the role with a clear mandate: sharpen Intel's strategic focus, re-establish trust with our customers, strengthen accountability and accelerate disciplined execution. The Board worked in close partnership with Lip-Bu from the outset of his tenure - aligning on priorities - as he refocused and clarified Intel's strategy and began reinforcing an engineering-centric, customer-focused culture grounded in performance and accountability.

> Under Lip-Bu's leadership, Intel is restoring its operational rigor and making decisions designed to position the company to compete and win in an increasingly dynamic technology landscape. The Board has strong conviction in his leadership and in the direction now underway.

Deep Board Engagement in 2025

Reinvention requires more than leadership change. It demands the sustained efforts of Lip-Bu and the leadership team, together with Board engagement across our core responsibilities.

Throughout 2025, your Board:

- Worked with Lip-Bu and his team to refine Intel's strategy to align capital and resources to our highest priority opportunities and competitive advantages;
- Supported key senior leadership appointments, including through compensation and incentive structures designed to align performance, accountability and long-term stockholder value;
- Maintained rigorous oversight of operational, financial and strategic risks; and
- Communicated directly with stockholders.

This level of engagement reflects our belief that Intel's transformation must be comprehensive and sustained. There are no shortcuts, but there is measurable progress.

[Target Corporation, 2026 Proxy Statement & Notice of Annual Meeting of Shareholders, page 2]

Letter from our Lead Independent Director

Dear Fellow Shareholders,

On behalf of Target's Board of Directors, thank you for your investment in Target. As Target's Lead Independent Director, I'm energized by the changes underway to define the company's future, fuel profitable growth and deliver value for shareholders.

Over the last several years, the Board has executed a deliberate and thoughtful CEO succession process, and we are confident that Michael Fiddelke is the right leader to guide Target into its next chapter. Michael has helped build many of the company's core strengths through senior leadership roles spanning merchandising, finance, operations and human resources. As Chief Operating Officer and previously Chief Financial Officer, he has helped scale Target's stores, supply chain and digital capabilities. The Board believes Michael's experience, institutional knowledge and ability to lead change position Target to drive sustainable growth and long-term shareholder value.

Looking ahead, Target is focused on four clear priorities designed to grow the business and strengthen the fundamentals that make this brand distinctive:

- **Lead with merchandising authority** by sharpening relevance through a blend of style, design and value—supported by thoughtful curation and category leadership.
- **Elevate the guest experience** by making shopping easier, inspiring and welcoming across stores and digital.
- **Accelerate technology** to delight guests and support the team, creating a shopping experience that removes friction and prioritizes personalization and joy.
- **Strengthen team and communities** by investing in the people at the heart of Target's success and remaining deeply connected to the communities Target serves.

Effective oversight of this strategy requires the right mix of skills, experiences and perspectives, and Target maintains a rigorous approach to Board composition. We are pleased to welcome two new independent directors, Stephen Bratspies and John Hoke, III, whose expertise complements and strengthens the Board's perspective in style, design and retail operations. We also extend our appreciation to three directors who will be leaving the Board at the conclusion of this year's annual meeting. Douglas Baker and Grace Puma have decided not to seek re-election and, in accordance with our tenure policies, Donald Knauss will retire from our Board. We thank all of them for their invaluable contributions on behalf of Target shareholders.

Let me close by inviting you to join the 2026 Annual Meeting of Shareholders on June 10. The Board and the Leadership Team value your engagement and encourage you to review the proxy materials and vote your shares, whether or not you plan to attend. We take seriously the responsibility you have entrusted to us, and we believe Target's size, scale and strategy position the company to build durable competitive advantages and to deliver long-term value for you.

Sincerely,

Christine Leahy

Christine A. Leahy
Lead Independent Director

[Walmart Inc, Notice of 2026 Annual Shareholders' Meeting, page 4]

Message from our Lead Independent Director

Dear Fellow Shareholders:

As I complete my first year as your Lead Independent Director and fifth on the Board, I am honored to share how the Board and leadership team continue to drive Walmart's rapid growth and transformation. This past year has been one of meaningful transition, thoughtful succession planning, and continued momentum in Walmart's transformation. Our Board remains deeply focused on supporting the company as it navigates a dynamic retail environment and advances its strategy for lasting value creation.

This year, John Furner's succession of Doug McMillon as President and CEO was a landmark leadership milestone. John brings over 30 years of Walmart experience and a clear strategic vision for the company's next chapter, and he has a deep understanding of our business and connection to our associates and customers. We are grateful to Doug for his extraordinary tenure—his visionary leadership leaves a legacy dedicated to helping our customers save money and live better. The Board is confident that John is exceptionally well-suited to build on that legacy. As part of this leadership transition, John formally joined the Board in November 2025 and Doug will retire from the Board at the end of his term this June.

Our commitment to board refreshment also continues. In January, we welcomed Shishir Mehrotra, CEO of Superhuman, to the Walmart Board. Shishir is a respected entrepreneur and technology leader whose expertise in building large-scale digital products, AI-driven development, and customer-centric innovation is a tremendous asset to our Board and the company.

Additionally, as planned, Tim Flynn will retire from the Board following the upcoming Annual Shareholders' Meeting and Bob Moritz, if elected, will assume the role of Audit Committee Chair. Tim has been a highly valued director since joining the Board in 2012 and an exemplary chair of our Audit Committee. We thank him sincerely for his dedicated leadership, deep financial acumen, and years of thoughtful oversight. Bob's long career in global audit and assurance leadership makes him exceptionally well qualified to take over this important role.

At the same time, if elected, Marissa Mayer has agreed to remain on the Board for a second year beyond our standard 12-year term limit, extending her service until our 2027 Annual Shareholders' Meeting. The Board thoughtfully made this decision given the ongoing importance and relevance of her technology, artificial intelligence and cybersecurity expertise, along with her deep understanding of Walmart's business and strategy, and we appreciate her willingness to extend her service as we continue our broader refreshment efforts.

Separately, Brian Niccol, who joined the Board in 2024, will not stand for re-election as he focuses on his responsibilities leading Starbucks. We are grateful to Brian for his engagement and contributions during his tenure and wish him continued success.

In an ever-changing landscape, the Board remained agile and forward-looking this year, adapting its oversight to meet emerging challenges and opportunities. Our directors bring diverse expertise and global perspectives that enable dynamic, well-informed discussions and responsive decision making. We consistently reassess best practices in succession planning, risk, compensation, cybersecurity, and sustainability, ensuring our governance model remains strong, transparent, and focused on our shareholders.

The Board also continues its commitment to active shareholder engagement. Since our last Annual Shareholders' Meeting, we have met with shareholders representing a significant portion of our outstanding shares, seeking feedback on strategy, governance, compensation, sustainability, and human capital management. These conversations inform our oversight work and improve the clarity and relevance of our disclosures, including this proxy statement.

Thank you for your continued trust and support. Serving as your Lead Independent Director is a responsibility I assume with deep respect and a strong commitment to you, our shareholders. Your voice is essential, and I encourage you to vote your shares and participate in our Annual Shareholders' Meeting.



Sincerely,

Randall Stephenson,
Lead Independent Director

[Johnson Controls International PLC, 2026 Notice of Annual General Meeting and Proxy Statement, page 4]

Johnson Controls

Letter to Shareholders





Dear Fellow Shareholders,

We are pleased to report that Johnson Controls delivered strong results for shareholders in fiscal year 2025, laying the foundation for continued momentum in 2026. Our continued strategic evolution has positioned Johnson Controls as a more focused and profitable company, set to deliver greater value for our customers, colleagues and shareholders.

Ongoing Governance Enhancements and Talent Development

The Board of Directors executed our CEO succession plan in fiscal year 2025, appointing Joakim Weidemanis as Johnson Controls' new CEO. Joakim brings a proven track record in leading global businesses, shaping product portfolios and leveraging technology. His focus on continuous improvement, driven by putting the customer first and better enabling our frontline colleagues is already energizing the organization, positioning Johnson Controls for the next phase of growth.

As part of the CEO transition process, the Board determined it was appropriate to separate the CEO and Chairman roles, further elevating our corporate governance practices and adapting our leadership model to best position Johnson Controls for long-term success.

To support our next phase of growth, we appointed Todd Grabowski as the leader of our Americas Segment, and Chris Scalia became Executive Vice President and Chief Human Resources Officer. These appointments demonstrate our commitment to developing talent and bringing in the right leadership capability to strengthen our culture and accelerate growth.

Capitalizing on a Solid Foundation with Increased Customer Focus

We believe that Johnson Controls is well positioned with market-leading franchises, differentiated field talent and advanced technological capabilities. Sustained demand and record backlog underscore the value our customers place in our solutions and the strength of our portfolio.

We see significant potential ahead, starting with a sharper focus on the customer and building a culture of continuous improvement. Across the organization — from the factory floor to the sales team — our customers' evolving and growing requirements are at the heart of the Company's initiatives to build an even stronger company that is more capable, focused and disciplined, executing with consistency and delivering for customers where it matters most.

At the same time, the Company is developing and implementing its new proprietary business system — rooted in proven methodologies like 80/20 and Lean, and augmented with the promise of digitization and artificial intelligence. These foundational steps will help Johnson Controls achieve market-leading performance as a faster growing and more profitable company. As this new business system standardizes how the Company operates, we are confident Johnson Controls is on a path to improve operational performance and accelerate innovation to deliver more predictable performance.

Looking Ahead to 2026

There is an exciting future ahead at Johnson Controls. The important work underway positions the Company to seize compelling growth opportunities across its domains. With 90,000 talented colleagues worldwide, we are confident in the Company's ability to win with our customers, better enable a competitive frontline presence, and to create sustainable value for our shareholders.

Patrick Decker has, in consultation and agreement with the Board, decided not to stand for re-election at our 2026 Annual General Meeting due to personal reasons. We thank Patrick for his contributions to our Board during a critical moment in Johnson Controls' history. The Board remains committed to ongoing refreshment and strong governance.

On behalf of the entire Johnson Controls Board, thank you for your continued support and dedication.

Sincerely,

Mark P. Vergnano
Independent Chairman of the Board

Joakim Weidemanis
Chief Executive Officer

Proxy summary

Verizon, PayPal, and AIG all flagged the hiring of a new CEO in their proxy summaries, though (appropriately) none provided much detail in this section. Bio-Techne and AIG mentioned leadership transitions in their engagement highlights, but covered the topic again in the Governance section of their proxies, as discussed below.

Verizon Communications Inc., 2026 Proxy Statement, page i

2025 and First Quarter 2026 Highlights

- **In fourth quarter 2025, delivered our highest quarterly total mobility and broadband volumes since 2019, with over one million net additions across mobility and broadband**
- **Continued to take broadband market share in Fios and fixed wireless access**
- **Transitioned to new CEO leadership with an independent Board Chair**
- **Meaningfully raised the dividend in first quarter 2026 for the 20th consecutive year with a 2.5% per share increase from the prior annual dividend rate**
- **Acquired Frontier Communications, expanding fiber access to over 30 million homes and businesses and accelerating our national mobility and broadband convergence strategy**
- **Announced Board authorization of up to $25 billion of share repurchases, which we expect to complete through the end of 2028, with at least $3 billion of repurchases in 2026**
- **Provided 2026 guidance based on significant efficiencies in operating expense and capital expenditures**

PayPal Holding's Inc., 2026 Notice of Annual Meeting of Stockholders and Proxy 2025 Annual Report Statement and 2025 Annual Report, page 8

2026 CEO Transition

On February 2, 2026, the Board appointed Enrique Lores as President and CEO of the Company, effective as of March 1, 2026. Mr. Lores served on the Board for nearly five years prior to his appointment, and as Chair of the Board since July 2024. The Board appointed Mr. Lores as President and CEO to provide the Company with the leadership necessary to lead PayPal's transformation and drive disciplined execution.

Alex Chriss ceased serving as our President and CEO and as a member of the Board, effective as of February 2, 2026. The Board appointed Jamie Miller to serve as Interim President and CEO, in addition to her role as Executive Vice President, Chief Financial and Operating Officer, effective from February 2, 2026 until Mr. Lores assumed the role of President and CEO on March 1, 2026.

American International Group Inc., 2026 Annual Meeting and Proxy Statement, pages 6–7

What's New

- Announced leadership transition to take place in 2026 (see page 25)
- Revised Board leadership structure to separate the Chair and CEO roles following the leadership transition (see page 25)
- Increased engagement with shareholders (see pages 37 and 49)
- Enhanced governance and compensation disclosures (see disclosure beginning on pages 23 and 43)
- Implemented executive compensation program changes (see page 50)
- Added new disclosure regarding Board oversight of artificial intelligence (see page 32)
- Revised governance documents and key public company policies, including By-Laws, CMRC charter, Insider Trading Policy, Related Party Transaction Policy and Regulation FD Policy (see page 23)

Leadership Transition

On January 6, 2026, we announced that Chairman & CEO Peter Zaffino had informed the Board that he intends to retire as CEO by mid-year after successfully leading the Company's transformation and strategic repositioning as a top-performing global property and casualty insurer. Mr. Zaffino will transition to Executive Chair of the Board at that time. As a result, Eric Andersen joined the Company as President & CEO Elect on February 16, 2026 and is expected to assume the role of CEO and join the Board of Directors after June 1, 2026, following an orderly transition period. See pages 25 and 45 for information regarding the leadership transition.

Governance

Companies focus on different aspects of governance when they discuss their executive transitions. For example, PayPal, AIG, and Lumen each describe how their succession planning process contributed to recent successful leadership transitions. Bio-Techne, AIG, and Lumen state that their leadership transitions were discussed during meetings with shareholders, with AIG specifically noting that the proxy includes new disclosure about the subject in response to shareholder interest. Johnson Controls also summarized the company's transition-related conversations with shareholders, but in the CD&A.

PayPal Holding's Inc., 2026 Notice of Annual Meeting of Stockholders and Proxy 2025 Annual Report Statement and 2025 Annual Report, page 27



Independent Board Chair and President and Chief Executive Officer Transitions

In February 2026, following an evaluation of PayPal's strategic position, competitive dynamics, and leadership needs, the Board appointed Enrique Lores, the Independent Chair of the Board, as President and Chief Executive Officer, effective as of March 1, 2026.

The Board has a well-established executive succession planning process pursuant to which it reviews and discusses the capabilities of our executive management, as well as succession planning and identification of potential internal and external successors for the CEO and other executive officers. Consistent with this process, in early January 2026 the Board formed an independent Special Committee composed of the chairs of the Board's four standing committees and chaired by David Dorman. The Special Committee was tasked with considering potential successors for the President and Chief Executive Officer role.

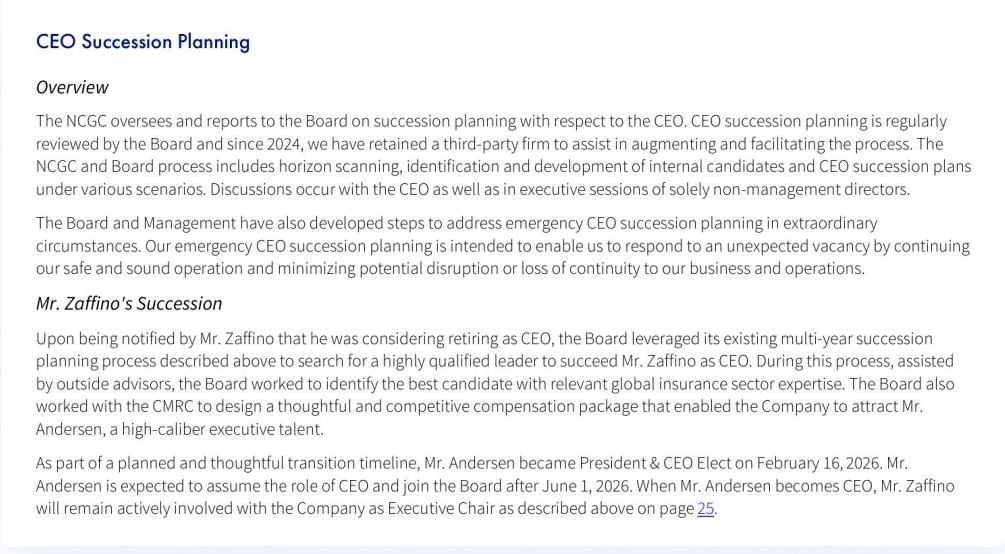
Following robust review and discussion by the other independent members of the Board, and based on the Special Committee's recommendation, the Board determined that it was in the best interests of the Company and its stockholders to appoint Mr. Lores as President and Chief Executive Officer. Mr. Lores recused himself from the Board's and Special Committee's discussions and deliberations relating to his potential candidacy.

This transition reflects the Board's ongoing commitment to effective and disciplined execution of the Company's strategy, strong governance, and thoughtful leadership refreshment. The Board determined that at this juncture, PayPal requires a leader with deep operational expertise, a proven ability to drive disciplined execution, and experience leading complex global organizations through periods of transformation.

Mr. Lores brings more than 30 years of technology and commercial experience, including serving as President and CEO of HP Inc., where he led the company through a period of strategic transition, strengthened operating discipline, and positioned the company for long-term innovation. Mr. Lores' experience both as a Board member and as Chair of the PayPal Board ensures that he joins as CEO with deep context for PayPal's strategic initiatives, competitive challenges, and performance gaps.

The Board believes Mr. Lores' experience and leadership style are well aligned with PayPal's two-sided platform, global scale, and focus on accelerating execution in an increasingly competitive payments landscape.

American International Group Inc., 2026 Annual Meeting and Proxy Statement, page 33



CEO Succession Planning

Overview

The NCGC oversees and reports to the Board on succession planning with respect to the CEO. CEO succession planning is regularly reviewed by the Board and since 2024, we have retained a third-party firm to assist in augmenting and facilitating the process. The NCGC and Board process includes horizon scanning, identification and development of internal candidates and CEO succession plans under various scenarios. Discussions occur with the CEO as well as in executive sessions of solely non-management directors.

The Board and Management have also developed steps to address emergency CEO succession planning in extraordinary circumstances. Our emergency CEO succession planning is intended to enable us to respond to an unexpected vacancy by continuing our safe and sound operation and minimizing potential disruption or loss of continuity to our business and operations.

Mr. Zaffino's Succession

Upon being notified by Mr. Zaffino that he was considering retiring as CEO, the Board leveraged its existing multi-year succession planning process described above to search for a highly qualified leader to succeed Mr. Zaffino as CEO. During this process, assisted by outside advisors, the Board worked to identify the best candidate with relevant global insurance sector expertise. The Board also worked with the CMRC to design a thoughtful and competitive compensation package that enabled the Company to attract Mr. Andersen, a high-caliber executive talent.

As part of a planned and thoughtful transition timeline, Mr. Andersen became President & CEO Elect on February 16, 2026. Mr. Andersen is expected to assume the role of CEO and join the Board after June 1, 2026. When Mr. Andersen becomes CEO, Mr. Zaffino will remain actively involved with the Company as Executive Chair as described above on page 25.

Lumen Technologies Inc., 2026 Proxy Statement, page 39

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. As such, our Board conducts a formal review of our CEO succession plan on an annual basis. In turn, our CEO regularly conducts talent reviews that include succession plans for our senior leadership positions. Both our Board and CEO are committed to a comprehensive and proactive approach to succession planning, which includes:

- viewing succession planning as an ongoing process, not an "event";
- developing a succession plan for different scenarios (emergency, accelerated, and orderly);
- linking succession planning to strategy by creating a CEO profile that focuses on what is most needed to lead Lumen now and in the future;
- understanding the external market of CEO-ready talent and regularly update this understanding and benchmark data;
- assessing 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; and
- ensuring that key Lumen executives have clear and actionable development plans, including detailed coaching, and establishing a regular and transparent process for leadership and the Board to track progress against development goals as needed.

Our Leadership Transition

- We completed transitions of the CEO and CFO roles in 2022, with Ms. Johnson succeeding Jeffery K. Storey on November 7, 2022 and Mr. Stansbury succeeding Neel Dev on April 4, 2022.
- During 2023, we added six of the members of our SLT.
- During 2025, Mark Hacker joined as our Executive Vice President and Chief Legal Officer & Public Sector and former director, James Fowler, was appointed Executive Vice President and Chief Technology & Product Officer, effective January 5, 2026, succeeding David Ward.
- During 2026, Jeffrey Sharritts was appointed as Chief Revenue Officer, succeeding Ashley Haynes-Gaspar, and Mr. Stansbury was appointed President in addition to his role as Chief Financial Officer.

American International Group Inc., 2026 Annual Meeting and Proxy Statement, page 38

Our engagement team includes members of the Board and Management who report the shareholder feedback received at the spring, fall and other meetings to the CMRC, NCGC and Board as appropriate. The Board's review of the feedback continues throughout the year. In a typical year, the program works as follows:

Annual Meeting

Summer
- Engagement team analyzes the results of the annual meeting votes as well as general trends and developments identified during the proxy season
- Engagement team formulates a plan for shareholder engagement for the upcoming year, including potential responses to shareholder feedback
- The team's analysis and plan is discussed with NCGC, CMRC and Board members as appropriate

Fall
- Fall engagement meetings are conducted
- Regular review of corporate governance organizational documents, policies and practices is conducted, informed by shareholder feedback
- Regular review of design and elements of executive compensation program is conducted and planning begins for next year's incentive plans, informed by shareholder feedback

Winter
- Engagement team reviews the key takeaways from fall engagement and discusses potential responsiveness actions with the NCGC, CMRC and Board as appropriate
- Engagement team meets with shareholder proponents if any shareholder proposals are received
- Board approves annual meeting agenda and other related items

Spring
- Proxy statement is filed, disclosing changes from the previous year, the prior year's engagement activities, shareholder feedback and actions taken by the Company
- Spring engagement meetings are conducted focused on the proposals submitted for shareholder approval
- Engagement team reviews the key takeaways from proxy season engagement with the Board

2025 Shareholder Engagement Program

In 2025, our shareholder engagement team included our (i) Lead Independent Director, (ii) CMRC Chair, (iii) General Counsel, (iv) Chief Human Resources Officer, (v) Head of Total Rewards, (vi) Head of Investors Relations, and (vii) Corporate Secretary. As instructed by the CMRC, the team broadened the usual scope of our shareholder outreach, with a heightened focus on obtaining specific feedback from shareholders who did not support our executive compensation program in 2025.

Reached out to 61 investors representing approximately **76%** of our shares outstanding

Held 35 meetings with investors owning approximately **50%** of our shares outstanding

During 2025, we met with **each shareholder** who accepted our invitation and accepted all inbound engagement requests

Lead Independent Director and CMRC Chair **led** meetings with investors owning approximately **43%** of our shares outstanding

The vast majority of discussion at our engagement meetings centered on executive compensation matters. Across the board, shareholders requested more detailed disclosure regarding the CMRC's decision-making process and clearer explanations of the various components of our executive compensation program. They also asked us to consider various program enhancements. You can find a complete summary of what we heard with respect to our executive compensation program and how we responded on page 49.

Other topics covered in 2025 shareholder engagement meetings included:

- Business performance
- Board composition and refreshment
- Board oversight of AI
- CEO and Management succession planning
- Our leadership transition
- Sustainability disclosures

Based on these discussions, we have expanded our disclosure regarding governance matters, including adding new disclosure regarding the Board's oversight of AI (see page 32) and the leadership transition (see pages 25 and 45).

Bio-Techne Corp, 2025 Proxy Statement, pages 27–28

Shareholder Engagement

Bio-Techne values learning about shareholders' perspectives, and takes seriously any shareholder concerns regarding the management of the Board or the business. To that end, management meets frequently with key shareholders to discuss the Company's financial performance and corporate strategy. During fiscal 2025, management, joined by the Chair of the Compensation Committee, met with shareholders representing 49% of our total outstanding shares. These meetings included discussions regarding our process for CEO transition, Board refreshment, new director onboarding, sustainability matters, and executive compensation issues.

August/October 2024 Engagement Discussions

Reached out to	Held meetings with	Participants included	Topics included
shareholders owning over **half** of our outstanding shares	shareholders representing over **49%** of our outstanding shares	the Chair of the Compensation Committee and members of management	CEO transition, recent Board refreshment, and the design of our executive compensation program

The below table summarizes the subjects discussed with shareholders on matters other than executive compensation, including how we responded to shareholders in fiscal 2025 relating to the topic. For detail regarding discussions with shareholders concerning executive compensation matters, see page 43.

What we heard	How we responded
CEO Transition: Shareholders wanted to know how Mr. Kelderman's transition into CEO role was going.	• The Board provided a smooth runway for Mr. Kelderman's transition by appointing him Chief Operating Officer on an interim basis prior to becoming CEO, and managed to successfully retain the other strong internal candidates for the CEO role to provide for stability. • Mr. Kelderman transitioned quickly into his CEO role by engaging with leaders across the enterprise, and by conducting a systematic review of the leadership structure and composition, an evaluation of the Company's portfolio, and a careful reassessment of its strategy. This process resulted in the creation of the Executive Operating Council, a more nimble core leadership team, an evolution of some of the core leaders in the Company, and a more precise strategy anchored around the Company's growth pillars.

Lumen Technologies Inc., 2026 Proxy Statement, page 37

By the Numbers: Shareholder Engagement in 2025

Reached out to **Top 30 shareholders,** currently representing **over 58%** of shares outstanding

Our **NCG Committee Chair regularly participated in meetings** with shareholders

These efforts complement management's outreach through participation by our CEO, CFO, and other senior leaders in investor conferences in the U.S. and abroad, and through regular investor dialogue conducted by our Investor Relations department.

In 2025, our Investor Relations department had **over 450 unique investor engagements.** We believe these Investor Relations-led engagements help build strong relationships and goodwill with the analyst and investor community. Although not part of this proxy statement, some of our investor presentations are made available in the Investor Events section of Lumen's corporate website at ir.lumen.com.

Board Responsiveness

Our Board is committed to constructive engagement and dialogue with our investors. We regularly evaluate and respond to the views expressed by our equity and debt holders. This dialogue has led to enhancements in our corporate governance, sustainability, and executive compensation practices that the Board believes are in the best interests of Lumen and our shareholders.

2025 Shareholder Engagement Team	• NCG Committee Chair • Senior Vice President, Investor Relations • Senior Director of Impact, Sustainability, and Engagement & Community	• Senior Vice President, Total Rewards • Vice President, Executive Compensation • Senior Vice President, Governance & Securities
Topics Discussed	• Pay-for-performance alignment • Recalibration of incentive programs • Board composition and refreshment • Corporate culture • Leadership team transition	• Risk management • Cybersecurity • Capital allocation and growth strategy • Governance practices • Corporate responsibility and climate risk
What We Learned	• Investors were interested in learning more about Lumen's growth strategy, long-term strategic plan, and capital allocation • Investors were interested in learning more about Lumen's cultural transformation • Investors were interested in learning more about the mid-year changes we made to our short-term and long-term incentive programs	• Investors were interested in learning more about how Lumen manages risk, including cyber- and sustainability-related risks • Investors were interested in learning more about the transition in our SLT • Investors expressed their views on the current and future composition of the Board • Investors expressed their views on certain governance policies and practices

Johnson Controls International PLC, 2026 Notice of Annual General Meeting and Proxy Statement, page 46

Fiscal 2025 Shareholder Engagement

The Company continued its yearly shareholder outreach efforts, offering meetings to our top 25 shareholders, representing over 60% of the Company's outstanding shares. Meetings were requested by and held with eleven shareholders, representing approximately 34% of the Company's outstanding shares. These meetings provided the Company with valuable feedback on the Company's compensation and governance practices.

Feedback indicated that investors continue to be comfortable with the general structure and operation of our executive compensation program. The CEO transition was a key topic, with investors expressing optimism and interest in the new CEO's strategic direction and leadership approach. The company provided context on the selection process and reiterated its commitment to aligning executive compensation with long-term performance.

Shareholders expressed alignment with the Committee's decision to maintain its existing executive compensation framework through fiscal 2026 to allow Mr. Weidemanis time to establish his strategic priorities before considering whether changes to the Company's executive compensation framework are appropriate in light of those priorities. Investors encouraged clear disclosure when changes occur and emphasized the importance of differentiated performance metrics across incentive plans. Feedback also supported a pay-for-performance approach that reflects actual outcomes, including rewarding executives for delivering strong performance.

Finally, AIG, Target, and Johnson Controls all explain that the Board used the occasion of a CEO transition to re-evaluate and revise its leadership structure. At AIG and Target, the outgoing Chairman & CEO moved into an Executive Chair role and the new CEO joined the Board as a regular member. Johnson Controls, which had formerly had a combined Chairman & CEO, elected an independent Chair to support the new CEO. According to research by Spencer Stuart, 8% of the newly-appointed S&P 1500 CEOs also became Board Chair in 2025, while 25% of the boards welcoming a new CEO appointed an executive chair (often but not always the outgoing CEO). Verizon and PayPal reversed this progression by electing sitting directors to serve as CEO.

American International Group Inc., 2026 Annual Meeting and Proxy Statement, page 25

Board Structure

The Board Maintains a Flexible Leadership Structure

The Board does not have a policy about whether the roles of Chair of the Board and CEO should be separate or combined. Rather, the Board believes it is prudent to periodically evaluate and make a determination regarding the leadership structure that serves the best interests of the Company and its shareholders, considering the Company's needs and circumstances at any given time.

While Mr. Zaffino remains as Chairman & CEO, the Board believes that the present structure, which includes a Lead Independent Director with well-defined responsibilities, provides the Company and the Board with exemplary leadership, appropriate independent oversight of management, and continuity of experience. This structure complements ongoing Board refreshment and aligns with the importance of maintaining a single voice in leadership communications to shareholders, the investor community, employees and other stakeholders.

When Mr. Zaffino informed the Board of his intention to retire as CEO earlier this year, the Board reevaluated the current leadership structure. At that time, the Board determined that it would be in the best interests of the Company and its shareholders to separate the Chair and CEO roles once Mr. Zaffino retires as CEO. Accordingly, when Mr. Andersen becomes CEO, Mr. Zaffino will become Executive Chair. The Board believes this leadership structure will put the Company in the best position to navigate the transition process, to set Mr. Andersen up for success and to continue to benefit from Mr. Zaffino's leadership. In particular, this structure enables Mr. Andersen to focus on the daily activities of running the Company as CEO while Mr. Zaffino continues to support key priorities such as digital and data initiatives, foster key strategic relationships and maintain his leadership role on the Board.

Target Corp., 2026 Proxy Statement & Notice of Annual Meeting of Shareholders, page 9

Board leadership structure

The Board chooses to maintain flexibility on whether the roles of Chair of the Board and CEO are combined or separate, depending on which leadership structure best serves the evolving interests of Target and our shareholders. During Fiscal 2025, we had a combined Chair of the Board and CEO leadership structure, with Mr. Cornell serving in both positions. Effective February 1, 2026, the Board separated the position of Chair of the Board from the position of CEO. Mr. Fiddelke assumed the role of CEO and was appointed to our Board of Directors, and Mr. Cornell continued as Chair of the Board in an Executive Chair capacity.

The Board believes that separating the roles of Chair of the Board and CEO is appropriate given the company's immediate strategic and operational priorities. These positions have distinct roles and responsibilities, as outlined in further detail below. The separated structure allows Mr. Fiddelke to focus on the business, including implementation of key initiatives, during the initial phase of his CEO tenure, while Mr. Cornell's service as Executive Chair allows the Board to continue to leverage his in-depth knowledge of our business and industry during this transitional phase. Under our Corporate Governance Guidelines, no former CEO is to serve on the Board for an extended time, with such timeframe to be determined by the Board based on individual circumstances. The Board has not adopted any new policies about its leadership structure.

Johnson Controls International PLC, 2026 Notice of Annual General Meeting and Proxy Statement, page 26

Board Leadership

In 2025, in connection with the retirement of George Oliver and the appointment of Joakim Weidemanis as the Company's Chief Executive Officer, the Board determined it was appropriate to change its leadership structure to separate the roles of Chair and CEO and designate an independent Board Chair. The Board made this determination based on an evaluation of how best to support Mr. Weidemanis in his transition to the role of CEO and provide continuity of leadership at the Board. The Board also considered shareholder perspectives on leading corporate governance practices. As a result, Mark Vergnano was appointed as Board Chair upon the retirement of Mr. Oliver from the Board.

Mr. Vergnano joined our Board in 2016. During his tenure as a Board member, Mr. Vergano has established strong and effective working relationships with his fellow Directors and garnered their trust and respect. Furthermore, he has demonstrated strong leadership skills, independent thinking and a deep understanding of our business. Mr. Vergano was deeply involved in the Company's CEO succession process and has played a key role in supporting Mr. Weidemanis during his transition into the CEO role.

Together with the CEO, the Board Chair hosts informal Board update calls on a monthly basis between Board meetings to keep Directors current on important business developments and the status of key strategic and operational initiatives. These update calls provide Directors with the opportunity to stay current on matters impacting the Company, which facilitates more efficient and robust discussions at the regularly scheduled Board meetings.

The Board has not designated a separate Lead Director in light of its current governance structure, as the Board does not consider this role to be useful or appropriate when the Board Chair is determined to be independent.

The Board believes our overall corporate governance measures help ensure that strong, independent Directors continue to effectively oversee our management and key issues related to strategy, risk and integrity; executive compensation, CEO evaluation, and succession planning.

Compensation Committee letter

A letter from the compensation committee can explain the reasoning behind the compensation programs and packages described in the CD&A. This context can be especially helpful when a new executive, particularly a new CEO, joins the company.

Intel's Compensation Committee letter explained that the new CEO's compensation package was designed to attract him to the role while also addressing previous shareholder feedback. In addition, the letter noted that internal leadership transitions were among the factors that affected how the committee set performance targets.

[Intel Corporation, 2026 Proxy Statement, page 38]



1 Compensation Committee Letter

Dear Fellow Stockholders,

2025 was an important year for Intel. We appointed Lip-Bu Tan as CEO and began to make significant progress on our turnaround despite facing a number of challenges. Our 2025 compensation decisions and pay program outcomes are detailed in the Compensation Discussion and Analysis section that follows. This letter provides our perspective on the context for those decisions, and a few critical considerations we weighed as we sought to deliver compensation aligned to our strategy and performance over the last year.

Our Compensation Decisions Supported Successful Leadership Transitions

In March 2025, Intel appointed Lip-Bu Tan as our new CEO. Mr. Tan is an accomplished technology leader with deep semiconductor industry experience and relationships and expertise across the product and foundry ecosystems. His focus on innovation and customer-first philosophy will be critical to deliver long-term operational and financial performance. In particular, the Board was excited to welcome back Mr. Tan given his prior experience with Intel as a director from 2022 through August 2024.

Mr. Tan's compensation package was thoughtfully designed to attract him to the role, incentivize performance and align his compensation outcomes to those of our stockholders.

In designing his compensation, the Compensation Committee considered feedback previously received from stockholders, Mr. Tan's strong experience and knowledge of Intel, the competitive market for semiconductor executive talent and Intel's pay-for-performance philosophy. His package, including both his ongoing annual awards and new-hire grants, was thoroughly disclosed and discussed in our 2025 proxy statement, as his appointment was made before our proxy filing. Following this disclosure, Intel engaged with our stockholders ahead of the 2025 Annual Meeting, where the structure of Mr. Tan's new-hire equity awards received favorable feedback. The CD&A that follows this letter again includes fulsome disclosure of Mr. Tan's equity awards, and the awards appear in our Executive Compensation Tables as 2025 compensation.

David Zinsner and Michelle Johnston Holthaus served as Interim Co-CEOs during the transition period. As disclosed last year, they each received a one-time cash payment of $1.5 million at the end of the first quarter of 2025 for their service as Interim Co-CEOs. Mr. Zinsner remains our CFO and his ongoing compensation reflects that role.

In September of 2025, Ms. Johnston Holthaus notified Intel of her decision to resign from her role as CEO of Intel Products. She remained employed in a non-executive role through March 1, 2026, to assist with a smooth transition. Ms. Johnston Holthaus received severance benefits pursuant to the Intel Corporation Executive Severance Plan as the Compensation Committee concluded that her resignation was with good reason in accordance with the terms of her offer letter dated February 27, 2025.

Setting Incentive Targets in a Challenging Environment

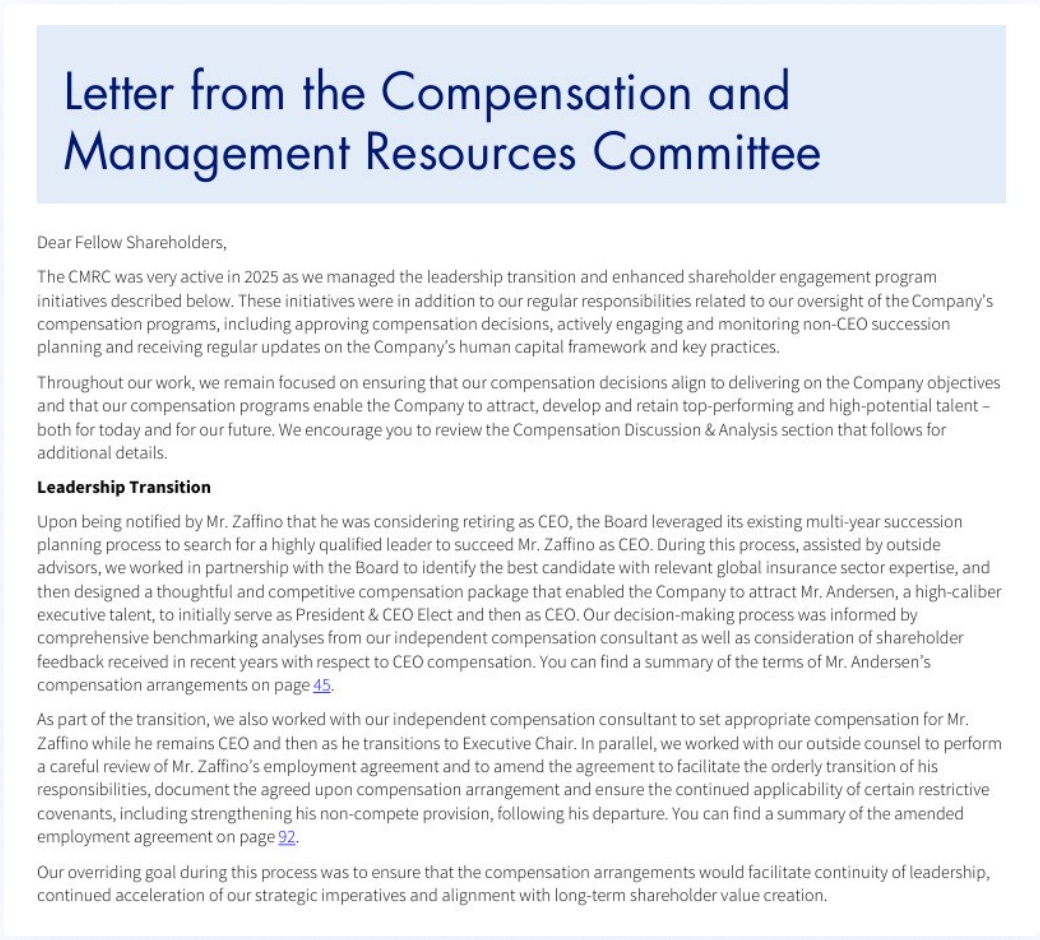
At the time the Compensation Committee established the incentive compensation targets for 2025, there were a number of anticipated business challenges for 2025, including:

- elevated geopolitical tensions and conflicts;
- rapidly changing trade policies and regulations in the areas of tariffs and export controls;
- an intensifying competitive environment in our core markets in a year where we had numerous execution challenges to close gaps in product competitiveness and bring to high-volume manufacturing our next generation process technology (Intel 18A) by the end of the year; and
- our internal leadership transitions as we were undertaking a search for a new CEO and expected other leadership changes once a new CEO was hired.

Targets were set at levels determined to be challenging yet achievable – in certain cases disclosed in the following CD&A, these targets were below the actual results achieved in 2024.

AIG's Compensation and Management Resources Committee similarly explained that the new CEO's compensation package was necessary to attract him to the position and that it reflects both shareholder feedback and competitive benchmarking. The committee also described how compensation for the outgoing CEO was adjusted to reflect his new role as Executive Chair.

American International Group Inc., 2026 Annual Meeting and Proxy Statement, page 41



Letter from the Compensation and Management Resources Committee

Dear Fellow Shareholders,

The CMRC was very active in 2025 as we managed the leadership transition and enhanced shareholder engagement program initiatives described below. These initiatives were in addition to our regular responsibilities related to our oversight of the Company's compensation programs, including approving compensation decisions, actively engaging and monitoring non-CEO succession planning and receiving regular updates on the Company's human capital framework and key practices.

Throughout our work, we remain focused on ensuring that our compensation decisions align to delivering on the Company objectives and that our compensation programs enable the Company to attract, develop and retain top-performing and high-potential talent – both for today and for our future. We encourage you to review the Compensation Discussion & Analysis section that follows for additional details.

Leadership Transition

Upon being notified by Mr. Zaffino that he was considering retiring as CEO, the Board leveraged its existing multi-year succession planning process to search for a highly qualified leader to succeed Mr. Zaffino as CEO. During this process, assisted by outside advisors, we worked in partnership with the Board to identify the best candidate with relevant global insurance sector expertise, and then designed a thoughtful and competitive compensation package that enabled the Company to attract Mr. Andersen, a high-caliber executive talent, to initially serve as President & CEO Elect and then as CEO. Our decision-making process was informed by comprehensive benchmarking analyses from our independent compensation consultant as well as consideration of shareholder feedback received in recent years with respect to CEO compensation. You can find a summary of the terms of Mr. Andersen's compensation arrangements on page 45.

As part of the transition, we also worked with our independent compensation consultant to set appropriate compensation for Mr. Zaffino while he remains CEO and then as he transitions to Executive Chair. In parallel, we worked with our outside counsel to perform a careful review of Mr. Zaffino's employment agreement and to amend the agreement to facilitate the orderly transition of his responsibilities, document the agreed upon compensation arrangement and ensure the continued applicability of certain restrictive covenants, including strengthening his non-compete provision, following his departure. You can find a summary of the amended employment agreement on page 92.

Our overriding goal during this process was to ensure that the compensation arrangements would facilitate continuity of leadership, continued acceleration of our strategic imperatives and alignment with long-term shareholder value creation.

Bio-Techne's Compensation Committee letter focused on their responses to a low say-on-pay vote and a range of shareholder concerns. Among other things, the committee noted that the new CEO's compensation package was structurally different from the criticized package awarded to his predecessor.

Bio-Techne Corp, 2025 Proxy Statement, page 41

A Message from Our Compensation Committee

Dear Fellow Shareholders,

The past two years have marked a period of meaningful evolution for Bio-Techne, driven by leadership transitions and a deliberate, shareholder-informed review of our executive compensation program. In October 2023, the Board selected Kim Kelderman as Bio-Techne's next CEO, effective February 2024. At our 2023 Shareholder Meeting, we received only 35% shareholder approval for our Say on Pay proposal. In the weeks leading up to this vote, the Chair of the Committee, Julie Bushman, and members of management met with many of our shareholders to discuss their concerns and observations about the Company's executive compensation program. In direct response to these discussions and to the 2023 Say on Pay voting results, the Compensation Committee undertook a comprehensive evaluation of the design and performance of our executive compensation program.

As detailed in our 2024 Proxy, the Committee focused on improved alignment with shareholder interests, and produced a number of changes to improve and evolve our compensation program. This work, as well as our emphasis on transparency, continued into 2025. Below are summaries of the enhancements to our program, as well as other actions taken by our Committee to evaluate our program.

As a result of this work, we implemented several enhancements to our executive compensation program:

- Aligned CEO compensation structure with that of the other Named Executive Officers (NEOs)
- Expanded payout bands to allow for more gradual and commensurate payout in line with performance with bonus payout bands set at 93% - 105% for organic revenue, and 92% - 108% for adjusted EBITA
- Introduced relative Total Shareholder Return (rTSR) as a performance metric to align with shareholders and isolate outperformance by management
- Added a negative cap to rTSR payouts, effective FY25
- Updated the mix of equity vehicles to include:
  - 50% performance-vesting Restricted Stock Units (RSUs)
  - 25% time-vesting RSUs
  - 25% time-vesting Stock Options

Other key actions taken by the Committee include:

- Evaluating alternative performance metrics suggested by shareholders, including:
  - Return on Invested Capital (ROIC), reviewed twice in FY24 and FY25
  - ESG and sustainability-related goals
  - Cash flow performance
  - Enterprise-wide performance goals
  - The balance of fixed versus variable (at-risk) compensation
  - Initiated a bench test of enterprise performance goals in FY26, with a decision on formal implementation in FY27

These changes reflect our belief in a performance-driven, shareholder-aligned compensation program that supports Bio-Techne's long-term success. We are confident that these enhancements position the Company to attract and retain top talent while reinforcing accountability and value creation. We are committed to continually evaluating our program as the Company and shareholder interests evolve.

We deeply appreciate the 86% shareholder approval we received for our Say on Pay proposal in 2024. This support reflects the value of our ongoing dialogue with shareholders and the enhancements we've made to our compensation program in response to their input.

We thank our shareholders for their continued engagement and support, and we respectfully request your support for our 2025 Say on Pay proposal.

Sincerely,

The Compensation Committee
Bio-Techne Corporation


Julie Bushman (Chair)


Joseph D. Keegan


Rupert Vessey


Robert Baumgartner

CD&A Executive Summary

Aware that a new CEO's compensation package is a matter of great interest, some companies choose to cover, or at least summarize, the topic at the start of the CD&A.

Target devotes half a page to transition-related compensation decisions, covering the basic points about the compensation packages for the incoming CEO and the outgoing CEO/incoming Executive Chair.

[Target Corp., 2026 Proxy Statement & Notice of Annual Meeting of Shareholders, page 38]

Executive summary

In the face of multiple challenges, our 2025 top and bottom-line results were below our expectations. Net Sales and Operating Income decreased 1.7% and 8.1%, respectively. Even with these pressures, our gross margin rate held up remarkably well, as our team demonstrated agility in navigating a dynamic tariff environment to protect our value proposition for our guests. In addition, we saw Digital Comparable Sales growth of 3.1%, and non-merchandise sales grew 18.2%. Our incentive programs and outcomes represent our commitment to aligning pay to both short and long-term performance.

While we remain focused on business results, our Team Members are the center of our strategy and business success, and help us meet the evolving needs of our guests and business year after year. We invest in their growth and well-being through competitive pay, comprehensive benefits, and resources that support their families, education, and financial security. These offerings include market-leading starting wages, accessible health and wellness programs, family care benefits, tuition-free education, and robust savings and discount programs.

We continue to invest in our business and communities, as illustrated in the "Financial performance metrics for Fiscal 2025" on page 39.

CEO transition

Mr. Fiddelke succeeded Mr. Cornell, who was appointed to the role of Executive Chair effective February 1, 2026. Mr. Cornell is anticipated to serve as Executive Chair or a special advisor until March 13, 2027. The Board of Directors proactively prepared for his transition as part of our ongoing CEO succession plan.

As disclosed in the Form 8-K filed on February 5, 2026, the following decisions were made related to Mr. Fiddelke's compensation in connection with his appointment as Chief Executive Officer effective February 1, 2026:

- Annual base salary increased to $1,300,000;
- At-goal STIP opportunity of 200% of his base salary;
- Annual performance-based equity award grant valued at $12,100,000, consisting of 60% PSUs and 40% PBRSUs; and
- Mr. Fiddelke did not receive a promotional grant related to his appointment to CEO.

The following decisions were made related to Mr. Cornell's compensation in connection with his service:

- Annual base salary decreased to $1,120,000;
- At-goal STIP opportunity of 200% of his base salary;
- An RSU grant valued at $6,000,000 that vests ratably on an annual basis over two years; and
- Mr. Cornell will not be eligible for severance under Target's Income Continuance Plan.

See "Board Leadership Structure" section on page 9 for more information.

PayPal and AIG both use the CD&A executive summary to describe the new CEO's compensation in some detail. AIG had a planned, congenial CEO transition, but underscored the need to appropriately compensate the outgoing CEO to "facilitate continuity of leadership." PayPal describes both the "regular" and "one-time" features of the new CEO's compensation package, and briefly explains how the terminated CEO and the interim CEO were compensated.

PayPal Holding's Inc., 2026 Notice of Annual Meeting of Stockholders and Proxy Statement and 2025 Annual Report, pages 59-61

2026 Leadership Transition

On February 2, 2026, the Board appointed Enrique Lores as President and CEO of the Company, effective as of March 1, 2026. Alex Chriss ceased serving as our President and CEO and as a member of the Board, effective as of February 2, 2026. The Board appointed Jamie Miller to serve as Interim President and CEO, effective from February 2, 2026 until Mr. Lores assumed the role of President and CEO on March 1, 2026.

Transition-Related Compensation

CEO Offer Letter

Mr. Lores' offer letter included two categories of compensation entitlements: (1) go-forward, ordinary course compensation arrangements and (2) special, non-recurring awards associated with Mr. Lores' appointment as CEO. The non-recurring awards are intended to incentivize Mr. Lores to lead PayPal with a focus on long-term stockholder return and to compensate him for awards he forfeited in departing from his prior employer to join PayPal.

The amounts and types of compensation for Mr. Lores were determined carefully by the Compensation Committee in consultation with the Compensation Committee's independent compensation consultant. In determining his compensation package, the Compensation Committee considered factors including Mr. Lores' more than three decades of technology and commercial experience and his expertise, including his unique qualifications and level of knowledge of PayPal's business due to his nearly five-year tenure on the Board, the compensation paid to Mr. Lores at his prior employer, market compensation for Mr. Lores' role within PayPal's compensation peer group (as listed below under the heading "Our Compensation Peer Group") including external new hire compensation arrangements, feedback previously received from stockholders, and PayPal's pay-for-performance philosophy.

The design of Mr. Lores' new hire awards is highly performance-oriented, with no sign-on cash component, and with a special performance-based equity award tied to rigorous stock price hurdles over a period up to five years.

Interim President and CEO Compensation

In recognition of Ms. Miller's service as Interim President and CEO, and to secure her continued service as our Chief Financial and Operating Officer during this critical time for the Company, Ms. Miller received a cash retention award of $3 million, which will vest and become payable as to 67% on February 2, 2027 and 33% on February 2, 2028, in each case generally subject to her continued employment with us through the applicable payment date.

Former CEO Compensation

In connection with Mr. Chriss' departure, the Company and Mr. Chriss entered into a separation agreement, pursuant to which he was eligible to receive only the severance payments and benefits applicable upon a termination of employment by the Company without cause (and not in connection with a change in control of the Company) under the Executive Severance Plan. For information on Mr. Chriss' severance benefits, see the section below titled "Potential Payments Upon Termination or Change in Control – CEO Departure-Related Compensation."

Additional details regarding Mr. Lores' offer letter, Ms. Miller's retention bonus and Mr. Chriss' severance benefits are also available on PayPal's Current Report on Form 8-K filed with the SEC on February 3, 2026.

The following are the go-forward elements of Mr. Lores' compensation arrangements:

Pay Element and Target Value	Key Terms
Annual Base Salary $1,450,000	—
Target AIP Bonus 200% of Base Salary	• Payout determined based on Company and individual performance • Eligible for full bonus in respect of 2026
2026 RSUs $16,500,000	• Follows PayPal's standard three-year vesting schedule • Amount reflects target grant date value
2026 PBRSUs $16,500,000	• Follows PayPal's PBRSU vesting schedule for 2026 PBRSUs applicable to other executive officers, as discussed below in the section titled "2026-2028 PBRSUs" • Performance period began on January 1, 2026, in alignment with the rest of the executive leadership team • Amount reflects target grant date value
Portion of 2027 RSUs $11,000,000	• Granted upon hire to provide immediate and strong alignment of Mr. Lores' incentives with our stockholders' long-term interests and ensure that any future appreciation in value realized pursuant to this award results directly from meaningful stock price appreciation driven by his performance from the commencement of his employment • Designed to provide a more meaningful, stockholder-aligned inducement to join PayPal, compared to a cash sign-on bonus • Vesting delayed by one year to reflect 2027 nature of the award; vests over four years from the grant date, with 1/3 of the shares underlying the award vesting on the second anniversary of the grant date and 1/12 of the shares underlying the award vesting quarterly thereafter, generally subject to Mr. Lores' continued employment through the applicable vesting date • Amount reflects target grant date value • These RSUs represent 1/3 of the aggregate grant date value of annual equity grants anticipated to be made to Mr. Lores for 2027; subject to Compensation Committee approval, Mr. Lores remains eligible for additional RSU and PBRSU grants in 2027 with an anticipated aggregate target grant date value of $22,000,000 (of which $5,500,000 is anticipated to be in the form of RSUs and $16,500,000 is anticipated to be in the form of PBRSUs)

The following are the special, non-recurring elements of Mr. Lores' compensation arrangements:

Pay Element and Target Value	Key Terms
Make-Whole RSUs $20,000,000	• Vests as to 1/3 of the shares underlying the award on the first three anniversaries of the grant date, generally subject to Mr. Lores' continued employment through the applicable vesting date • Amount reflects target grant date value and the approximate value of awards Mr. Lores forfeited with his former employer to join PayPal • Upon a termination of employment by PayPal without cause, by Mr. Lores for good reason, or due to Mr. Lores' death or disability (in each case as defined in the Company's Executive Change in Control and Severance Plan (the "Executive Severance Plan")), any then-unvested Make-Whole RSUs will vest, subject to satisfaction of release of claims and other requirements under the Executive Severance Plan
Inducement Stock Price PBRSUs $25,000,000	• Eligible to vest based on the achievement of long-term stock price hurdles (set forth below) measured based on the average closing price of PayPal common stock over any consecutive 60-calendar day period ending on or between the third and fifth anniversaries of Mr. Lores' start date as our CEO, with any PBRSUs earned to vest as to 25% on achievement of the stock price hurdle and as to 75% on the fifth anniversary of Mr. Lores' start date, generally conditioned on his continued employment with us, subject to certain termination protection in the event of a termination of his employment by PayPal without cause, by Mr. Lores for good reason, or due to Mr. Lores' death or disability

	Price Increase[1]	Minimum Stock Price	Total Payout
Target	60%	N/A	100%
Stretch	100%	$100	175%
Max	150%	$125	250%

[1] Compared to stock price used to convert the target value of the award into the number of shares to be granted ($42.58).

• Performance period began on March 1, 2026
• Amount reflects target grant date value

American International Group Inc., 2026 Annual Meeting and Proxy Statement, pages 45–46

Our Leadership Transition

Earlier this year, Chairman & CEO Peter Zaffino notified the Board of his intention to retire as CEO in 2026. As a result, Eric Andersen joined us as President & CEO Elect in February 2026 and is expected to assume the role of CEO and join the Board on or after June 1, 2026, at which time Mr. Zaffino will transition to the role of Executive Chair. See pages 25 and 33 for more details on the leadership transition and CEO succession planning process, respectively.

During 2025, the CMRC followed a rigorous process to determine the appropriate compensation structure for both Mr. Zaffino and Mr. Andersen. The CMRC worked closely with its independent compensation consultant, Pay Governance, to obtain and review extensive market data and analyses with the goal of building a compensation package to attract a successor to Mr. Zaffino who could lead the Company into its next phase of strategic progress while ensuring strong alignment with shareholder interests. The CMRC also sought to ensure that Mr. Zaffino was appropriately incentivized during this transition to facilitate continuity of leadership. As part of its review, the CMRC took into account shareholder feedback received in recent years regarding CEO compensation. The CMRC also worked with outside counsel to negotiate an amendment to the terms of Mr. Zaffino's employment agreement and the terms of Mr. Andersen's offer letter.

The CMRC reviewed its findings and recommendations with the Board, which approved each of Mr. Zaffino's and Mr. Andersen's compensation arrangements as described below.

Mr. Zaffino

2026 annual target direct compensation of $25 million as Chairman & CEO, decreasing to $15 million when he becomes Executive Chair:

Position	Base Salary	Target STI Award	Actual 2026 LTI Award /Target 2027 LTI Award
CEO	$1,500,000	$6,000,000	$17,500,000 actual 2026 LTI award in the form of 75 percent performance share units and 25 percent stock options granted in February 2026
Executive Chair	$1,500,000	$6,000,000	$7,500,000 target 2027 LTI award in the form of 50 percent performance share units, 25 percent restricted stock units and 25 percent stock options

The amendment to Mr. Zaffino's agreement confirms that Mr. Zaffino will be subject to a twelve-month non-competition covenant in addition to his other restrictive covenants following the end of his employment.

Mr. Andersen

2026 annual target direct compensation of $14 million as President & CEO Elect, increasing to $18 million when he becomes CEO:

Position	Base Salary	Target STI Award	Actual 2026 LTI Award / Target 2027 LTI Award
President & CEO Elect	$1,250,000	$3,250,000	$9,500,000 actual 2026 LTI award in the form of 50 percent performance share units, 25 percent restricted stock units and 25 percent stock options granted in February 2026
CEO	$1,500,000	$4,000,000 (prorated for 2026)	$12,500,000 target 2027 LTI award in the form of 50 percent performance share units, 25 percent restricted stock units and 25 percent stock options

Partial Buy-Out of Forfeited Earned Equity Awards: In agreeing to join the Company, Mr. Andersen forfeited significant equity awards granted by his prior employer that had already been earned by Mr. Andersen, but not yet delivered to him. Accordingly, Mr. Andersen received a $12,500,000 equity award in February 2026 to partially offset the amount of earned equity he forfeited and to create immediate alignment with shareholder interests. After considering that the forfeited equity had been earned by Mr. Andersen prior to its forfeiture, the CMRC granted the buy-out award in the form of restricted stock units. The restricted stock units have a 3-year cliff vesting period. This award was a necessary incentive to encourage Mr. Andersen to join the Company.

Benefits and Restrictive Covenants: Mr. Andersen is entitled to benefits consistent with senior executives of the Company and subject to customary restrictive covenants, including twelve-month non-competition and non-solicitation covenants following the end of his employment. Upon becoming CEO, he will also be entitled to a $195,000 allowance for personal use of Company aircraft.

CD&A

By far the most common approach to describing a new CEO's compensation package is to devote a special section to the subject in the body of the CD&A.

Prologis had a planned transition in which the outgoing CEO became Executive Chair and the incoming CEO was promoted from within. Interestingly, the "2026 Updates" section of the CD&A devotes far more space to the compensation package designed to retain the outgoing CEO than it does to the package awarded to the promoted executive.

Prologis Inc., Prologis Proxy Statement, page 39

2026 Updates

Effective January 1, 2026, Hamid Moghadam transitioned from CEO to executive chairman of the Board, and Dan Letter became CEO. Mr. Letter joined the company in 2004 and has held a variety of senior leadership roles, most recently serving as president since 2023.

This CEO transition is the result of a multi-year succession planning process led by Mr. Moghadam and fully supported and approved by the Board. To provide transparency to our stockholders, customers and employees, the transition was announced in February 2025, nearly a full year before it became effective.

The Committee carefully evaluated the appropriate roles, responsibilities and compensation structures for both the CEO and the executive chairman positions. The Committee believes the compensation packages for both roles support the effective execution of our thoughtful, long-term succession plan, which is in the best interests of Prologis' stockholders. As executive chairman, Mr. Moghadam will draw on his deep industry expertise, institutional knowledge and vast network to lead the Board and contribute to the company's long-term success. Recognizing the value of Mr. Moghadam's continued service as executive chairman, the Committee designed an executive chairman compensation package grounded in benchmarked data and aligned with long-term stockholder value creation.

2026 executive chairman compensation

The executive chairman's annual compensation will be entirely performance-based and delivered exclusively in the form of performance-based equity awards (PSUs), as requested by Mr. Moghadam.

- **The executive chairman will not receive a base salary and will not be eligible to receive an annual bonus,** distinguishing his pay structure from the vast majority of the executive chair pay structures observed in the Committee's benchmarking.
- Annual PSU awards will be earned solely based on multi-year company performance and carry the same upside opportunity and downside risk as PSUs granted to our executive officers, subject to identical performance conditions and vesting terms (refer to page 52 for detail on our PSU structure).
- For 2026, the executive chairman was awarded a PSU grant with a target value of $13,750,000. This amount was informed by a multi-year benchmarking analysis prepared by the Committee's independent consultant that reviewed compensation paid to former public company CEOs who transitioned to an executive chair role. It analyzed ratios of executive chair compensation relative to final-year CEO compensation. Mr. Moghadam's 2026 annual compensation amount was generally consistent with the median ratio of executive chair-to-CEO compensation observed in the benchmarking analysis. **Mr. Moghadam's capped 2025 compensation was used as the reference point in this analysis.**
- None of Mr. Moghadam's outstanding equity awards granted while he was CEO were accelerated or modified as a result of his transition to executive chairman.

To support his retention during the Company's next phase of growth, the Committee also granted Mr. Moghadam a one-time award of 220,000 service-based LTIP Units, subject to three-year cliff vesting. In its benchmarking review, the Committee determined that executive chair arrangements at other companies were not directly comparable to our situation and therefore designed a package tailored to Prologis' specific circumstances, namely the transition of a founder with more than 40 years of service. In structuring the award to support Mr. Moghadam's retention during this transition period, the Committee considered: (1) the alignment created by the three-year cliff vesting requirement; (2) the competitive market for highly successful executives with comparable experience; and (3) its longstanding practice of granting Mr. Moghadam at-risk, performance-based awards. Given these considerations, the Committee determined that this targeted, one-time award was appropriate to secure his service and facilitate a seamless CEO transition.

During our stockholder outreach, we discussed the executive chairman's compensation, addressed questions and considered the feedback received. Investors voiced strong support for the company's well-executed transition plan and endorsed the executive chairman's role and responsibilities as aligned with the company's long-term interests.

2026 CEO compensation

Mr. Letter's 2026 target Core Compensation consists of a base salary of $1,000,000, an annual bonus target equal to 200% of base salary and an annual LTI equity award with a target value of $15,750,000 that is predominantly performance-based. Mr. Letter's annual PSU awards will use the same performance scale and terms as PSUs granted to our other NEOs.

The Committee's benchmarking confirmed that Mr. Letter's 2026 target Core Compensation is within an appropriate range relative to median CEO compensation among our Peer Group.

Monro brought in a new CEO and awarded him a compensation package that would make up for compensation he was forfeiting from his previous employer and also address the risk that his tenure would be shortened by a change in control. To put the CEO's compensation in perspective and emphasize how it was mostly performance-based, the narrative description was followed by an itemized list comparing the CEO's compensation as reported in the summary compensation table to his realized compensation. A later section of the CD&A summarized the terms of the new CEO's employment agreement.

Monro Inc., Notice of 2026 Annual Meeting of Shareholders and Proxy Statement, pages 24-25

CEO Appointment

On March 28, 2025, the Board appointed Mr. Fitzsimmons as our President and CEO pursuant to an engagement letter with APS, an affiliate of AlixPartners, to lead our transformation following a period of underperformance. From March 28, 2025 through December 1, 2025, Mr. Fitzsimmons served as our President and CEO while remaining an employee of AlixPartners, and therefore was compensated by APS. On December 1, 2025, the engagement with APS was terminated, and on December 2, 2025, we entered into an employment agreement with Mr. Fitzsimmons to directly employ him as our President and CEO for an initial two-year term ending December 31, 2027, which will automatically renew for successive one-year terms unless either party provides written notice under the agreement.

The Board's decision to employ Mr. Fitzsimmons directly reflected its focus on retaining a highly experienced executive to continue transforming the business, position the Company for long-term success, and create significant value for our shareholders. In approving the terms of Mr. Fitzsimmons' employment agreement, the Compensation Committee considered his experience, peer group and market practice for highly skilled CEOs, compensation forfeited by Mr. Fitzsimmons in connection with him leaving his employment with AlixPartners, and the risk of a potential transaction occurring shortly after he became directly employed by us. The Compensation Committee determined that approximately 75% of Mr. Fitzsimmons' total compensation would be performance-based by tying it to financial and stock price performance. The Compensation Committee also committed to not providing any additional equity to Mr. Fitzsimmons during the initial two-year employment term, in light of the front-loaded equity awards granted to cover the initial two-year

period. To address the risk of a potential transaction to the equity awards granted to Mr. Fitzsimmons as a replacement for the compensation he forfeited in connection with the end of his employment with AlixPartners, the Compensation Committee determined that it would be appropriate for these awards (and only these awards) to include accelerated vesting in the event of a change in control of the Company. Mr. Fitzsimmons' other equity awards, as well as all equity awards of other executives, do not include acceleration of vesting in the event of a change in control. Additional details regarding Mr. Fitzsimmons' employment agreement are provided under "Other Matters" and "Payments Made Upon a Change in Control" below.

CEO SCT Pay vs. Realized Pay

The Summary Compensation Table discloses the annual total compensation for our NEOs in accordance with SEC regulations. These regulations require that stock awards be reported for the year in which granted and at their grant date fair value as determined under FASB ASC 718. While grant date values can be helpful to assess target pay, they do not reflect the actual value ultimately realized by the NEOs based on our future performance. Similarly, the SEC requires that certain items be included in the "All Other Compensation" column of the Summary Compensation Table that are not equivalent to the cash compensation received by Mr. Fitzsimmons. The disclosure below presenting realized value provides what we believe is a more practical view of the value realized by Mr. Fitzsimmons in the current year. Mr. Fitzsimmons' Fiscal 2026 compensation reflects a leadership transition from an external advisory role to his direct employment by the Company as our CEO. Certain reported compensation elements – such as the APS service fee and make-whole equity award – were one-time or nonrecurring in nature and do not represent ongoing compensation. As of fiscal year-end, the CEO realized approximately 39% of the compensation reported in the Summary Compensation Table, reflecting the performance-based design of our compensation program. Our presentation of realized value for Mr. Fitzsimmons is not required by SEC regulations and may not be comparable to similar disclosure provided by other public companies.

The chart below compares the Summary Compensation Table data and the realized compensation data for Mr. Fitzsimmons based on our stock price as of the end of Fiscal 2026, or $15.47. Based on our Fiscal 2026 performance, Mr. Fitzsimmons' realized compensation as of the end of Fiscal 2026 is approximately 39% of the Summary Compensation Table amount because (i) approximately 85% of his first year compensation is performance-based or tied to stock price performance that was not achieved, and (ii) the exclusion of the third-party service fee paid to APS (and not directly to Mr. Fitzsimmons) for Mr. Fitzsimmons' service prior to his direct employment with us in December 2025. The PSU awards are subject to a rigorous performance structure, with no payout below a minimum stock price threshold and meaningful upside only upon sustained stock price appreciation at the end of the two-year performance period. Additionally, to further incentivize Mr. Fitzsimmons and ensure alignment with our shareholders, his initial term equity grant covers the entirety of the initial two-year term under his employment agreement. We believe the significant difference between reported compensation and realized pay demonstrates the strong alignment of our CEO's compensation with shareholder outcomes, as the majority of his compensation is performance-based and dependent on stock price appreciation.

	Summary Compensation Table	Realized Value at FYE
Salary[1]	$ 290,769	$ 890,769
One-time Sign-on Bonus	$ 200,000	$ 200,000
FY 2026 Annual Incentive	$ 107,251	$ 107,251
All Other Compensation[2]	$2,139,410	$ 19,871
Special Equity Grant[3]	$ 499,999	$ 409,042
25% RSU portion of Initial Term Grant	$1,124,994	$ 920,341
75% PSU portion of Initial Term Grant[4]	$2,177,407	$ 0
Total	$6,539,830	$2,547,274

1 The "Salary" reflected in the Realized Value at FYE column includes (i) $600,000, a reasonable estimate of the salary received by Mr. Fitzsimmons from AlixPartners related to his service as our President and CEO from March 28, 2025 to December 1, 2025, while remaining an employee of AlixPartners; and (ii) the salary Mr. Fitzsimmons received from us when directly employed.

2 Summary Compensation Table includes in the "All Other Compensation" column the $2,119,539 service fee paid to APS, and not to Mr. Fitzsimmons, for his service to us prior to his December 2025 employment agreement. Mr. Fitzsimmons was directly compensated by us only for his service on and after December 2, 2025.

Monro Inc., Notice of 2026 Annual Meeting of Shareholders and Proxy Statement, pages 34–35

Fitzsimmons Agreements

We previously entered into an engagement letter with APS on March 28, 2025, pursuant to which APS provided Mr. Fitzsimmons to serve as our President and CEO and we paid APS a monthly fee of $250,000 for Mr. Fitzsimmons' services and his reasonable out-of-pocket expenses. Under the APS engagement letter, Mr. Fitzsimmons and APS representatives were prohibited from disclosing confidential information of the Company for three years after the end of the engagement. The engagement was terminated by us on December 1, 2025.

As of December 2, 2025, the Company entered into an employment agreement with Mr. Fitzsimmons to directly employ him as our President and CEO with an initial two-year term, ending December 31, 2027, and will automatically renew for one-year terms unless either the Company or Mr. Fitzsimmons gives written notice under the Agreement. Under the Employment Agreement, Mr. Fitzsimmons:

(i) received an annual base salary of $900,000;

(ii) is eligible to earn a cash annual incentive with the target amount equal to 100% of his base salary, and a threshold of 50% and maximum of 200%, based on the achievement of certain performance targets set by the Compensation Committee, including a pro rata cash annual incentive for the Fiscal 2026 for the portion of the fiscal year that Mr. Fitzsimmons was employed under the terms of the Employment Agreement;

(iii) received a one-time sign-on cash bonus of $200,000;

(iv) received an upfront Stock Grant of restricted stock under the Company's Amended and Restated 2007 Stock Incentive Plan ("2007 Stock Incentive Plan") and pursuant to the terms of a restricted stock award agreement, with a grant date fair value of $500,000, which vests over a one-year period, in consideration for his forfeiting compensation from his prior employer;

(v) received an Initial Grant of RSUs under the 2007 Stock Incentive Plan and pursuant to the terms of an RSU award agreement, with a grant date fair value of $1,125,000, which vest in equal increments on December 31, 2026 and December 31, 2027;

(vi) received an Initial Grant of PSUs under the 2007 Stock Incentive Plan and pursuant to the terms of a PSU award agreement, with a target value of $3,375,000, which vest based on the achievement of performance goals tied to growth in the share price of the Company's common stock as of December 31, 2027; and

(vii) is eligible to participate in any group life, hospitalization or disability insurance plan, health program, or any pension plan or similar benefit plan of the Company, which is available generally to other senior executives.

If the Employment Agreement is renewed after its initial term, for the fiscal year ending in March 2029 and any subsequent fiscal year, Mr. Fitzsimmons will be eligible to receive annual equity incentive awards under the 2007 Stock Incentive Plan with a target value of at least $1,500,000, in a combination of awards on a basis comparable to the awards made to other senior executives of the Company.

In addition, Mr. Fitzsimmons is entitled to certain payments upon his death, disability, or termination without Cause (as defined therein), a nonrenewal of the Employment Agreement by the Company, his resignation for Good Reason (as defined therein) or his termination in the event of a Change in Control of the Company (as defined therein), all as described under "Potential Payments Upon Termination or Change in Control" below.

The compensation package for Verizon's new CEO includes many of the same features that were awarded by Monro, including a "make whole" equity award and protection against certain terminations of employment. Notably, since the new CEO was expected to serve only two years, one of his primary responsibilities was "to identify and develop a strong CEO succession candidate." Verizon provided that the time-vesting conditions of the new CEO's equity awards would be deemed satisfied when he "facilitated an orderly transition of his duties" to a more permanent executive. There is a brief description of compensation for the outgoing CEO, who remained as a "special advisor."

Verizon Communications Inc., 2026 Proxy Statement, pages 35–37

Additional compensation actions taken in 2025

Appointment of Mr. Schulman as Verizon's Chief Executive Officer

Effective October 4, 2025, Mr. Schulman was appointed as Verizon's Chief Executive Officer. In connection with Mr. Schulman's appointment as CEO, the Committee and the independent members of the Board, with assistance from the compensation consultant, considered incentives for Mr. Schulman to successfully lead through a strategic expansion of Verizon following the completion of the Frontier acquisition, to drive long-term shareholder value, including through meaningful stock price appreciation, and to identify and develop a strong CEO succession candidate. The Committee also considered market competitiveness of Mr. Schulman's total compensation opportunity and the compensation required to attract Mr. Schulman to accept the position. Taking these factors into account, Verizon entered into a letter agreement with Mr. Schulman on October 13, 2025 (as amended January 8, 2026), which provides for his continued role as CEO through December 31, 2027 and sets forth the terms of his compensation package in consideration for his role as CEO.

Under the terms of the letter agreement, during his tenure as CEO, Mr. Schulman will be paid an annualized base salary of $1,500,000 and will be eligible to participate in the Verizon Short-Term Plan with a target incentive opportunity equal to 250% of his base salary, with Mr. Schulman's 2025 Short-Term Plan award prorated for 2025. Mr. Schulman was also granted the following awards under the Long-Term Plan, which collectively represent Mr. Schulman's exclusive long-term incentive compensation during the term of his employment as CEO under the terms of the letter agreement:

- Make Whole RSU Award - RSU award with a target value equal to $9.5 million to compensate Mr. Schulman for incentive compensation that he forfeited upon resignation from his service relationship with an investment firm in connection with his appointment as CEO. The Make Whole RSU Award was granted on October 17, 2025 and will vest on December 31, 2026, generally subject to his continued employment through such date.
- CEO RSU Award - RSU award with a target date value equal to $20 million. The CEO RSU Award was granted on October 17, 2025 and will vest on December 31, 2027, generally subject to his continued employment through such date.
- CEO PSU Award - PSU award with a target value equal to $30 million. The CEO PSU Award has grant date of April 1, 2026, and was approved in March 2026 at the time the annual 2026 Long-Term Plan awards were approved for other executives. The CEO PSU Award will vest, to the extent earned, on December 31, 2027, generally subject to his continued employment through such date. One-half of the CEO PSUs will vest based on Verizon's adjusted EPS growth over the performance cycle commencing January 1, 2026 and ending on December 31, 2027 (the EPS PSUs) and one-half of the CEO PSUs will vest based on Verizon's total shareholder return (TSR) position compared with the companies in the S&P 100 (the TSR Peer Group) (TSR PSUs) divided into two tranches, each corresponding to 50% of the TSR PSUs. Each tranche of the TSR PSUs may be earned at a range of 0-200% of the target number of PSUs granted, based on the level of achievement of Verizon's TSR relative to the TSR Peer Group. For the first tranche, such achievement is measured over a performance cycle beginning October 17, 2025 and ending December 31, 2026 and for the second tranche, such achievement is measured over a performance period beginning October 17, 2025 and ending December 31, 2027. The payout level for each performance period cannot exceed 100% of the target number of PSUs for each tranche if Verizon's absolute TSR is negative over the applicable performance period.
- Supplemental PSU Award - PSU award of a target number of 222,222 units. The Supplemental PSU Award was granted on October 17, 2025 and may be earned at a range of 0-300% of the target number of PSUs granted based on the achievement of average share price goals ranging from $55.00 to $75.00 per share of Verizon common stock over a performance period commencing on October 17, 2025 and ending December 31, 2028. The earned PSUs will generally vest on December 31, 2027 or such later date during the performance period on which the applicable share price performance goal is achieved, generally subject to Mr. Schulman's continued employment with Verizon through December 31, 2027. The Supplemental PSU Award is divided into nine tranches, each of which corresponds to an average share price goal. An average share price goal will be treated as achieved (resulting in the corresponding tranche of the grant being deemed to be earned) on the last day of a measurement period (defined as any period of 20 consecutive trading days of Verizon common stock on the New York Stock Exchange that both begins and ends during the performance period) if, as of each trading day during the measurement period, the average closing price of a share of Verizon common stock on the New York Stock Exchange for the trailing period of 20 consecutive trading days ending on and including such day exceeds the applicable average share price goal.

Consistent with the awards of PSUs and RSUs granted to executives under the Long-Term Plan, the value of each PSU and RSU is equal to the value of a share of Verizon common stock and PSUs and RSUs accrue dividend equivalents that are deemed to be reinvested in PSUs and RSUs, respectively. These dividend equivalents are paid when, and to the extent that, the related PSUs and RSUs are actually earned. The number of shares of Verizon common stock underlying the Make Whole RSU Award, CEO RSU Award and CEO PSU Award were determined by dividing the target dollar value of the grant by a reference price that was calculated as the average closing price of Verizon common stock over the 20 consecutive trading days ending on and including October 17, 2025 and rounding up to the nearest whole number of shares. All PSUs and RSUs that vest at the end of the award's respective vesting periods, including dividend equivalents on the vested portion of the award, will be settled in shares of Verizon common stock.

Mr. Schulman is entitled to certain termination vesting protections with respect to his RSUs and PSUs upon a qualifying termination of employment, including that upon Mr. Schulman's termination of employment due to a succession event (generally defined as circumstances where a successor CEO of Verizon has been appointed and Mr. Schulman has facilitated an orderly transition of his duties), the time-based vesting conditions will be deemed satisfied for all of Mr. Schulman's equity grants described above. In addition, if prior to December 31, 2027,

Mr. Schulman's employment terminates due to a succession event, he will be entitled to receive the remaining base salary and short-term incentive compensation that he would have received had he remained employed with Verizon as CEO through December 31, 2027 (with short-term incentive compensation determined based on actual performance for the fiscal year in which the termination occurs and target performance for fiscal years that have not yet commenced as of the termination date). Mr. Schulman will continue serving as a member of the Board of Directors of Verizon and will be nominated for re-election to the Board at each annual meeting of Verizon's shareholders during the term of his employment as CEO.

Appointment of Mr. Vestberg as Special Advisor

Effective October 4, 2025, Mr. Vestberg stepped down as Chairman and CEO and was named Special Advisor to Verizon to provide transition support until October 4, 2026, with a focus on advising on the integration and execution of the Frontier acquisition and Verizon's larger convergence and broadband strategy. In connection with his appointment as Special Advisor, Mr. Vestberg and Verizon entered into an agreement which provides for his continued role as Special Advisor until October 4, 2026. Under the terms of the agreement, he will continue to receive base salary at the rate in effect on the date of the agreement through the end of his term as Special Advisor and will also remain eligible for an award under the 2025 Short-Term Plan based on actual performance results.

Mr. Vestberg is expected to serve in that role through October 4, 2026. He is also expected to continue to serve on the Board of Directors for the remainder of his current term, which ends at the 2026 Annual Meeting of Shareholders.

Lumen had recent transitions in several executive roles, resulting in a range of disclosure. The CD&A explains the ongoing and one-time compensation awarded to a new EVP, the severance arrangements for an outgoing EVP who was involuntarily terminated, and the clawback of a portion of the sign-on bonus awarded to a third EVP who resigned.

Lumen Technologies Inc., 2026 Proxy Statement, pages 111–112

Compensation Arrangements Related to Leadership Transition

Our Board and the HRCC have spent considerable time and effort ensuring that we have the right leadership in place to deliver high-impact results and guide us on a path to growth. As described above in "Board of Directors and Governance—Shareholder Engagement—CEO and Executive Succession Planning," we have fully refreshed our senior leadership team over the past few years.

The HRCC, after consultation with its independent compensation consultant, Compensia, determined that the proposed annual compensation package and on-boarding awards, described in greater detail below for Mr. Hacker (1) was consistent with our philosophy and customary for executive on-boarding pay packages, (2) was necessary to attract high caliber talent to transform our operations and induce him to join us, and (3) provided total compensation that was competitive against median levels for his executive position.

Compensation for Mark Hacker, our EVP, Chief Legal Officer & Public Policy

Following a robust search in early 2025, the HRCC extended an offer to Mr. Hacker, who brings more than two decades of legal, regulatory, government affairs, and strategic leadership experience, most recently serving as General Counsel and Chief Administrative Officer at Motorola Solutions.

The HRCC approved the following annual compensation and on-boarding awards for Mr. Hacker, who joined the Company on May 12, 2025, as Executive Vice President and Chief Legal Officer, to lead the Company's Legal and Public Policy organizations, overseeing legal strategy, corporate governance, regulatory compliance, government affairs, and ethics—key areas that support Lumen's continued transformation and its position as the "trusted network for AI."

Annual Compensation Package

Mr. Hacker's initial annual compensation package consisted of:

- Base salary of $750,000;[1]
- Target annual short-term incentive (STI) opportunity equal to 100% of base salary;
- Target annual long-term incentive (LTI) opportunity equal to $2,700,000;[2] and
- Retirement and health and welfare benefits generally available to all employees.

(1) Following an expansion in his scope of responsibilities, which includes our public sector business, Mr. Hacker's salary was increased to $775,000 in October 2025. For more information see "—Base Salary" above.

(2) Following an expansion in his scope of responsibilities, Mr. Hacker's long-term incentive opportunity was increased to $3,300,000, effective for his 2026 annual LTI award. For more information see "—2025 Long-Term Incentive Compensation" above.

On-Boarding Awards

In addition, the HRCC approved certain on-boarding awards described below. Based on information provided by its independent compensation consultant, the HRCC determined that these awards were customary for executive on-boarding pay packages and, in this case, were necessary to induce Mr. Hacker to join the Company.

- Pro-Rated 2025 LTI Award of $2,000,000, representing approximately 74% of his target annual LTI opportunity, granted on his start date and based on terms consistent with the 2025 annual LTI awards[1] granted to our other senior officers in the first quarter. Mr. Hacker's pro-rated 2025 LTI Award was comprised of 40% ($800,000) in the form of time-vested restricted shares, vesting in three equal annual installments, and 60% ($1,200,000) in the form of performance-based restricted shares, with a three-year cliff vesting subject to performance attainment against relative TSR and Cumulative Free Cash Flow targets, all subject to continued service on the applicable vest dates.
- A cash signing bonus of $500,000. This cash award was paid upon his joining the Company, subject to a clawback if Mr. Hacker resigns or is terminated by the Company for "cause" (as defined in our Executive Severance Plan) before the two-year anniversary of his start date.

(1) For more information see "—2025 Long-Term Incentive Compensation" above.

Severance Compensation Paid to Ashley Haynes-Gaspar, our Former EVP, Chief Revenue Officer

As described further below, Ms. Haynes-Gaspar joined the Company on January 9, 2023, initially overseeing Customer Success, Wholesale, and International, with her responsibilities later expanded to include marketing and her appointment to EVP, Chief Revenue Officer. On January 28, 2026, Ms. Haynes-Gaspar ceased serving as an executive officer, following the hiring of her successor, and, following a short transition period, her employment was involuntarily terminated on March 6, 2026.

Severance Compensation

In exchange for Ms. Haynes-Gaspar's delivery of a release of claims in connection with her termination, she will receive the following compensation and benefits payments under our pre-existing executive severance plan and broad-based programs that apply to our employees:

- Cash severance payment of $1,300,000[1], and
- 2025 Short Term Incentive $792,984[2].

Impact on LTI Awards

In addition to these prior arrangements, the HRCC exercised its discretion to approve the following treatment for a pro-rated portion of her outstanding equity, effective upon her termination and also conditioned on her delivery of a release of claims, and the remaining portion of her outstanding equity were forfeited:

- Accelerated vesting of 331,785 shares, of outstanding time-based restricted stock granted to her in 2024 and 2025.
- Retention of a pro-rated portion, 125,046 target shares, of her outstanding performance-based restricted stock granted to her in 2025, subject to their original performance conditions and vesting dates as disclosed in "—2025 Long-Term Incentive Compensation" above and the "Outstanding Equity Awards" table, with the remaining 175,068 shares of these target stock awards being forfeited.
- Retention of a pro-rated portion of her outstanding performance-based cash granted to her in 2024, with a target value of $1,057,500, subject to their original performance conditions and vesting dates, and the remaining target value of $352,500 being forfeited. For more information please reference our 2025 proxy statement.

(1) For more information see "-Other Benefits - Severance Benefits" below.

(2) For more information see "Section Five - 2025 Short-Term Incentive Program" above.

Forfeiture and Clawback of Compensation Awarded to Dave Ward, our former EVP, Chief Technology & Product Officer

Mr. Ward joined the Company on February 12, 2024, during a critical time in our transformation and was recruited specifically for his impressive technology and network experience and knowledge of our industry, how our customers think, and what they need. On December 1, 2025, Mr. Ward announced his resignation to assume a role with another company. On January 5, 2026, following the hiring of his successor, Mr. Ward ceased serving as an executive officer and, following a short transition period, his employment ended on January 23, 2026.

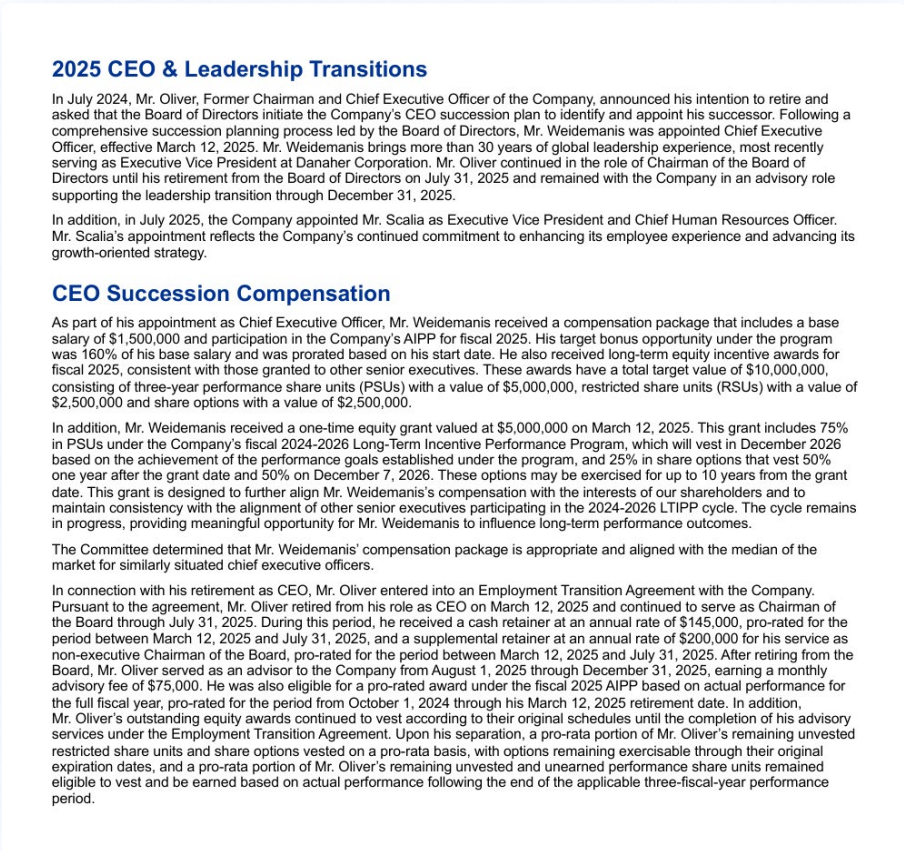
Forfeiture and Clawback of Compensation

Effective upon the voluntary termination of Mr. Ward's employment on January 23, 2026, and in accordance with the terms of the LTI awards, his outstanding on-boarding awards (684,157 time-vested restricted shares and $937,500 time-vested LTI cash), annual 2024 LTI awards (422,128 time-vested restricted shares and $1,500,000 performance-based cash at "target") and annual 2025 LTI awards (293,730 time-vested restricted shares and 440,594 performance-based restricted stock at "target") were forfeited in their entirety.

Mr. Ward was paid a cash award of $1,000,000 upon his joining the Company in February 2024. This cash award was subject to a clawback if Mr. Ward resigned or was terminated by the Company for "cause" (as defined in our Executive Severance Plan) before the two-year anniversary of his start date, and in accordance with such terms, $83,333 was clawed-back by deducting the amount from Mr. Ward's 2025 STI bonus following his voluntary termination.

Johnson Controls described the ongoing and one-time compensation awarded to the new CEO, as well as the terms of the company's employment agreement with the outgoing CEO, who served a few months as Executive Chair and another few months as an advisor.

[Johnson Controls International PLC, 2026 Notice of Annual General Meeting and Proxy Statement, page 45]



2025 CEO & Leadership Transitions

In July 2024, Mr. Oliver, Former Chairman and Chief Executive Officer of the Company, announced his intention to retire and asked that the Board of Directors initiate the Company's CEO succession plan to identify and appoint his successor. Following a comprehensive succession planning process led by the Board of Directors, Mr. Weidemanis was appointed Chief Executive Officer, effective March 12, 2025. Mr. Weidemanis brings more than 30 years of global leadership experience, most recently serving as Executive Vice President at Danaher Corporation. Mr. Oliver continued in the role of Chairman of the Board of Directors until his retirement from the Board of Directors on July 31, 2025 and remained with the Company in an advisory role supporting the leadership transition through December 31, 2025.

In addition, in July 2025, the Company appointed Mr. Scalia as Executive Vice President and Chief Human Resources Officer. Mr. Scalia's appointment reflects the Company's continued commitment to enhancing its employee experience and advancing its growth-oriented strategy.

CEO Succession Compensation

As part of his appointment as Chief Executive Officer, Mr. Weidemanis received a compensation package that includes a base salary of $1,500,000 and participation in the Company's AIPP for fiscal 2025. His target bonus opportunity under the program was 160% of his base salary and was prorated based on his start date. He also received long-term equity incentive awards for fiscal 2025, consistent with those granted to other senior executives. These awards have a total target value of $10,000,000, consisting of three-year performance share units (PSUs) with a value of $5,000,000, restricted share units (RSUs) with a value of $2,500,000 and share options with a value of $2,500,000.

In addition, Mr. Weidemanis received a one-time equity grant valued at $5,000,000 on March 12, 2025. This grant includes 75% in PSUs under the Company's fiscal 2024-2026 Long-Term Incentive Performance Program, which will vest in December 2026 based on the achievement of the performance goals established under the program, and 25% in share options that vest 50% one year after the grant date and 50% on December 7, 2026. These options may be exercised for up to 10 years from the grant date. This grant is designed to further align Mr. Weidemanis's compensation with the interests of our shareholders and to maintain consistency with the alignment of other senior executives participating in the 2024-2026 LTIPP cycle. The cycle remains in progress, providing meaningful opportunity for Mr. Weidemanis to influence long-term performance outcomes.

The Committee determined that Mr. Weidemanis' compensation package is appropriate and aligned with the median of the market for similarly situated chief executive officers.

In connection with his retirement as CEO, Mr. Oliver entered into an Employment Transition Agreement with the Company. Pursuant to the agreement, Mr. Oliver retired from his role as CEO on March 12, 2025 and continued to serve as Chairman of the Board through July 31, 2025. During this period, he received a cash retainer at an annual rate of $145,000, pro-rated for the period between March 12, 2025 and July 31, 2025, and a supplemental retainer at an annual rate of $200,000 for his service as non-executive Chairman of the Board, pro-rated for the period between March 12, 2025 and July 31, 2025. After retiring from the Board, Mr. Oliver served as an advisor to the Company from August 1, 2025 through December 31, 2025, earning a monthly advisory fee of $75,000. He was also eligible for a pro-rated award under the fiscal 2025 AIPP based on actual performance for the full fiscal year, pro-rated for the period from October 1, 2024 through his March 12, 2025 retirement date. In addition, Mr. Oliver's outstanding equity awards continued to vest according to their original schedules until the completion of his advisory services under the Employment Transition Agreement. Upon his separation, a pro-rata portion of Mr. Oliver's remaining unvested restricted share units and share options vested on a pro-rata basis, with options remaining exercisable through their original expiration dates, and a pro-rata portion of Mr. Oliver's remaining unvested and unearned performance share units remained eligible to vest and be earned based on actual performance following the end of the applicable three-fiscal-year performance period.

Thoughts for your 2027 proxy statement

The proxy statement that follows a significant leadership transition should include disclosure that specifically addresses the change. If an executive departure was forced, investors will want to know what the new executive will do differently. If the transition was planned and orderly, it offers a great opportunity to spotlight the board's succession planning processes. In all cases, investors will want to know how the new executive will be compensated—especially if there have been say-on-pay issues in recent years. Wherever these disclosures appear, make them obvious by using clear headers or other visual clues.

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