

May 27, 2026

Sent by email (rule-comments@sec.gov)

Ms. Vanessa Countryman
Secretary, U.S. Securities and Exchange Commission
100 F Street, NE
Washington, D.C. 20549-1090

RE: Executive Compensation Disclosures (File No. 4-855)

Dear Ms. Countryman:

We are writing on behalf of Equity Methods, LLC, a professional services firm that advises companies on the design, valuation, and financial reporting of stock-based compensation (SBC). We had previously provided comments in August 2025 in response to the SEC's Roundtable on Executive Compensation Disclosure Requirements in June. We are writing this letter following the 2026 proxy filing season to reflect the current state of play and the lessons learned between the rule implementation and today. These assessments primarily focus on the Pay vs. Performance (PvP) disclosure and the investor-relevant information the PvP disclosure conveys.

Our perspective, which we outline further below, is summarized as follows:

1. PvP disclosure is in a steady state and is not high-cost or high-effort for most companies.¹ While cost and complexity have declined sharply, the benefits are beginning to accrue from having many years of disclosure. We suggest streamlining to highlight the information that is material to investors and improve the overall signal to noise ratio.
2. Artificial intelligence and technological advancement change the cost calculus. PvP was fortunately adopted with XBRL in mind. A fully standardized disclosure structure with strong XBRL tagging will make it virtually costless for investors to digest financial information. There's effectively no risk of investors being overwhelmed with information; the key risk is ensuring that material information is not lost by gutting too much useful information or throwing the baby out with the bathwater.
3. We continue to recommend our initial proposed framework of presenting the full compensation lifecycle in a single table that conveys (a) the deal struck at grant, (b)

¹ The exception is new adopters, such as companies that lose EGC status and must adopt the disclosure for the first time with a three-year lookback. If these (or other) non-accelerated filers have streamlined disclosure requirements based on the ultimately adopted version of the May 19, 2026 proposed amendments to extend disclosure scaling, then this cost is reduced to very little or zero. Large companies' costs of preparing the disclosure are minimal.

mid-flight pay information (a form of realizable pay), and (c) terminal pay results (realized pay). Removing any one of these measures obscures the full picture of how pay decisions translate into outcomes.

4. With a disclosure simplification that gives investors material information on the full picture of beginning, middle, and ending pay data, a positive downstream effect should be more heterogeneity in compensation designs.² A framework where investors can only see snapshots of pay, such as the value at grant and at final payout, discourages novelty and encourages conformist pay decisions.³
5. Therefore, we propose a structural reform and streamlining of the executive compensation disclosure tables to a unified New Summary Compensation Table that would consolidate a single lifecycle view of executive compensation. We believe this would cleanly address the material information that investors value, while minimizing extraneous or inconsistent elements that drive up compliance costs without corresponding benefits to investors. If a holistic reform is not feasible, we have seen other commenters⁴ suggest streamlining the PVP disclosure alone in ways that we think accomplish similar goals in a more narrow way.

I. The Pay for Performance Relationship is Material to Investors

Chairman Atkins has made materiality the north star of his disclosure reform agenda, invoking the Supreme Court's standard in *TSC Industries, Inc. v. Northway, Inc.*: information is material if there is a substantial likelihood that a reasonable investor would consider it important in making an investment decision. He has also called for the 'minimum effective dose' of disclosure, which are requirements calibrated to highlight, rather than obscure, information that matters. We write in agreement with both principles.

The question before the Commission is whether Compensation Actually Paid (CAP), or a revision of the construct, satisfies that standard. We believe the answer is yes, but only after removing clutter that obscures what otherwise has the potential to tell a comprehensive story about how pay decisions were coined and then unfold over time.

Public company executive pay packages today are dominated by equity awards. Performance share units, restricted stock units, and stock options usually represent a majority of total intended compensation. The grant-date values of those awards, recorded in the Summary Compensation Table (SCT), reflect what the compensation committee

² We believe an unfortunate byproduct of the current disclosure and proxy advisor system is a chase to the middle where compensation designs and strategies have become largely homogenous, and the disclosure rules influence practice instead of allowing diverse practices to flourish.

³ For example, that sort of narrower lens would discourage "moonshot" grants that set high hurdles for transformative value creation, since the optics at grant appear overly costly even though these instruments tend to have the most robust pay-for-performance linkage in existence. A narrower, snapshot-only lens would also discourage longer-termed instruments since too much time would pass without any glimpse into the pay-for-performance relationship unfolding over the course of the performance period.

⁴ Cf. Letter from Farient Advisors, LLC, dated April 13, 2026

decided to offer at the time of grant. But the economic value an executive ultimately realizes (or fails to realize) is determined by what happens to the company's stock price and performance metrics over the vesting period. This information is critical to a reasonable investor's assessment of whether the executive is accumulating wealth in proportion to shareholder outcomes or in spite of them.

The SCT cannot convey this and was never intended to do so. The grant-date fair values of equity awards reflect amounts that are fixed at the moment the initial deal is struck and do not update as circumstances change. A company whose stock declined 50% over the past year shows the same SCT total as a peer whose stock rose 50%, even though the two companies are delivering vastly different value to executives. The SCT provides a uniform, comparable baseline for benchmarking pay levels. It does not tell investors to what degree the intended pay quantum is being earned.

Similarly, the data in the Options Exercised and Stock Vested Table only provides a point-in-time snapshot, this time at payout. This is useful information to investors, but it is also insufficient. The pay-performance link can only be inferred well in arrears, after the book has been closed on the applicable pay programs.

A revised rendition of CAP fills the gap between these two point-in-time figures, turning the snapshots into a motion picture. By remeasuring the fair value of outstanding equity awards at fiscal year-end and at vesting dates, CAP tracks the real-time evolution of executive wealth in relation to shareholder outcomes. This is the new information that CAP provides that is otherwise not available to shareholders, and is deeply material to their understanding of executive pay and the pay-for-performance relationship.

There was limited initial investor response to the implementation of CAP and the PvP disclosure. That was an artifact of the implementation: The PvP rule was introduced suddenly and with a short compliance runway that neither companies nor investors had time to build process and perspective around. Furthermore, the rule contains extraneous information that clouds the high-signal components within CAP. As investors have come to understand CAP and as more years of disclosed data have become available, its usefulness and materiality has increased substantially.⁵

We also expect that as registered investment advisors (RIAs) are expected to perform their own independent analysis (versus more mechanically following the advice of proxy

⁵ Academic studies have found that PvP disclosure makes executive compensation information easier for investors to understand and analyze, and that the disclosure does influence their voting decisions. One study found that higher CAP figures correlate with changes in investor support for both executive compensation and compensation committee directors, and a second found a strong correlation between misalignment between CAP and performance and votes against executive compensation. See Dey, Aiysha, Berk A. Sensoy, Austin Starkweather, and Joshua T. White, "Pay Versus Performance and Investor Voting Decisions," 2024; and Gong, James Jianxin, Lee, Nian Lim (Vic), and Wang, Sophia, "Do Shareholders Vote Against Executive Compensation When Pay Is Misaligned with Performance?" *Advances in Accounting*, Volume 69, 2025.

advisors), the demand for clear, standardized, and material information will increase as they invest in developing their own independent models and bases for voting.

II. CAP Fills a Material Information Gap

In analyzing comment letters submitted, one area that's been sparsely covered is the question of whether to track changes in value over the life of an award (realizable pay), as opposed to merely the terminal value at completion (realized pay). CAP tracks realizable pay, and does so in a way that is decision-useful to investors and not covered by any other disclosures in the proxy.

As a quick recap of our proposed streamlining and simplification approach in our initial letter dated August 12, 2025, we suggest a single "New SCT" structured around the full compensation lifecycle and that replaces five currently required tables that do not currently tie together cleanly. At its core, the proposal decomposes CAP into two components, shown as current balances rather than year-over-year changes:

- **Realized Pay:** the compensation value earned during the year (measured at vest-date fair value for equity awards).
- **Outstanding Award Value:** the year-end fair value of all unvested awards still in flight. This is the value the executive has economically earned to date but not yet received, and which remains subject to future vesting and/or performance restrictions.

Presenting these components separately rather than netting them into a single opaque figure makes the source of any year-over-year movement directly visible. It also eliminates the majority of investor confusion about negative CAP figures: when outstanding equity value declines because the stock has fallen, that decline is legible on the face of the table rather than buried in a reconciliation schedule.

An adjacent debate has been how to measure value prior to an award's eventual settlement. Having had a front row seat to the controversy related to ASC Topic 718 since the original drafting of SFAS 123 in 1994 and its subsequent revision in 2004 into SFAS 123R (now ASC 718), we are particularly sensitive to the competing arguments.

Our conclusion is that a fair value measurement framework is the best of all possible alternatives. It functionally yields a "best guess" future estimate based on the scientific characteristics of the stock (e.g., its volatility). The measure is well-understood by practitioners and investors, calculation processes are off-the-shelf readily available, and it's least susceptible to bias. Said differently, the cost of using this measure is low, and although no measure other than a crystal ball is perfect, *this* measure has meaningful benefits in the way of staying power and objectivity.

Example 1: Comparing Target Total Pay vs. Compensation Actually Paid under the Proposed New SCT Framework^{6,7}

The table below illustrates this decomposed structure for a single hypothetical PEO who was newly hired in 2025 across two performance scenarios. Scenario A reflects a year of strong stock appreciation; Scenario B reflects price decline.

Under the current SCT framework, pay looks identical for both scenarios (column (g) below). This upfront snapshot entirely misses the actual pay-for-performance link in the compensation program as it unfolds through the life cycle. Our proposed New SCT framework captures this in the Realized Pay, Outstanding Award Value, and CAP columns:

Year	Title	Salary	Equity Granted	Target Total Pay	Realized Pay	Outstanding Award Value	Compensation Actually Paid	Annual TSR
(a)	(b)	(d)	(e)	(g)	(h)	(i)	(j)	(k)
2025 (Scenario A)	CEO	\$2,000,000	\$3,000,000	\$5,000,000	\$2,000,000	\$6,000,000	\$8,000,000	+100%
2025 (Scenario B)	CEO	\$2,000,000	\$3,000,000	\$5,000,000	\$2,000,000	\$1,500,000	\$3,500,000	(50%)

Target Total Pay is \$5,000,000 in both scenarios. The figures are identical because both reflect the same intended compensation value (the initial deal struck at grant).

- In Scenario A, the company’s market value doubled, so the executive’s CAP of \$8.0 million moves in tandem with the year-over-year stock price appreciation captured by shareholders. Further, the entirety of the equity award value remains unvested and outstanding as of the end of the year, so the table makes it clear how much of the aggregate CAP figure is realized pay vs. how much continues to be outstanding at-risk pay.
- In Scenario B, the company’s market value halved over the course of the year. The decline in the executive’s CAP of \$3,500,000, which is below the Target Total Pay, is consistent with the shareholder loss. The alignment between executive pay and company performance is immediate and legible.

⁶ This is an abbreviated version of the proposed New SCT table with certain columns omitted for purposes of the specific illustration. For a complete view of the proposed table, please refer to Equity Methods’ comment letter dated August 12, 2025 (<https://www.sec.gov/comments/4-855/4855-638467-1904274.pdf>). We have also provided this example in an attached appendix for convenience.

⁷ For simplicity and readability, we assume \$0 for all non-salary and non-equity components of Summary Compensation Table pay.

The current SCT framework captures only the upfront snapshot and was never intended to capture the full compensation life cycle. However, that life cycle is important for investors to understand. This makes some form of CAP material to investors, and is what our New SCT framework intends to capture succinctly.

Example 2: Multi-Year Compensation Lifecycle – Front-Loaded Grant to PEO

This example shows a multi-year equity award, which is a flavor of a moonshot grant where a larger upfront award is made in lieu of multiple years’ compensation. Additionally, we assume that no cash compensation was issued in subsequent years (it is not unusual for CEOs, especially founder CEOs, to receive no or very minimal base salary and bonus, especially in light of a moonshot equity grant). Cases like this illustrate why the lifecycle view matters over time. In these cases, the SCT records a large Stock Award value in year 1 and \$0 every year thereafter. In contrast, CAP tracks the actual economic trajectory across the multi-year period since the initial grant.

Below is an excerpt from the current PvP tables that compares SCT vs. CAP for the company’s PEO under the currently existing disclosure rules. This example is adapted from the case of a technology company with a market cap in the \$50-\$100 billion range:

Year	SCT Total for PEO	Compensation Actually Paid to PEO	Annual TSR
2020	\$300,000,000	\$280,000,000	(20%)
2021	\$0	(\$40,000,000)	(5%)
2022	\$0	(\$225,000,000)	(60%)
2023	\$0	\$105,000,000	+100%
2024	\$0	\$285,000,000	+50%
2025	\$0	\$295,000,000	+20%

The aggregate CAP from 2020 through 2025 is approximately \$700 million, tracking real appreciation and real decline in close alignment with the annual TSR column, and in direct alignment with the future value of the initial grant. An investor reading only the SCT would see \$300 million in 2020 and minimal compensation in every subsequent year. Additionally, after three years, the current SCT framework would no longer show the 2020 grant value at all.

Compare this to the clarity of such an award in our proposed New SCT structure:⁸

⁸ Consistent with Example 1, this is an abbreviated version of the proposed New SCT table with certain columns omitted for purposes of the specific illustration. Also, for simplicity and readability, we assume \$0 for all non-salary and non-equity components of Summary Compensation Table pay. Finally, the years are displayed in ascending order for the reader to better follow the movement of compensation over time.

Year	Title	Salary	Equity Granted	Target Total Pay	Realized Pay	Outstanding Award Value	Compensation Actually Paid ⁹	Annual TSR
(a)	(b)	(d)	(e)	(g)	(h)	(i)	(j)	(k)
2021	CEO	\$0	\$0	\$0	\$0	\$239,000,000	(\$40,000,000)	(5%)
2022	CEO	\$0	\$0	\$0	\$0	\$14,000,000	(\$225,000,000)	(60%)
2023	CEO	\$0	\$0	\$0	\$0	\$119,000,000	\$105,000,000	+100%
2024	CEO	\$0	\$0	\$0	\$0	\$404,000,000	\$285,000,000	+50%
2025	CEO	\$0	\$0	\$0	\$699,000,000	\$0	\$295,000,000	+20%

With the decomposed New SCT structure we have proposed, investors could further distinguish what portion has been received through vesting versus what remains outstanding and at risk. This is a distinction the current format does not make visible but that is directly relevant to assessing alignment.

Our prior letter proposed the New SCT as the most comprehensive and analytically coherent approach to simplifying executive compensation disclosure while preserving all decision-useful information. We stand by that proposal, but the Commission need not choose our specific design to achieve the essential outcome.

We have reviewed other approaches put forward in the comment process, including proposals that would retain a streamlined version of the current PvP structure (e.g., SCT Total Compensation, a mark-to-market pay measure, and annual TSR for the PEO only) while eliminating peripheral requirements such as the financial performance measures table, the relationship disclosure narrative, and the peer TSR comparison.

We believe those alternative approaches also substantially capture the core informational benefits needed. The critical features are: (1) retaining a mark-to-market measure of executive pay that updates with performance for mid-flight equity awards, (2) decomposing or clarifying what that measure represents, and (3) pairing it with TSR in a way that makes the pay-performance relationship legible. Any structural approach that preserves these three features will serve investors meaningfully better than a disclosure that reports only grant-date and/or final vested values.

Our proposed New SCT framework consolidates five tables into one, limits the NEO cohort to three, and allows prospective adoption for new registrants. We believe these are all substantial improvements and simplifications to the disclosure process that both issuers and investors would appreciate. A streamlined PvP-only approach has a lighter rule-changing footprint but achieves the same core outcome. Any such approach would

⁹ We have preserved the Compensation Actually Paid column as currently defined under Item 402(v) of Regulation S-K. However, if the Commission decides to remove this column altogether, we believe that our proposed replacement columns that track Realized Pay and Outstanding Award Value sufficiently provide material information to investors regarding executive officers' compensation.

represent a substantial improvement over both the status quo or, worse, a disclosure regime that returns to grant-date and vest-date values alone.

III. Artificial Intelligence Changes the Cost of Information

Comment letters to the SEC have been surprisingly quiet about AI and the use of XBRL.

XBRL was a major step forward in normalizing the disclosure of financial data so that relational databases could be quickly built to facilitate comparative analysis. This analysis was still generally cost prohibitive to the average retail investor, but was a major leap forward for institutions and a healthy start for retail investors. AI changes all of this. The marginal cost of analysis is rapidly plummeting to zero.

There are two competing impediments: (a) giving an alphabet soup of information that unnecessarily harms the signal to noise ratio, and (b) failing to give information that otherwise could be used. The second is arguably higher since AI and other analytical tools can isolate the signal from the noise, but both risks are worrisome to the efficient functioning of the capital markets.

Therefore, we approach our recommendations from a vantage point that asks:

1. Is all information disclosed standardized and machine readable? If yes, the marginal cost of harvesting this information approaches zero.
2. Is too much information being disclosed that obfuscates the critical few pieces that actually matter (i.e., are material)? If yes, market frictions are exacerbated and the disclosure rules lose credibility as tools for decision-making.
3. Is too little information being disclosed such that market participants are forced to make guesses or be surprised once updated data are made available? If yes, market frictions are also exacerbated, but in this context due to unnecessary uncertainty.

We believe our proposal succeeds across all three criteria. We propose less forced narrative commentary and instead focus on a fully unified and machine-readable table. We propose de-cluttering much of what's in the CD&A, from streamlining the tables to reducing the NEO count to simplifying the performance measure required for pay vs. performance analysis. And, finally, the preservation of a lifecycle view ensures the third criteria is achieved by conveying award progress from beginning to middle to end.

Artificial intelligence can synthesize, pattern-match, and derive insights from standardized data that is present in the disclosure. What it cannot do is manufacture data that was never disclosed. If the mark-to-market evolution of outstanding equity award values is removed from the required disclosure, no AI tool can reconstruct it. The economic intuition is simple: the marginal cost of processing a logical link in the information chain is approximately zero. The cost of a missing link is not recoverable.

Chairman Atkins has distinguished between disclosure that produces “economic signals” and disclosure that produces “regulatory noise.” We agree with that distinction and believe it argues for retaining CAP, not eliminating it. The current PvP disclosure in its full complexity does produce regulatory noise: a core table with a supplemental breakout table, redundant information, a required narrative, and a peer TSR comparison of limited analytical value. All of that can and should be streamlined away. But the mark-to-market signal at the heart of CAP, which illustrates the connection between compensation decisions and the shareholder outcomes that follow, is material and economically meaningful, and should be retained.

IV. The Cost of Disclosing CAP Is Low

We believe our recommendations carry a very low production cost to registrants. We have observed hundreds of organizations work with the existing proxy disclosure tables (from SCT to PvP), and even under today’s sprawling framework, the production costs are low due to the existence of enterprise-level stock administration systems that coherently organize the requisite data.

As noted above, we are acutely aware of the high upfront costs created by the PvP disclosure, which we largely attribute to the required three-year lookback and unusually short implementation runway, both of which caught registrants by surprise. Nowadays, most companies have well-oiled processes; the outliers continue to be those organizations losing emerging growth company (EGC) status who must prepare the disclosure for the first time and grapple with the three-year lookback. If non-accelerated filers will have fewer or no disclosure obligations under the ultimately adopted version of the May 19, 2026 proposed disclosure scaling rules, then this observation is even more substantial. The annual cost and effort for large companies to comply with the PvP rule is negligible.

While we firmly believe the initial adoption method for PvP should have been prospective, instead of retrospective, the constructive go-forward solution is to eliminate the three-year lookback for companies adopting it for the first time. We believe the incremental cost of retrospective adoption exceeds the incremental benefit.

Setting these points aside, our proposed revisions introduce meaningful simplifications that will further lower this cost. AI and other technology will continue to also drive cost down.

Our Recommendations

Drawing on the above, we urge the Commission to consider the following when reforming the PvP disclosure:

- Retain the mark-to-market framework (CAP). The materiality of forward-looking pay information, the information gap created by its absence, and the elimination of the

processing-cost argument for omitting it all point in the same direction. CAP, in some form, should remain a required disclosure.

- Decompose CAP into Realized Pay and Outstanding Award Value, shown as current balances. This resolves the majority of investor confusion about the measure while making the compensation lifecycle directly legible on the face of the disclosure.
- Consolidate disclosure into a unified table. Whether through the New SCT approach proposed in our prior letter or through a streamlined retained PVP structure, the information should be organized to make the pay-performance relationship immediately visible without requiring cross-referencing across multiple tables.
- Retain ASC 718 fair value for equity award valuations. This is the same framework used in financial reporting. It is well-understood, has robust process infrastructure behind it, and produces a materially more accurate measure than simpler alternatives that ignore time value and probability-weighted outcomes.
- In a unified New SCT framework, extend the lookback to five years¹⁰ and report annual TSR. A five-year window covers multiple long-term award cycles. Annual TSR is more tractable for alignment analysis than the current cumulative figure.
- Eliminate peripheral PVP requirements. The financial performance measures table, the relationship narrative, and the peer TSR comparison can all be removed without material loss of investor-relevant information.
- Allow prospective adoption for registrants disclosing the figures for the first time. Retroactive lookback calculations were responsible for the vast majority of initial implementation complexity. New public companies should not be required to perform historical reconstructions.
- Reduce the number of executives covered by the disclosure. If a comprehensive overhaul like the New SCT is implemented, reduce disclosure to three executives rather than five. If a targeted reform to only PVP is implemented, focus that disclosure solely on the CEO.

Conclusion

We believe the Commission has an opportunity to improve the current pay-versus-performance disclosure by simplifying it, while sharpening its most valuable information by decomposing into Realized Pay and Outstanding Award Value to present the pay-for-performance relationship in a form that is immediately legible to investors.

¹⁰ If a targeted PVP-only rule change is implemented, retain the current five-year lookback. Either way, the longer lookback creates value for investors while creating zero extra work for companies, as they simply need to retain existing prior-year table rows rather than delete them. Importantly, all adoption should be prospective such that newer disclosers build up to the five years, and nobody is hit with catch-up disclosures where the cost exceeds the benefit.

The materiality and information-gap arguments for retaining CAP are strong. Legible, standardized, machine-readable, and relevant information carry a zero marginal cost to harvest and analyze in an AI-driven world, and a similarly low cost to produce. We believe our suggestions will significantly reduce the complexity of proxy disclosure while improving the clarity and usability of the information therein.

We appreciate the Commission's continued engagement with market participants and welcome the opportunity to discuss these recommendations further.

Sincerely,

Equity Methods

On behalf of the firm:



Takis Makridis

CEO



Therese Sebastian

Managing Director



David Outlaw

Managing Director

Appendix A

Recap: Further Details on New SCT

Here we provide a deeper review of how we envision the details of the New SCT. This content is replicated from our initial comment letter on this matter dated August 12, 2025, and is included here for clarity and ease of reference in light of the examples shared herein.

The New Summary Compensation Table (New SCT)

As discussed, our vision for an integrated New SCT is to deliver more conclusive and tractable information, which is to say providing the right information in the right way so that registrants experience a downtick in compliance complexity and investors experience an uptick in the decision-usefulness of the information shared.

In this regard, our proposed New SCT construct drives two goals: first, it streamlines the proliferation of proxy tables into a single table, and second, it clearly conveys the arc between intended compensation (the deal struck at grant) and compensation actually paid (how that deal has fared over the life of the incentive program and culminating at vest).

Below is a brief recap of the key components:

1. Reduce the NEO cohort to three: the CEO, CFO, and next highest paid executive officer.
2. Align the SCT year requirements with those of the current PVP rule, with five years for standard filers and three years for SRCs. Prospective adoption should be allowed, building up to the full lookback over time, in order to minimize any year-one spike in compliance costs.
3. Consolidate the Bonus and Non-Equity Compensation columns into a new Column e (“Target Bonus”) and report this amount based on the initial target for the current year rather than actual pay.
4. Combine the value of Stock and Option Awards granted into a single column via a new Column f (“Equity Granted”). The supporting Equity Value Table below can show them separately, but we do not believe the distinction in the core table is decision-useful
5. Present Compensation Actually Paid (CAP) as the combination of two components: the value of compensation realized from awards that vested during the year (Column h – “Realized Pay”) and the value of compensation still at risk on in-flight awards (Column i – “Outstanding Equity Value”), subtracting from that the value of compensation still at risk at the end of the prior year.
6. Present Realized Pay and Outstanding Equity Value as total balances, instead of changes relative to their value in the prior fiscal year. The user can readily see year-over-year value changes by subtracting the value for year t by the value for year $t-1$, but users cannot take the current PVP construct that shows value changes and aggregate upward to total balances. This refined approach mitigates the well-documented confusion regarding negative values by displaying the component parts. In total, Compensation Actually Paid is then the summation of Realized Pay and Outstanding Equity Value as of the end of the current year, net of the prior year end’s Outstanding Award Value.
 - a. In cases where an NEO is newly included in the table, either via new hire or promotion, there would not be an ending balance for the prior fiscal year. In this case, the reader

would be able to reference the beginning fair value (column d) from the Equity Value Table.

- b. Any dividends and dividend equivalent units accrued and settled on vested awards should flow into the Realized Pay column, while dividends and dividend equivalent units accrued on unvested awards, should be accounted for in the Outstanding Award Value column, continuing the alignment of all vested awards in Realized Pay with outstanding awards in Outstanding Equity Value.
7. Present Annual TSR (instead of the current cumulative TSR approach required under PVP) and Peer Group TSR. As discussed, with regard to the Peer TSR calculation, we favor a relaxation of the constraints related to the use of a custom peer group or simply requiring registrants to align with the Form 10-K Item 201(e) performance graph.

New Summary Compensation Table

Year	Title	Name	Salary	Target Bonus	Equity Granted	Other Compensation	Target Total Pay	Realized Pay	Outstanding Award Value	Compensation Actually Paid	Annual TSR	Peer Group TSR
(a)	(b)	(c)	(d)	(e)	(f)	(g)	(h)	(i)	(j)	(k)	(l)	
2025	CEO	Jill Doe	\$ 700,000	\$ 1,400,000	\$ 3,500,000	\$ 200,000	\$ 5,800,000	\$ 7,274,000	\$ 8,520,120	\$ 14,324,120	40%	15%
	CFO	Maxwell Doe	\$ 420,000	\$ 735,000	\$ 1,260,000	\$ 200,000	\$ 2,615,000	\$ 3,854,500	\$ 5,161,660	\$ 8,260,160		
	CIO	John Smith	\$ 350,000	\$ 612,500	\$ 1,050,000	\$ 140,000	\$ 2,152,500	\$ 3,724,500	\$ 6,063,260	\$ 9,094,760		
2024	CEO	Jill Doe	\$ 600,000	\$ 1,200,000	\$ 3,000,000	\$ 200,000	\$ 5,000,000	\$ 2,600,000	\$ 1,470,000	\$ 275,000	-30%	-10%
	CFO	Maxwell Doe	\$ 360,000	\$ 630,000	\$ 1,080,000	\$ 200,000	\$ 2,270,000	\$ 1,244,000	\$ 756,000	\$ 812,000		
	CIO	John Smith	\$ 330,000	\$ 577,500	\$ 990,000	\$ 140,000	\$ 2,037,500	\$ 1,097,000	\$ 693,000	\$ 651,500		
2023	CEO	Jill Doe	\$ 600,000	\$ 1,200,000	\$ 3,000,000	\$ 250,000	\$ 5,050,000	\$ 6,250,000	\$ 3,795,000	\$ 8,733,250	15%	20%
	CEO - Former	Michael Doe	\$ 600,000	\$ 1,200,000	\$ 3,000,000	\$ 200,000	\$ 5,000,000	\$ 2,300,000	\$ 2,250,000	\$ 177,500		
	CFO	Maxwell Doe	\$ 360,000	\$ 630,000	\$ 1,080,000	\$ 100,000	\$ 2,170,000	\$ 2,449,000	\$ 1,188,000	\$ 3,637,000		
	EVP, Innovation	Jane Smith	\$ 300,000	\$ 525,000	\$ 900,000	\$ 140,000	\$ 1,865,000	\$ 2,097,500	\$ 1,138,500	\$ 2,142,875		
2022	CEO	Michael Doe	\$ 550,000	\$ 1,100,000	\$ 2,750,000	\$ 150,000	\$ 4,550,000	\$ 7,437,500	\$ 4,372,500	\$ 9,841,250	20%	15%
	CFO	Jill Doe	\$ 330,000	\$ 577,500	\$ 990,000	\$ 100,000	\$ 1,997,500	\$ 3,160,750	\$ 1,311,750	\$ 3,685,000		
	EVP, Innovation	Jane Smith	\$ 275,000	\$ 481,250	\$ 825,000	\$ 100,000	\$ 1,681,250	\$ 2,410,000	\$ 1,093,125	\$ 2,978,125		
2021	CEO	Michael Doe	\$ 500,000	\$ 1,000,000	\$ 2,500,000	\$ 350,000	\$ 4,350,000	\$ 3,225,000	\$ 1,968,750	\$ 843,750	-10%	0%
	CFO	Tina Doe	\$ 300,000	\$ 525,000	\$ 900,000	\$ 75,000	\$ 1,800,000	\$ 1,260,000	\$ 787,500	\$ 247,500		
	CHRO	Michelle Smith	\$ 200,000	\$ 350,000	\$ 600,000	\$ 75,000	\$ 1,225,000	\$ 865,000	\$ 525,000	\$ 165,000		