Lightning Round: Ten Proxy Disclosures That Have Evolved in Recent Years.

January 2025

LABRADOR

Transparency by design

Jennifer Cooney

Lightning Round: Ten Proxy Disclosures That Have Evolved in Recent Years

Sometimes it is challenging to define what constitutes a “trend” in corporate disclosures. Most proxy statement developments are the result of incremental changes year over year that eventually accumulate into a noticeable shift in approach. The following are ten examples of proxy disclosures that - whether by regulation, stakeholder influence, self-prioritized governance enhancements, or a mix of the three - continue to evolve in content and presentation.

Board Skills Matrix

Director Biographies

Re-nomination Process

Director Time Commitments

Shareholder Engagement Cycle

Beyond the Boardroom

Sustainability Governance

Selection of Incentive Metrics

Equity Grant Practices

Compensation Recoupment Policies

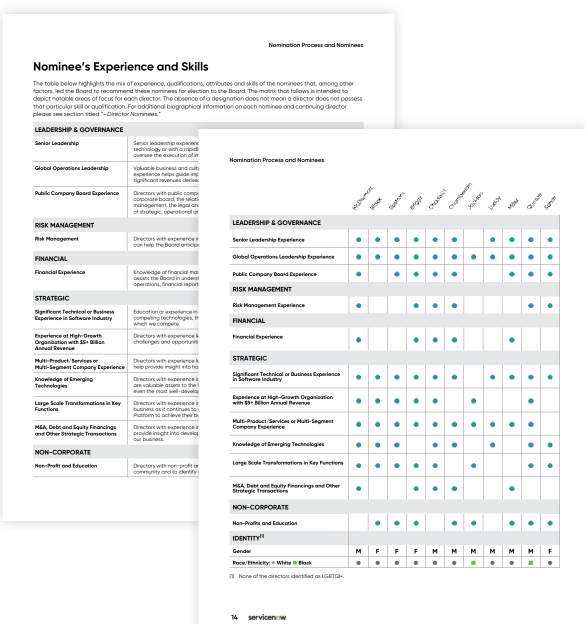
1. Board Skills Matrix

The board skills matrix, which presents the qualifications and experience of each individual director, is key to demonstrating that the proposed slate of nominees has the expertise needed to guide the company's long-term strategy and create shareholder value. The initial iteration of the matrix included a list of skills with checkmarks or similar indicator for each of the applicable directors possessing the requisite experience. Later versions of the matrix include, or are supplemented with, a description of each desired skill and (ideally) how the skill is relevant to board effectiveness for that specific company. To emphasize the connection to strategy, some skill matrices now visually present qualifications related to strategy separate from other necessary competencies of its board members.

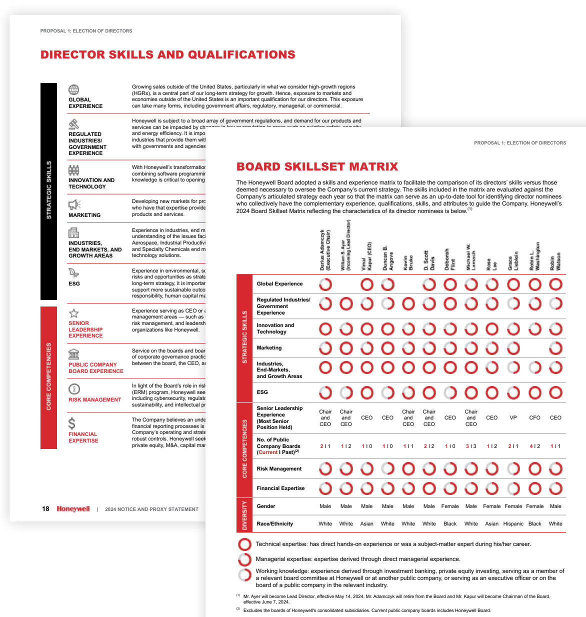
Lumen 2024 Proxy Statement


Skills and Relevance to Lumen's Strategy

ServiceNow 2024 Proxy Statement


Nominee's Experience and Skills

Honeywell 2024 Proxy Statement

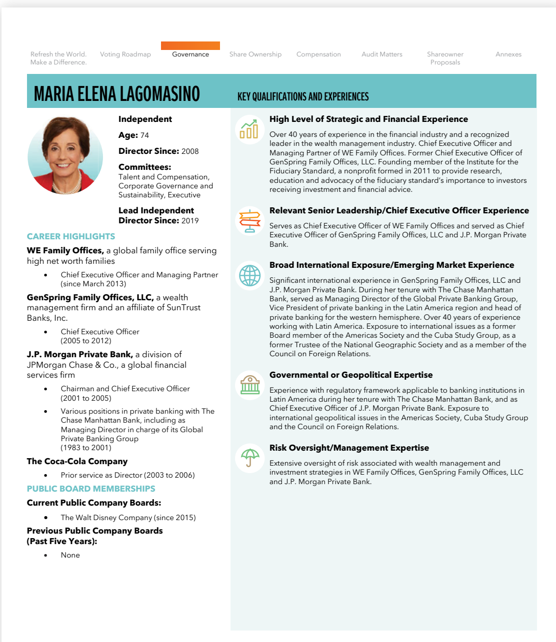

DIRECTOR SKILLS AND QUALIFICATIONS

BOARD SKILLSET MATRIX

2. Director Biographies

As companies enhance their board skillset disclosures, nominee biographies also have been reimagined. To some extent, it seems that disclosure around director experience has come full circle and perhaps the newest presentation of board qualifications and skills in bios most closely aligns with the intent of the rule promulgated 15 years ago requiring “specific experience, qualifications, attributes or skills that led to the conclusion that the person should serve as a director . . . in light of the registrant’s business and structure.” Bios that once laid out a director’s career path, together with a narrative discussion, moved to a bulleted format with career highlights and skills lists or icons. While easy-to-digest, readers needed to make the connection between the director’s professional background and the acquired skill. More recently, however, biographies directly and succinctly link qualifications with experience. Some companies even distinguish between type or level of experience.

Coca Cola 2024 Proxy Statement



Refresh the World. Make a Difference. | Voting Roadmap | Governance | Share Ownership | Compensation | Audit Matters | Shareowner Proposals | Annexes

MARIA ELENA LAGOMASINO

Independent

Age: 74

Director Since: 2008

Committees:
Talent and Compensation, Corporate Governance and Sustainability, Executive

Lead Independent Director Since: 2019

CAREER HIGHLIGHTS

WE Family Offices, a global family office serving high net worth families

- Chief Executive Officer and Managing Partner (since March 2013)

GenSpring Family Offices, LLC, a wealth management firm and an affiliate of SunTrust Banks, Inc.

- Chief Executive Officer (2005 to 2012)

J.P. Morgan Private Bank, a division of JPMorgan Chase & Co., a global financial services firm

- Chairman and Chief Executive Officer (2001 to 2005)
- Various positions in private banking with The Chase Manhattan Bank, including as Managing Director in charge of its Global Private Banking Group (1983 to 2001)

The Coca-Cola Company

- Prior service as Director (2003 to 2006)

PUBLIC BOARD MEMBERSHIPS

Current Public Company Boards:

- The Walt Disney Company (since 2015)

Previous Public Company Boards (Past Five Years):

- None

KEY QUALIFICATIONS AND EXPERIENCES

High Level of Strategic and Financial Experience

Over 40 years of experience in the financial industry and a recognized leader in the wealth management industry. Chief Executive Officer and Managing Partner of WE Family Offices. Former Chief Executive Officer of GenSpring Family Offices, LLC. Founding member of the Institute for the Fiduciary Standard, a nonprofit formed in 2011 to provide research, education and advocacy of the fiduciary standard’s importance to investors receiving investment and financial advice.

Relevant Senior Leadership/Chief Executive Officer Experience

Serves as Chief Executive Officer of WE Family Offices and served as Chief Executive Officer of GenSpring Family Offices, LLC and J.P. Morgan Private Bank.

Broad International Exposure/Emerging Market Experience

Significant international experience in GenSpring Family Offices, LLC and J.P. Morgan Private Bank. During her tenure with The Chase Manhattan Bank, served as Managing Director of the Global Private Banking Group, Vice President of private banking in the Latin America region and head of private banking for the western hemisphere. Over 40 years of experience working with Latin America. Exposure to international issues as a former Board member of the Americas Society and the Cuba Study Group, as a former Trustee of the National Geographic Society and as a member of the Council on Foreign Relations.

Governmental or Geopolitical Expertise

Experience with regulatory framework applicable to banking institutions in Latin America during her tenure with The Chase Manhattan Bank, and as Chief Executive Officer of J.P. Morgan Private Bank. Exposure to international geopolitical issues in the Americas Society, Cuba Study Group and the Council on Foreign Relations.

Risk Oversight/Management Expertise

Extensive oversight of risk associated with wealth management and investment strategies in WE Family Offices, GenSpring Family Offices, LLC and J.P. Morgan Private Bank.

CSX 2024 Proxy Statement

Corporate Governance | Director Nominees

John J. Zillmer, 68

Independent Director Nominee / Chair of the Board

Director since 2017

Career Highlights

- Currently serves as Chief Executive Officer of Aramark, a global food, facilities management and uniform services provider, since 2019.
- Served as President and Chief Executive Officer of Univar Inc., a global chemical distributor and Fortune 500 company, from 2009 to 2012, where he also served as Executive Chairman.
- Served as Chairman and Chief Executive Officer of Allied Waste Industries, from 2005 to 2008, until the merger of Allied Waste with Republic Services, Inc.
- During his earlier career with Aramark, from 1986 to 2005, served in various senior executive positions, ultimately becoming President of Global Food and Support Service.
- Served as a director of Reynolds American, Inc., from 2007 until its acquisition by British American Tobacco in 2017.
- Served as a director of Veritiv Corporation, a full-service provider of packaging, publishing and hygiene products and a Fortune 500 company, from 2014 to 2020.
- Served as a director of Performance Food Group Company, a leading food distributor and supplier, from 2015 to 2019.

Other Leadership Experience

Mr. Zillmer served as a director of Liberty Capital Partners, a private equity and venture capital firm specializing in start-ups, early stage, growth equity buyouts and acquisitions. He serves on the North American advisory board of CVC Partners.

Key Skills and Qualifications

- **Business Operations** Many years of service as a Chief Executive Officer at multiple public and large private companies, through which he demonstrated proven operating experience and led an operational transformation that has become an industry benchmark.
- **Corporate Governance** Substantial relevant experience in his roles as Chairman and Chief Executive Officer and as a director at several companies.
- **Human Capital Management** Proven expertise as a leader of large workforces, and deep experience with labor relations, safety and talent management.
- **Transportation Industry/Supply Chain Management** Extensive leadership experience and perspective in industries with substantial logistics and supply chain components.

Other Current Public Company Directorships

- Ecolab Inc.
- Aramark

CSX Committee Assignments and Rationale

Compensation and Talent Management

- Human capital management expertise gained through his many years of leadership as a chief executive officer at multiple public and large private companies and oversight of various aspects of large workforces, including labor relations, safety and talent management.
- Years of experience on compensation committees of public company boards.

Executive

- Appointed due to his role as Chair of the Board.

Governance and Sustainability

- Extensive corporate governance experience and expertise through his roles as a chairman and chief executive officer and as a director at several public companies.
- Demonstrated leadership at companies focused on sustainability and also operational transformation.

3. Re-nomination Process

Director nomination disclosures historically have focused on the nomination and corporate governance committee's recommendation of the slate of nominees for election. Often this section includes a statement that the committee annually considers the current composition of the board, as well as ongoing consideration of the board's collective skills and needs in light of the company's near and long-term strategic ambitions. Many proxies then move directly into disclosure about the process for identifying new director candidates. More recently, however, companies are sharing more detail about how they consider the renomination of incumbent directors, with some companies emphasizing that re-nomination is not automatic.

JPMorgan Chase 2024 Proxy Statement

Director re-nomination

The Governance Committee also oversees the re-nomination process. In determining whether to re-nominate a director for election at our annual meeting, the Governance Committee reviews each director, considering:

Goldman Sachs 2024 Proxy Statement

Comprehensive Re-Nomination Process

Our Governance Committee appreciates the importance of critically evaluating individual directors and their contributions to our Board in connection with annual re-nomination decisions.

In considering whether to recommend re-nomination of a director for election at our Annual Meeting, our Governance Committee conducts a detailed review, considering factors such as:

- The extent to which the director's **judgment, skills, qualifications and experience** continue to contribute to the success of our Board and our firm;
- **Feedback from the annual Board evaluation and related individual discussions** between each director and our Lead Director;
- **Attendance** and **participation** at, and **preparation** for, Board and Committee meetings;
- **Independence**;
- The extent to which the director contributes to the **diversity** of our Board;
- **Shareholder feedback**, including the **support received at our 2023 Annual Meeting of Shareholders**; and
- **Outside board and other affiliations**, including overboarding considerations, time commitments and any actual or perceived conflicts of interest.

Each of our director nominees has been recommended for election by our Governance Committee and approved and nominated for election by our Board.

If elected by our shareholders, our director nominees, each of whom is currently a member of our Board, will serve for a one-year term expiring at our 2025 Annual Meeting of Shareholders. Each director will hold office until their successor has been elected and qualified, or until the director's earlier resignation or removal.

All of our directors must be elected by a majority vote of our shareholders. Pursuant to our By-Laws:

- A director who fails to receive a majority of FOR votes will be required to tender their resignation to our Board.
- Our Governance Committee will then assess whether there is a significant reason for the director to remain on our Board and will make a recommendation to our Board regarding the resignation.

For detailed information on the vote required for the election of directors and the choices available for casting your vote, please see *Frequently Asked Questions.*

Biographical information about our director nominees follows. This information is current as of March 1, 2024 and has been confirmed by each of our director nominees for inclusion in our Proxy Statement. There are no family relationships among any of our director nominees and executive officers.

Mondelez 2024 Proxy Statement

INDIVIDUAL DIRECTOR SELF-ASSESSMENTS AND CONSIDERATIONS FOR RENOMINATION OF INCUMBENT DIRECTORS

The Board does not believe that directors should expect to be automatically renominated. Therefore, annual Board and director self-assessments are important determinants in a director's renomination and tenure.

The Governance Committee coordinates annual Board, committee and director self-assessments. The assessment process includes one-on-one discussions between each director and the independent Lead Director. All incumbent director nominees complete questionnaires annually to update and confirm their background, qualifications and skills, and to identify any potential conflicts of interest. The Governance Committee assesses the experience, qualifications, attributes, skills, diversity and contributions of each director. In coordination with the independent Lead Director, the Governance Committee also considers each individual in the context of the Board's composition as a whole, with the objective of recruiting and recommending a slate of director nominees who can best sustain the Company's success and represent shareholders' interests by exercising sound judgment and informed decision-making.

The Board expects that a director's other commitments will not interfere with his or her duties as a Company director.

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

4. Director Time Commitments

Most director policies limiting service on other boards reflect the stated guidelines of the company's most influential investors and proxy advisors. Disclosure of company-specific board service policies is common to show alignment. While shareholders still show interest in these policies, there is increased interest in understanding the board's analysis of each director's ability to devote the time necessary for effective service rather than only a bright-line test. Accordingly, proxies are including more information about the board's process for considering director time commitments.

Bank of America 2024 Proxy Statement

Director time commitment. Our Board understands the time commitment involved in serving on the Board and its committees. Through the Committee, the Board evaluates whether candidates and serving directors are able to devote the time necessary to discharge their duties as directors, taking into account their primary occupations, memberships on other boards, and other responsibilities.

In 2022, at the Committee's recommendation, our Board amended its policy on outside board service set forth in the Corporate Governance Guidelines. The revised policy limits the maximum number of public company boards on which a director on our Board may serve to four public companies (including our Board) and specifies that any public company chief executive officer who serves as a director on our Board may not serve on the boards of more than two public companies (including our Board).

The Committee assesses directors' time commitment to the Board throughout the year, including through the annual formal self-evaluation process and prior to the annual renomination of currently serving directors. Under our Corporate Governance Guidelines, directors are expected to seek Committee approval prior to joining the board of another public company, and directors who change principal occupations must offer to resign from the Board, subject to further evaluation by the Committee and the Lead Independent Director.

The Committee regularly reviews and closely monitors external perspectives and trends on the appropriate number of public company boards on which directors may serve, including the proxy voting guidelines of our major shareholders and input from shareholder engagement discussions, voting policies of the major proxy advisory firms, corporate governance guidelines adopted by other public companies, board trends at peers and other significant public companies, and advice from outside advisors.

Outside board service policy

All directors	CEO directors
4 total public company boards (including our Board)	2 total public company boards (including our Board)

Aligns with majority of institutional shareholders' policies. All directors and nominees comply with our outside board service policy.

Cardinal Health 2024 Proxy Statement

Additional Board Service

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

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

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

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

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

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

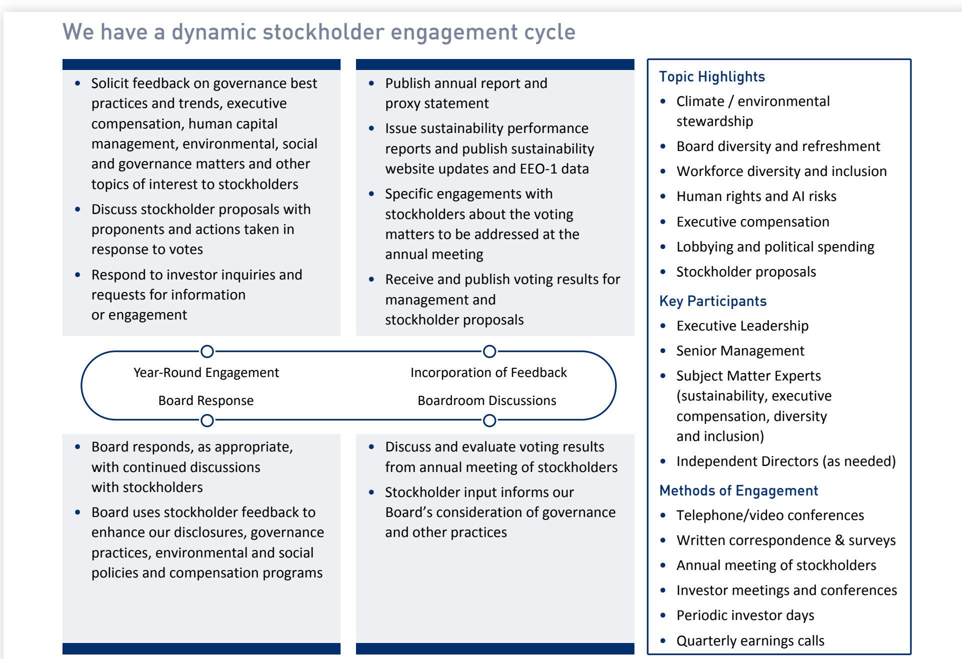
The Governance and Sustainability Committee conducted a review of director capacity for our 2024 director nominees and affirms that they are compliant with our outside board commitments policy.

5. Shareholder Engagement Cycle

Companies generally want to show that they are actively engaging with their shareholders year-round. While quarterly earnings calls, investor conferences, and conversations with investor relations and management are ongoing, the primary focus of proxy statement disclosure has been around documenting the who/what/when of the governance outreach program (although some companies also include an overview of their investor relations calendar). The "when" component of the disclosure led to a common graphic showing governance engagement efforts during each of spring, summer, fall, and winter. Recently, this graphic has moved away from emphasizing the seasonality of engagement to instead focus more on how each outreach campaign aligns with the board's calendar and its consideration of feedback.

Leidos 2024 Proxy Statement

Lockheed Martin 2024 Proxy Statement



6. Beyond the Boardroom

Expectations of directors continue to increase with more topics directly falling under the umbrella of strategy and risk oversight. To demonstrate that the board understands the business and is more engaged than a limited quarterly schedule of meetings might suggest, proxy disclosures often show ongoing director involvement. The “beyond the boardroom” presentation in proxies began six or seven years ago, but decreased during the covid period. Recently, there has been an emergence of this practice, which brings together director orientation, continuing education, and meeting attendance disclosure with other director touchpoints such as briefings and updates between meetings, board interaction with management and employees, and onsite visits.

Portillos 2024 Proxy Statement

Beyond the Boardroom

The commitment of our Directors extends well beyond preparation for, and participation at, regularly scheduled Board meetings. Engagement outside of Board meetings provides our Directors with additional insight into our business and our industry, and gives them valuable perspectives on the performance of our Company, the Board, our CEO and other members of senior management, and on the Company's strategic direction.

Director Orientation

Following feedback from the most recent self-evaluations, the Nominating and Corporate Governance Committee is rolling out a new Director onboarding program, which will include an immersive introduction to the Company, meetings with fellow Directors (including an “onboarding buddy”), and a detailed reference guide.

Access to Management

All Directors have full and free access to management during and outside of regularly scheduled meetings. In response to feedback from the most recent self-evaluations, additional steps have been taken to ensure that our Directors and management team continue to build strong relationships and maintain an open dialogue.

Shareholder Engagement

In addition to receiving regular updates on shareholder engagement, our Board and the Nominating and Corporate Governance Committee takes an active role in reviewing and overseeing our shareholder engagement strategy.

Periodic Briefings from Management

Our management team provides our Board with regular business updates and periodic updates on major business developments, milestones, and important internal initiatives to keep the Board informed between regularly scheduled meetings on matters that are significant to our Company and industry.

Continuing Education

Directors are encouraged to attend Director development programs and conferences that relate to Director duties, corporate governance topics or to other issues relevant to the work of the Board. We periodically bring in outside experts to speak to the Board on timely topics, such as cybersecurity.

Site Visits

We conduct at least one off-site meeting each year so that Directors are able to visit new sites and restaurants and can better evaluate the Company's strategic initiatives. In 2023, the Board visited restaurants and sites in our Dallas market, which was at the forefront of our strategic growth last year.

Walgreens 2024 Proxy Statement

Board commitment

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

Number of board meetings in fiscal 2023

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

40
Total Board and Committee Meetings in fiscal 2023

Board meeting preparation

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

Additional board engagement in fiscal 2023

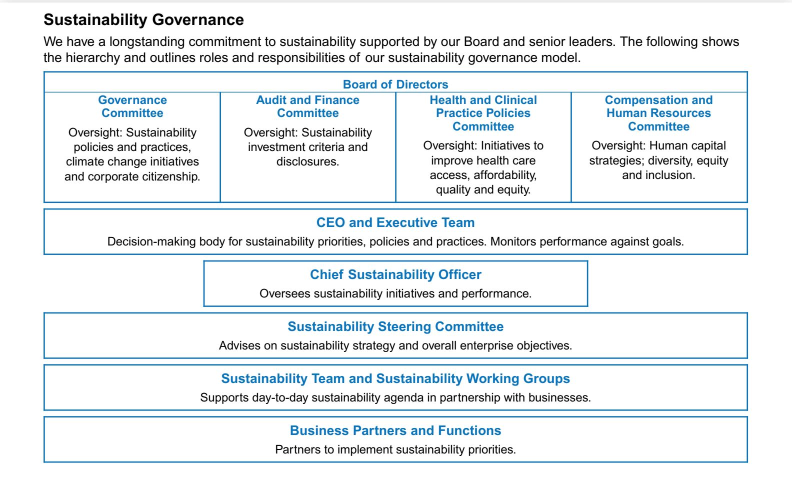
- **Action by Written Consent**
  - Board 4
  - Compensation 8
  - Finance/Technology 2
- **Ongoing Collaboration** - Frequent interactions with each other, management and key employees on topics such as strategy, performance, risk management and human capital
- **Management Reports** - Written and verbal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

7. Sustainability Governance

Remember when most proxies discussed board oversight only in the context of risk? Although not required, it is now common practice to discuss the board's responsibilities more broadly, including at a minimum the board's role with respect to strategy and CEO succession planning. Insight into the board's approach to oversight of specific topics are also frequent disclosures. According to Labrador's recent benchmarking, approximately three-quarters of companies include a section, subsection or callout discussing the board's role in ESG oversight in the proxy statement. This disclosure is often accompanied by a visual element depicting the distribution of specific sustainability-related topics among the board and board committees. Inclusion of the governance framework supporting key initiatives can also be helpful – for example, the board oversight graphic may also include cross-functional management and operating committees tasked with day-to-day ESG responsibility.

Mastercard 2024 Proxy Statement

UnitedHealth Group 2024 Proxy Statement



8. Selection of Incentive Metrics

Most shareholders cast their executive compensation advisory vote based on an assessment of pay and performance alignment. Accordingly, in addition to required CD&A disclosures about program objectives and elements, including if material, "specific items of corporate performance[1]"considered by the compensation committee, it is also necessary to explain the rationale for selecting certain metrics for the company's incentive plans and why they are important performance indicators given the company's unique business and its strategic goals. Given the importance of metric selection, we have noticed recent efforts to make this disclosure more prominent, including use of headers or even dedicated sections.

Intel 2024 Proxy Statement

2023 Annual Cash Bonus Plan Metrics

A summary of the metrics and how they align to our long-term strategy is presented below.

Metric	CEO Weight	Other NEO Weight	Why Included in our Annual Cash Bonus Plan
Revenue	25%	20%	• Aligns to our growth strategy and gives us the ability to measure our progress against our financial plans set early in the year
Gross Margin Percentage	25%	20%	• Ensures that growth is additive to the bottom line and gives us the ability to measure our progress against our financial plans set early in the year
Spend Reduction	25%	20%	• Metric reflects our commitment on company cost savings in 2023
One Intel Operational Goals	25%	20%	• Goals represent key deliverables or milestones that position the company to successfully execute our long-term strategic objectives • Includes six operational goal categories that apply across all business groups to promote a "One Intel" mindset • The six categories include: financial stability, product leadership, scale growth engines, process leadership, culture, and RISE 2030 related goals. These goals are highly specific and extremely strategic. They cascade throughout our organization and are a core aspect of how we manage the company
Individual Performance Goals	—	20%	• Provides ability to further promote strong execution of our strategy and drive differentiation in the plan results based on our NEOs' individual contributions to Intel during the performance period • Each executive's performance is assessed against the individual's 2023 pre-established objectives • Our CEO does not have an individual performance element to his Annual Cash Bonus Plan as he is ultimately accountable for the financial and operational performance of the company

Raytheon 2024 Proxy Statement

2023 Performance Metrics

The Committee believes that the metrics used for our annual and long-term incentive plans are essential indicators of the long-term health of our Company and measure particularly salient aspects of Company performance, therefore serving the fundamental objective of our executive compensation program.

Metrics for the Annual Incentive Plan ("AIP")[1]

FINANCIAL METRICS

Earnings measure the immediate impact of operating decisions on the Company's annual performance. For our Corporate executives, we use net income as our RTX-wide earnings metric, and for our business units, we use operating income.

Free Cash Flow ("FCF") measures our ability to generate cash to fund our operations and key business investments—whether that means funding critical research and development, strategic acquisitions, paying down debt or distributing earnings to our shareowners.

CORPORATE RESPONSIBILITY SCORECARD ("CRS")

People & Culture drives progress toward our long-term diversity, equity and inclusion ("DE&I") and talent objectives through two annual metrics: total representation percentage and employee retention rate.

Sustainability drives progress toward our long-term environmental sustainability objectives through two annual metrics: greenhouse gas emissions and water usage.

Metrics for Performance Share Units ("PSUs")[1]

Adjusted Earnings Per Share ("EPS") measures the Company's ability to create long-term, sustainable earnings that will ultimately drive total shareowner return.

Return on Invested Capital ("ROIC") measures the efficiency with which we allocate capital resources, considering not just the quantity of earnings but also the quality of earnings and investments that drive sustainable growth.

Relative Total Shareowner Return ("TSR") measures our ability to return value to our shareowners compared to competing investment opportunities like the S&P 500 Index and our Core Aerospace & Defense ("A&D") Peers and reinforces our program's pay-for-performance objectives.

(1) See Appendix B on page 122 for definitions of financial metrics and page 51 for definitions of Corporate Responsibility Scorecard metrics.

(1) Regulation S-K, Item 401(b).

9. Equity Grant Practices

The SEC's 2023 insider trading rules require not only disclosure about Rule 10b5-1 trading arrangements and grants of option awards within four days of reporting material nonpublic information, but also annual disclosure about policies and practices related to the timing of option award grants and release of material nonpublic information. While the latter is not a new requirement in principle, CD&A discussion usually focused on the timing and pricing of specific grants or was embedded in the compensation committee's decision-making timeline. With the new Item 402(x) of Regulation S-K now in effect, we expect more companies will choose to include a separate section dedicated to its equity grant timing practices (irrespective of whether options are currently part of the equity mix).

Freeport McMoRan 2024 Proxy Statement

Equity Grant Timing Practices

The committee's policy is to make annual equity awards under our LTIP at its first meeting of the year, which is usually held in early February following our fourth quarter earnings release. This meeting is scheduled approximately 24 months in advance and targeted to fall within the window period following the release of the company's earnings for the fourth quarter of the previous year. To the extent the committee approves any out-of-cycle awards at other times during the year, such awards will be made during an open window period during which our executive officers and directors are generally permitted to trade company securities as long as they are not in possession of material nonpublic information regarding the company.

The terms of our stock incentive plan provide that the exercise price of each stock option cannot be less than the fair market value of a share of our common stock on the grant date. Pursuant to the committee's policies, for purposes of our stock incentive plan, the fair market value of our common stock is determined by reference to the closing quoted per share sale price of our common stock on the grant date. In addition, our stock incentive plan permits the committee to delegate to appropriate personnel its authority to make awards to employees other than those subject to Section 16 of the Exchange Act.

Our current equity grant policy provides that each of our CEO, president and chief administrative officer has authority to make or modify grants to such employees, subject to the following conditions:

- no grant may relate to more than 20,000 shares of our common stock if the award is a full-value award and not more than 40,000 shares if the award is an appreciation award;
- such grants must be approved during an open window period and must be approved in writing by such officer, the grant date being the date of such written approval or such later date set forth in the grant instrument;
- the exercise price of any options granted may not be less than the fair market value of our common stock on the date of grant; and
- any such grants must be reported to the committee at its next meeting.

PVH Corp 2024 Proxy Statement

Timing of Equity Awards

Our equity award policy provides that the annual grant of stock options and restricted stock units to our senior executives, including our NEOs, generally will be approved by the Compensation Committee at a meeting held during the period commencing two days after the filing of our Annual Report on Form 10-K for the most recently completed fiscal year and ending on April 14 of the current year.

PSU awards have historically been made around the end of the first quarter to provide time to finalize financial goals and, because certain of the goals include stock price performance, so that the end of the performance cycle occurs shortly (and not immediately) after we report our year-end earnings.

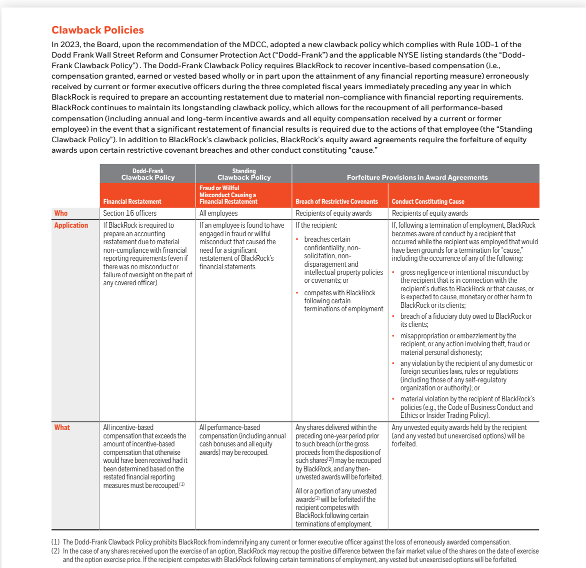
Equity awards may be made to our NEOs outside of the annual grant process in connection with a promotion or assumption of new or additional duties, or for another appropriate reason. All such grants to our NEOs must be approved by the Compensation Committee and generally will be made on the first business day of the month following the effective date of the precipitating event (or on the effective date if it is the first business day of a month).

The Committee retains the discretion not to make grants at the times provided in the equity award policy if the members determine the timing is not appropriate, such as if they are in possession of material non-public information. Additionally, the Committee retains the discretion to make grants, including an annual equity grant, at times other than as provided in the policy if the members determine circumstances, such as changes in accounting and tax regulations, warrant taking such an action.

10. Compensation Recoupment Policies

Disclosure around companies' recoupment policies slowly have evolved from a high-level bullet in the "what we do" list of compensation best practices to a summary of key terms, mostly to satisfy investor inquiries into whether the policy covers <u>any</u> unearned compensation (e.g., due to an accounting restatement) and/or whether forfeiture is required in situations arising from employee actions. With requirements stemming from Dodd-Frank and related exchanges to adopt compliant recovery policies by December 2023, more robust disclosures were found in the wave of 2024 proxies. Many companies adopted a second policy to comply with the new rules, but also maintained their existing policy, requiring an explanation of the overlap and differences.

Blackrock 2024 Proxy Statement



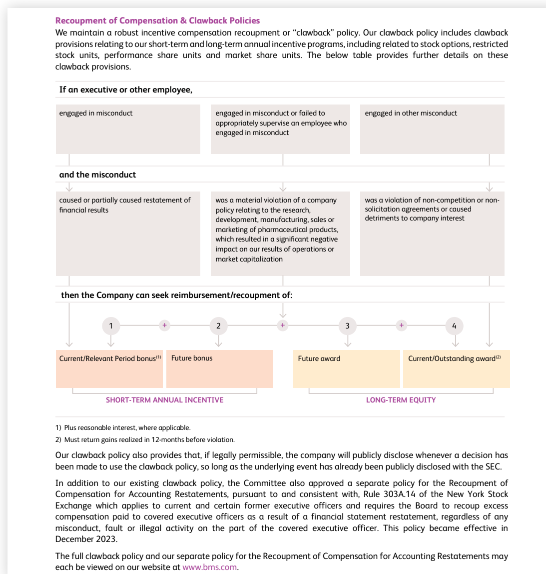
Clawback Policies

In 2023, the Board, upon the recommendation of the MDCC, adopted a new clawback policy which complies with Rule 10D-1 of the Dodd Frank Wall Street Reform and Consumer Protection Act ("Dodd-Frank") and the applicable NYSE listing standards (the "Dodd-Frank Clawback Policy") . The Dodd-Frank Clawback Policy requires BlackRock to recover incentive-based compensation (i.e., compensation granted, earned or vested based wholly or in part upon the attainment of any financial reporting measure) erroneously received by current or former executive officers during the three completed fiscal years immediately preceding any year in which BlackRock is required to prepare an accounting restatement due to material non-compliance with financial reporting requirements. BlackRock continues to maintain its longstanding clawback policy, which allows for the recoupment of all performance-based compensation (including annual and long-term incentive awards and all equity compensation received by a current or former employee) in the event that a significant restatement of financial results is required due to the actions of that employee (the "Standing Clawback Policy"). In addition to BlackRock's clawback policies, BlackRock's equity award agreements require the forfeiture of equity awards upon certain restrictive covenant breaches and other conduct constituting "cause."

	Dodd-Frank Clawback Policy	Standing Clawback Policy	Forfeiture Provisions in Award Agreements	
	Financial Restatement	Fraud or Willful Misconduct Causing a Financial Restatement	Breach of Restrictive Covenants	Conduct Constituting Cause
Who	Section 16 officers	All employees	Recipients of equity awards	Recipients of equity awards
Application	If BlackRock is required to prepare an accounting restatement due to material non-compliance with financial reporting requirements (even if there was no misconduct or failure of oversight on the part of any covered officer).	If an employee is found to have engaged in fraud or willful misconduct that caused the need for a significant restatement of BlackRock's financial statements.	If the recipient: • breaches certain confidentiality, non-solicitation, non-disparagement and intellectual property policies or covenants; or • competes with BlackRock following certain terminations of employment.	If, following a termination of employment, BlackRock becomes aware of conduct by a recipient that occurred while the recipient was employed that would have been grounds for a termination for "cause," including the occurrence of any of the following: • gross negligence or intentional misconduct by the recipient that is in connection with the recipient's duties to BlackRock or that causes, or is expected to cause, monetary or other harm to BlackRock or its clients; • breach of a fiduciary duty owed to BlackRock or its clients; • misappropriation or embezzlement by the recipient, or any action involving theft, fraud or material personal dishonesty; • any violation by the recipient of any domestic or foreign securities laws, rules or regulations (including those of any self-regulatory organization or authority); or • material violation by the recipient of BlackRock's policies (e.g., the Code of Business Conduct and Ethics or Insider Trading Policy).
What	All incentive-based compensation that exceeds the amount of incentive-based compensation that otherwise would have been received had it been determined based on the restated financial reporting measures must be recouped.(1)	All performance-based compensation (including annual cash bonuses and all equity awards) may be recouped.	Any shares delivered within the preceding one-year period prior to such breach (or the gross proceeds from the disposition of such shares(2)) may be recouped by BlackRock, and any then-unvested awards will be forfeited. All or a portion of any unvested awards(2) will be forfeited if the recipient competes with BlackRock following certain terminations of employment.	Any unvested equity awards held by the recipient (and any vested but unexercised options) will be forfeited.

(1) The Dodd-Frank Clawback Policy prohibits BlackRock from indemnifying any current or former executive officer against the loss of erroneously awarded compensation.
(2) In the case of any shares received upon the exercise of an option, BlackRock may recoup the positive difference between the fair market value of the shares on the date of exercise and the option exercise price. If the recipient competes with BlackRock following certain terminations of employment, any vested but unexercised options will be forfeited.

Bristol Myers Squibb 2024 Proxy Statement



Recoupment of Compensation & Clawback Policies

We maintain a robust incentive compensation recoupment or "clawback" policy. Our clawback policy includes clawback provisions relating to our short-term and long-term annual incentive programs, including related to stock options, restricted stock units, performance share units and market share units. The below table provides further details on these clawback provisions.

1) Plus reasonable interest, where applicable.
2) Must return gains realized in 12-months before violation.

Our clawback policy also provides that, if legally permissible, the company will publicly disclose whenever a decision has been made to use the clawback policy, so long as the underlying event has already been publicly disclosed with the SEC.

In addition to our existing clawback policy, the Committee also approved a separate policy for the Recoupment of Compensation for Accounting Restatements, pursuant to and consistent with, Rule 303A.14 of the New York Stock Exchange which applies to current and certain former executive officers and requires the Board to recoup excess compensation paid to covered executive officers as a result of a financial statement restatement, regardless of any misconduct, fault or illegal activity on the part of the covered executive officer. This policy became effective in December 2023.

The full clawback policy and our separate policy for the Recoupment of Compensation for Accounting Restatements may each be viewed on our website at www.bms.com.

LABRADOR

Transparency by design

About Labrador

Labrador exists to offer the science of transparency to corporations wishing to communicate effectively with their readers.

Our experienced and passionate team is composed of attorneys, designers, project managers, thinkers and web developers. We collaborate together around a process that encompasses drafting, editing, designing and publishing across all digital and print channels.

We are thrilled that communications prepared by Labrador have contributed to trustful relationships between our clients and their readers, whether investors, employees or other stakeholders.

In turn, our commitment to our clients has resulted in meaningful long-term relationships with some of the most respected public and private companies in the world.

contact-us@labrador-company.com

Labrador
1737 Ellsworth Industrial Blvd NW
Suite E-1
Atlanta, GA 30318
(404) 688 3584