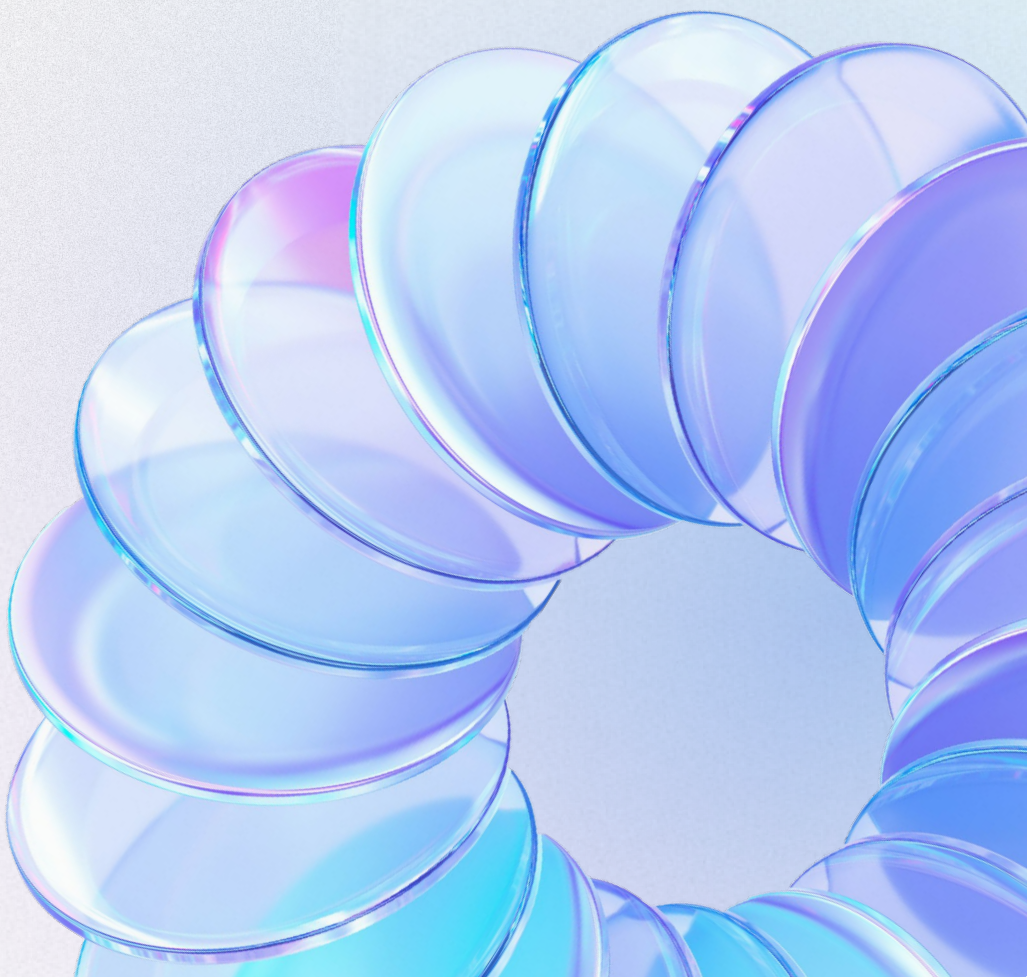
Labrador Transparency

AI Governance: The End of the Honeymoon Period

2026 Proxy Trends with Insights for 2027

October 2026

By Cécile Linares



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.

The Driving Forces for AI Governance

As an increasing number of companies invest heavily in AI, it has become a key focus of this Proxy season and has emerged in the last years as both one of the main risks and one of the main opportunities for a vast number of companies.

AI is no longer confined to IT or innovation committees; it is increasingly a company-wide strategic matter intersecting with capital allocation, data governance, cybersecurity, human capital, and enterprise risk. Consequently, **board-level oversight and disclosure of AI governance is top-of-mind for issuers and investors in 2026**, as companies balance innovation with responsible integration amid the continued absence of a single, comprehensive U.S. regulatory framework.

Having committed substantial capital to AI, **investors now expect evidence of both returns and active risk management**. Activist investors are pushing for AI integration to improve margins and growth, while asset managers are asking pointed governance questions on data privacy, model risk, bias, and board escalation. Glass Lewis, for example, updated its benchmark policy guidelines in 2025, asking companies to provide sufficient disclosure to allow shareholders to broadly understand how they are using AI in their operations and whether there have been any ethical considerations incorporated in their use of this technology.

> Rather than treating AI as a standalone technology risk, shareholders increasingly examine **how boards govern AI capital expenditure, training-data sourcing, data-center environmental impact, and shareholder-rights frameworks** — a conversation that has moved beyond abstract "responsible AI" principles toward concrete questions of capital allocation, data governance, and board accountability.

There is **little consensus on precisely how AI oversight should be structured**. AI-related shareholder proposals on governance, transparency, and risk management have increased steadily since 2022[1], but have attracted only limited support — reflecting investor preference for board-level oversight and engagement over prescriptive, one-size-fits-all resolutions.

Nonetheless, **boards are expected to show, not simply assert**, that AI is being managed responsibly. Generic commitments to "responsible AI" are no longer sufficient. Boards are expected to point to specific structures — defined ownership, escalation protocols, incident response, periodic review — treating AI oversight the way they treat cyber and climate oversight.

[1] The Conference Board, 2026 Proxy Season Preview, with ESG data analytics firm ESGAUGE, Russell Reynolds Associates, and Rutgers Center for Corporate Law and Governance, February 2026

How Companies are Currently Addressing AI Governance

AI is **increasingly treated similarly to other specific areas of risks** such as sustainability, cybersecurity, etc., and **integrated in the companies' existing risk management structure**, assigning the risk oversight to a specific committee and describing how AI oversight is embedded in ERM processes. Boards are also building competence on the matter as "new technology", or "AI" skills, are becoming a common occurrence in director skills matrices.

This reflects a **shift toward more precise, expert-driven oversight**: boards are moving away from narrow technical AI credentials toward directors with strong operating judgment who can ask informed, cross-cutting questions, supported by management briefings and outside experts.

Yet **formalized oversight is far from universal, and disclosure remains imprecise**. Companies **rarely define what "AI expertise" or "New technology expertise" means** for director skills, and when they do, it can range from completion of a basic AI certification to having developed and rolled out AI in an organization. **Board education is also a clear gap**, with only 11% of Fortune 100 companies describing education and training efforts on the topic.

Insight from EY's "Cyber and AI oversight disclosures: what companies shared in 2025"

Among Fortune 100 companies:

- 48% cited AI risk as part of the board's oversight of risk — triple the 16% that did in 2024
- 11% describe Board-level education and training efforts, vs 8% in 2024
- 40% disclosed that at least one board-level committee was charged with oversight of AI matters, a big jump from the 11% that did so in 2024
- 15% include AI as an area of expertise sought on the board

Best Practices and Examples

When thinking about what to disclose regarding AI, we recommend that companies consider two questions:

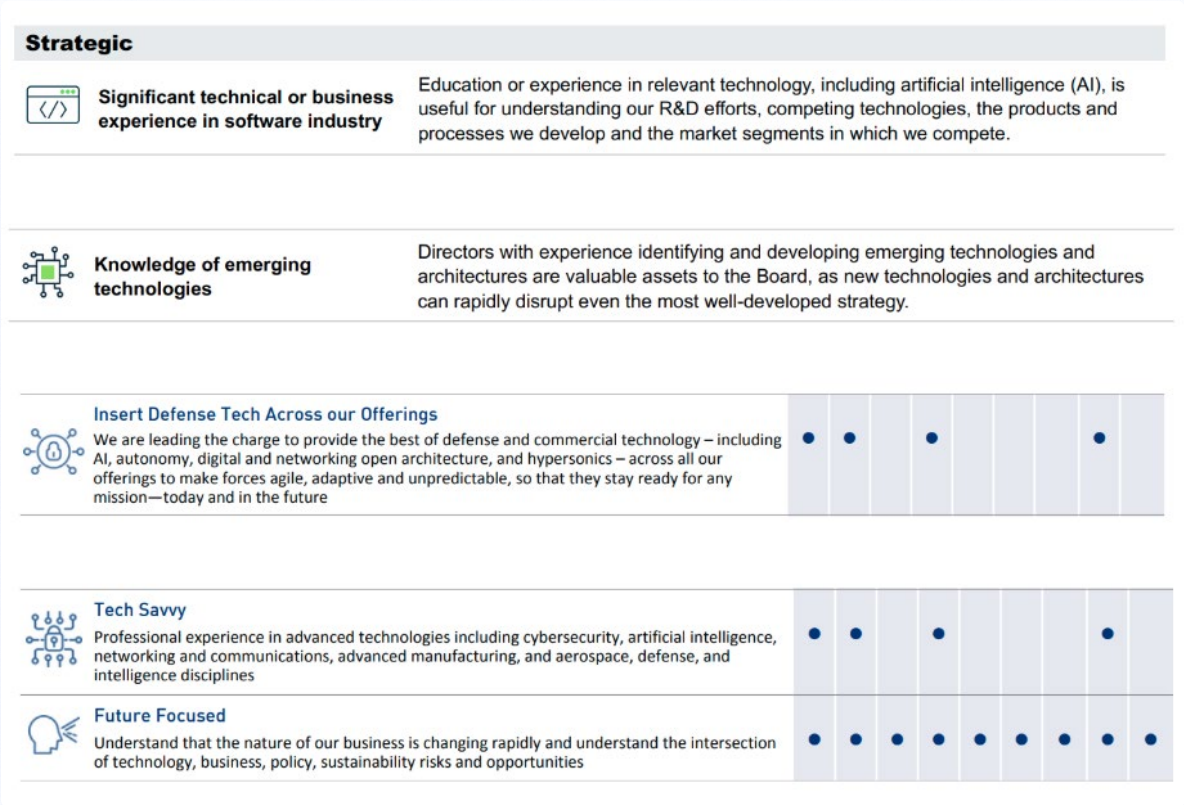
- How to demonstrate the board is equipped to oversee AI?
- How does that oversight happen in practice?

Under investor pressure, generic statements are being replaced by expectations of demonstrated competence and mapped accountability. Where AI is critical to strategy, the board may hold management accountable for AI outcomes through compensation incentive programs as evidenced in recent CD&A disclosure.

Demonstrating the Board is Equipped to Oversee AI

A board that simply claims AI expertise, without specifying what that means, gives investors no basis to judge whether directors can meaningfully challenge management on AI strategy and risk. Companies should **identify which director is positioned to lead AI oversight, describe the depth of that expertise – in the skills matrix and director's biography – and show how the board is trained** on the topic.

ServiceNow p. 13 and Lockheed Martin p. 18 – Both companies explicitly include AI in broader "tech" skills and define what those entail. Additionally, they disclose other skills that relate to AI without being explicitly linking it to the topic, such as "emerging technologies" for ServiceNow or "Future Focused."



Salesforce p. 23 and 30 – The company includes several technology-related skills, including one explicitly named "AI, cloud or emerging technology", integrating AI in a larger frame which can later be used for similar technologies. Additionally, the company explicitly describes AI-related expertise and qualifications in several of its directors' biographies.

Key Experience										
Software or technology industry	●		●	●		●	●	●	●	●
AI, cloud or emerging technologies	●		●	●		●	●		●	●



David B. Kirk

Former Chief Scientist, VP of Architecture & Fellow, NVIDIA

Age: 65

Director Since: 2025

Committees: Compensation; Cybersecurity & Privacy

Qualifications and Expertise Provided to Our Board

- Deep technological expertise in computer science education, parallel programming, robotics and artificial intelligence, supporting the Board in guiding Salesforce's strategy and governance in its agentic AI era
- Extensive background in parallel computing, graphics hardware, and graphics algorithms, holding nearly 100 patents in these areas

Professional Experience

- Chief Scientist, Vice President of Architecture and Fellow at NVIDIA (1997 - 2018)
- Member of the Parker School's Board of Trustees (since 2016)
- Venture Partner at DigitalDx Ventures (since 2017)
- Technical Advisor at Authentic Ventures (since 2018)
- Senior Advisor at GFT Ventures (since 2018)
- Advisor at Collective Global (since 2025)

Other Public Company Directorships (current)

- N/A

Former Public Company Directorships (within the past 10 years)

- N/A

Education

- B.S. and M.S. in Mechanical Engineering from the Massachusetts Institute of Technology
- M.S. in Computer Science from Caltech
- Ph.D. in Computer Science from Caltech, with a minor in Computation and Neural Systems

MetLife p. 32 – The company includes AI among the themes directors received training on, disclosing they received "presentations from management and outside experts" and "other educational reference materials" on the topic.

Continuing Director Education

On an ongoing basis, Directors are provided with continuing education on matters relevant to the Company and its business, including presentations from management and outside experts on the Company's businesses, strategic priorities and opportunities, information security including legal and regulatory update, data and analytics, AI, cyber resilience, executive compensation trends and regulatory developments, shareholder proposal trends, reinsurance, economic and market outlook, private credit, foreign exchange hedge strategy, infrastructure, private equity, political considerations, investor perspective, and sustainability. Other educational and reference materials on executive compensation and pay disclosure, board composition and refreshment, corporate governance and board oversight, cybersecurity and data privacy, AI and technology, shareholder activism, shareholder engagement, geopolitical risk, corporate strategy, risk management, board and management succession planning, regulatory and policy developments, and sustainability and environmental regulations, among other topics, are regularly distributed to Directors and maintained in an electronic library available for their review.

In addition, the Company encourages Directors to participate in third-party continuing education programs that assist in enhancing their skills and competencies and that are appropriate to their responsibilities as members of the Board and the committees on which they serve. The Company reimburses Directors for the reasonable costs they incur in connection with such programs.

Adobe p. 19 and 23 – The company includes an explicit "AI" skill alongside a broader "technologist" skill in the skills matrix and describes precisely what each entails. AI is mentioned in 8 of the directors' biographies (out of 11), consistent with the 8 that possess the "AI Experience" skill disclosed in the skills matrix, providing more details on the specific experience relevant directors had and how those are helpful to Adobe.

AI Experience: Directors with experience leading AI transformation in companies.

Technologist: Directors with expertise in software products, services, engineering or development, computer science, information technology, cybersecurity or technology research and development.



Shantanu Narayen *Chair*

DIRECTOR SINCE 2007

Committees: None

Mr. Narayen, 62, currently serves as our Chief Executive Officer and Chair of the Board. He joined Adobe in January 1998 as Vice President and General Manager of our engineering technology group. In January 1999, he was promoted to Senior Vice President, Worldwide Products, and in March 2001, he was promoted to Executive Vice President, Worldwide Product Marketing and Development. In January 2005, Mr. Narayen was promoted to President and Chief Operating Officer, and effective December 2007, he was appointed our Chief Executive Officer and joined our Board. In January 2017, he was named our Chair of the Board. Mr. Narayen holds a B.S. in Electronics Engineering from Osmania University in India, an M.S. in Computer Science from Bowling Green State University and an M.B.A. from the Haas School of Business, University of California, Berkeley.

As our Chief Executive Officer, Chair of the Board and as an Adobe employee for more than 25 years, Mr. Narayen brings to the Board extensive leadership and industry experience, including a deep knowledge and understanding of our business, operations and employees, the opportunities and risks faced by Adobe, and management's current and future strategy and plans. Mr. Narayen is driving Adobe's AI strategy and innovation, delivering AI across its solutions for productivity, creativity and marketing. In addition, his service on other boards gives him a strong understanding of his role as a director and a broad perspective on key industry and AI issues and corporate governance matters.

Other Public Company Boards:

Pfizer Inc. (Lead Independent Director)

Equifax p. 36 and 50 – The company includes broader technology-related skills in its matrix but details AI-specific expertise in several of its directors' biographies. The company describes both the related experiences of the relevant directors and how those experiences relate to the skills they are attributed. Additionally, AI is mentioned in the "periodic updates" directors receive from management or third parties "as appropriate". It should be noted that more extensive details on directors' education on the topic are available in their AI oversight section (see p. 56).



Scott A. McGregor

Independent

Age	Director since	Committees
69	2017	• Audit • Technology

Other Public Directorships

• Applied Materials, Inc.

Former President, Chief Executive Officer and Director of Broadcom Corporation ("Broadcom"), a world leader in wireless connectivity, broadband, automotive and networking infrastructure. Mr. McGregor served in those positions from 2005 until the company was acquired by Avago in 2016. From 2016 to 2017, Mr. McGregor served on the board of directors of Xactly Corporation ("Xactly"), an AI-powered provider of intelligent revenue solutions. From 2010 to 2016, he served on the board of directors of Ingram Micro, Inc. ("Ingram Micro"), a U.S. distributor of information technology products and services. From 2001 to 2005, Mr. McGregor served as President and Chief Executive Officer of the Philips Semiconductors division of Royal Philips Electronics. Prior thereto, Mr. McGregor was head of Philips Semiconductors' Emerging Business unit from 1998. He previously served in a range of senior management positions at Santa Cruz Operation Inc., Digital Equipment Corporation (now part of HP), Xerox PARC and Microsoft, where he was the architect and development team leader for Windows 1.0. Mr. McGregor received a B.A. in Psychology and an M.S. in Computer Science and Computer Engineering from Stanford University.

Mr. McGregor currently serves on the board of directors of Applied Materials, Inc. ("Applied Materials"), a U.S. company that provides materials engineering solutions used to produce new chip and advanced displays. Prior to that, he served on the board of directors of Alorica Inc. ("Alorica"), an industry leader at leveraging data-driven insights to design and deploy digitally engineered, tech-enabled customer experiences at scale, and at Luminar Technologies ("Luminar"), a U.S. technology company that develops vision-based lidar and machine perception technologies, primarily for self-driving cars.

Key Skills and Experience

Cybersecurity. Mr. McGregor has decades of experience running and overseeing technology companies with sophisticated cybersecurity programs. In particular, he served as chief executive officer of Broadcom for over ten years, during which time he oversaw the development of networking semiconductors that are the foundation for a large part of the world's cybersecurity hardware and acquired extensive cybersecurity expertise. Mr. McGregor's cybersecurity experience is particularly important to us as we seek to maintain our intense focus on data security as we accelerate innovation and new products powered by EFX.AI.

Technology. Mr. McGregor has spent his career at the forefront of technology and innovation. An industry leader in information technology, he began his career as a computer engineer, helping to design the first personal computers and the first version of Microsoft Windows. He later served in executive roles within the Philips Semiconductors division of Royal Philips Electronics and as the chief executive officer of Broadcom. His executive management experience is supplemented by his current and prior experience as a member of the board of directors of several cutting-edge technology companies, including Applied Materials, Xactly, Ingram Micro, Alorica and Luminar. He also has decades of experience focusing on AI issues, including experience gained through service as an executive and/or board member at technology companies and his position as an investor and advisor for multiple AI companies. Mr. McGregor's expertise in innovation and technology is invaluable to our Board as we leverage our Equifax Cloud technology and EFX.AI capabilities to accelerate innovation and new products and optimize our internal operations and team effectiveness.

Data & Analytics. Mr. McGregor currently chairs strategy and investment committee of the board at Applied Materials, a company for which AI and data analytics is fundamental to the business. In addition, he previously served on the board of directors of Alorica, a business driven by data-driven insights. Our Board believes this experience benefits Equifax as we execute on our strategic priorities of accelerating innovation and new products powered by EFX.AI and driving market-leading D&A and expanded data assets.

Director Orientation and Continuing Education

Upon joining our Board, our directors participate in an orientation program regarding our Company, including business operations, strategy, regulatory compliance, cybersecurity, governance and company policies. In addition to the onboarding process, our Board receives regular updates from management regarding the Company's operating plan and strategy, including updates specific to each business unit and the enterprise as a whole. In addition to these regular reports, the Board receives periodic updates from management and third parties, as appropriate, regarding regulatory compliance, government relations, investor perspectives, artificial intelligence, shareholder activism and other Board governance topics. The Board also conducts periodic visits to our key facilities. Our directors participate in annual cybersecurity training and receive annual updates on our crisis management program in order to ensure enterprise preparedness. Board members also may attend outside director continuing education programs at Company expense to assist them in keeping pace with developments in corporate governance and other critical issues relating to the operations of public company boards.

Showing effective oversight of AI

Stating that "the board oversees AI" is no longer sufficient, because it does not tell investors whether risk is actually being managed or who is accountable if it is. Disclosure should **specify where accountability sits** — full board, committee, and management — and **how responsibility is divided among committees**. It should **describe how and how often oversight occurs and connect the board's role to management-level governance** and the ERM framework, so investors can see AI is managed with the same rigor as other material risks.

Salesforce p. 18 – The company clearly describes the breakdown of responsibilities among committees and how management oversees AI, including a management-level committee, and related principles and policy, with a link to the website for more information.

Responsible Agentic AI Risk

AI at Salesforce has been built on a decade of innovation and unified data foundation. We recognize that new technology such as this requires thoughtful implementation, and our longstanding commitment to the ethical development and deployment of AI continues to be guided by our core value of Trust. The Board, including through its committees, oversees the Company's AI governance:

Committee	Board Oversight of AI
Cybersecurity & Privacy Committee	• Primary responsibility for overseeing the Company's AI policies, programs, and risks as they relate to the deployment of AI, including compliance with AI regulations • Receives regular presentations, reports, and updates from management on the Company's development and deployment of AI, including quarterly updates from our Chief Ethical & Humane Use Officer and other members of management on key trusted AI priorities
Audit & Finance Committee	• Regularly reviews the Company's enterprise risk assessment and management, including AI-related enterprise risks • Oversees risks related to AI-enabled processes used in connection with the Company's financial statements and corporate infrastructure
Compensation Committee	• Oversees our strategies and policies related to human capital management, including how AI initiatives inform such practices • Considers our business strategy, including AI initiatives, when designing the Company's executive compensation program (as further described in the Compensation Discussion & Analysis section of this Proxy Statement)
Nominating & Governance Committee	• Oversees our stockholder engagement program as it relates to corporate governance policies and practices, including those relating to the governance of AI • Reviews desired board skills and expertise as well as continuing education for directors, including with respect to AI fluency
Business Transformation Committee	• Receives quarterly operational updates and discusses the Company's business strategies, including related AI initiatives

Our Board is deeply involved in the Company's AI business strategy. Our executive leadership also frequently engages and interacts with the Office of Ethical and Humane Use – a dedicated group established in 2019 to formalize our ethical AI policies and procedures. In 2024, we further expanded our AI oversight standards by implementing our Responsible Agentic AI Principles, which are leveraged across the Company to guide the design and development of Agentforce products. These principles are reinforced by our AI Acceptable Use Policy, as updated from time to time, which codifies enforceable boundaries to prevent the use of our technology in ways that could violate human rights or ethical standards. In 2025, we released our first-ever Trusted AI and Agents Impact Report, which covers the foundational principles, policies, and decision-making structures that guide our AI initiatives across the Company and for our customers in a trusted manner. This includes deep dives on our responsible AI principles, AI Acceptable Use Policy, and Ethical Use Advisory Council, among other structures we have in place to ensure the responsible and trusted creation and use of AI.

Read about our commitment to the ethical and inclusive design, development, and use of technology, including trusted AI, at salesforce.com/company/ethical-and-humane-use.

ServiceNow p. 34 – The company has a full page dedicated to AI oversight in the Board Oversight section. The section describes board-level oversight with committees involved, what is the focus of AI governance and oversight is carried out, and how the board is trained on the topic. A "Highlights" sub-section describes the company's policies and standards on the matter, and the infographic shows the overall oversight structure, from full board to management and employees.

AI Governance Oversight

The Board, in coordination with the Audit Committee and Governance Committee, is responsible for overseeing ServiceNow's AI Governance program, which focuses on the responsible development and use of AI in our products and services and in third-party technologies we use internally. In fulfilling this oversight role, the Board regularly reviews and discusses AI-related matters and receives educational materials on relevant AI topics. The Audit Committee regularly conducts in-depth reviews of AI governance matters, including product development practices and compliance requirements, and the Governance Committee oversees AI policies and governance frameworks. Members of the Board also participate in the company-wide AI assessment and education program offered to employees that covers AI governance and attend AI and technology-focused conferences and programs designed for directors.

The AI governance framework overseen by the Board is built on transparency, compliance and ethical AI principles, supported by comprehensive policies, standard operating procedures and training programs. Our AI policies and guidelines set clear governance standards informed by key regulations and frameworks, while our standard operating procedures are designed to help ensure consistency, compliance and ethical AI use across operations. We provide internal governance resources to guide teams in implementing AI best practices and customer-facing materials to transparently communicate our AI governance approach. Additionally, our Responsible AI training is designed to equip employees with the knowledge needed to develop, deploy, and use AI ethically and in alignment with our governance standards. Through these initiatives, we maintain a strong governance framework that drives responsible AI innovation and accountability.

AI Governance Highlights

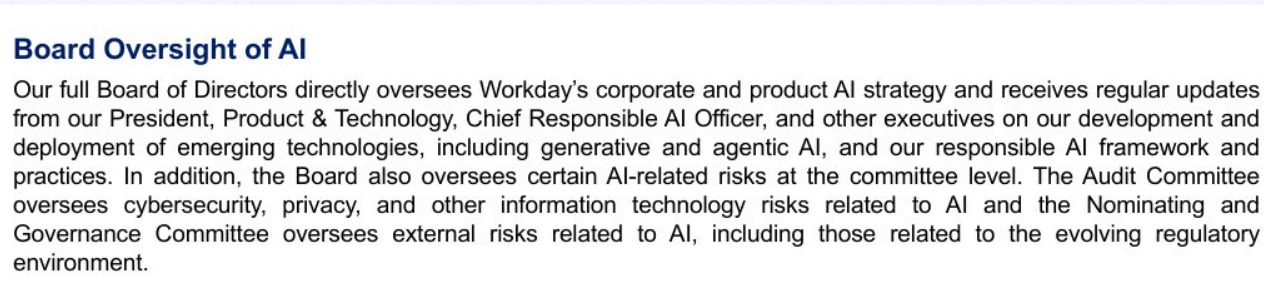
- We have a comprehensive set of AI governance policies and standard operating procedures, including an Enterprise Artificial Intelligence Governance Policy that provides for effective AI governance through executive sponsorship and oversight by a steering committee composed of executive leadership, overseeing product and development operations, including risk management across the product lifecycle, promoting accountability and governance, and engaging with experts and the AI community to continually refine governance frameworks and best practices.
- We maintain cross-functional AI workstreams composed of representatives from legal, product, risk, data governance, AI research, user experience and engineering, serving as the central hub for AI governance, driving strategic planning and cross-functional collaboration.
- We have published a set of AI guidelines informed by key regulations and frameworks, including the European Union AI Act and National Institute of Standards and Technology AI Risk Management Framework. These guidelines outline our commitment to developing human-centered, transparent and accountable AI products while promoting responsible practices.

AI Governance Structure



Workday p. 41 and 52/53 – The company provides a fulsome disclosure with AI included in the general "Risk Oversight" infographic p. 41, alongside a small paragraph p. 42, as part of the specific risk focus, describing the key elements (education, committees' specific responsibilities). Additionally, a full 2 pages section is included on Responsible AI. This section provides more details on AI governance, including policies and framework and an infographic showing the oversight chain from full board to employee-level.





RAI Oversight and Governance

Board of Directors

- Full Board oversight of Workday's development and deployment of AI and our RAI framework and practices
- Committee-level oversight of certain AI-related risks to assist Board in oversight responsibility
- Board receives regular updates from our President, Product & Technology, Chief Responsible AI Officer, and other executives responsible for our AI development and governance

RAI Advisory Board

- Chaired by our Chief Legal Officer and Head of Corporate Affairs
- Includes our Chief Information Security Officer, Vice President & Deputy General Counsel, Products & Technology, and other key cross-functional executives with expertise in our AI offerings
- Meets regularly to advise on novel issues, helping to address edge cases and escalations as needed
- Guides our RAI Team to help ensure scalability and business alignment

Dedicated RAI Team

- Led by our Chief Responsible AI Officer
- Operates separately from the frontline teams that develop our AI technologies, allowing for effective independent oversight
- Reports to our Chief Legal Officer and Head of Corporate Affairs
- Informed by subject matter experts from our product and engineering teams, as well as our legal and compliance department

RAI Champions Network

- Includes experts from across the company who are embedded within key product and technology teams and are passionate about the development of responsible and ethical AI
- Assists the RAI team in developing a complete understanding of the technical, legal, and compliance details needed for governance, and serve as RAI ambassadors within their respective teams
- Demonstrates our cross-company commitment to uphold our ethical AI principles

As organizations navigate the changing world of work, we aim to enhance their experiences across finance and HR using AI to help elevate human capabilities. Our RAI principles and oversight structure serve as the cornerstone of our work in this space and guide us in the development of AI technologies that help drive positive societal outcomes and expand growth opportunities for our customers and their employees.

In alignment with our RAI principles, we advocate for effective and workable AI regulation that builds trust and drives innovation. From the European Union AI Act to U.S. federal and state legislation, we are a leading voice in support of practical safeguards that benefit our customers and help Workday innovate responsibly. We expect our RAI practices will continue to evolve in line with new regulations and best practices.

Equifax p. 55/56 – The company includes an extensive disclosure on AI at the beginning of their proxy statement, covering their AI strategy. Additionally, a standalone 3 pages section on Responsible AI and governance follows the risk oversight section. This section describes board oversight in a callout box, focused on board education on the topic, and provides details on AI integration in the risks management processes of the company.

Responsible AI at Equifax

Equifax has been driving responsible artificial intelligence ("AI") innovation for more than a decade and we are committed to using AI systems in a transparent, trustworthy, fair, explainable and secure manner. As we continue to accelerate our use of AI to innovate for future growth and efficiency, we are focused on maintaining a strong governance program in order to ensure we operationalize responsible AI.

AI Governance Program

Since 2018, we have invested approximately $3 billion in building the Equifax Cloud, our cloud-native security and technology infrastructure. We are now leveraging the foundation of the Equifax Cloud to accelerate our use of AI across the enterprise. In order to ensure we operationalize responsible AI at this accelerated pace, we have refined our AI governance approach so it is fully integrated into our "business-as-usual" operations and incorporated into our overall ERM program.

Risk Management

AI Integrated into ERM Framework

As described under "*How We Manage Risk*" on page 54, we have implemented an ERM program that is based on the "three lines of defense" model for establishing effective checks and balances. Under our ERM program, we conduct an annual enterprise risk assessment and produce an enterprise risk scorecard that is reviewed with management and the Board of Directors.

Under our AI governance approach, we manage AI-related risks in the same way we manage other enterprise risks. We have integrated AI risk management directly into our ERM framework and AI-related risks are assessed as an element of the nine primary enterprise risk categories within our annual enterprise risk scorecard. The integration of AI into our ERM framework helps ensure that AI-related risks are considered and managed by the first line of defense.

AI Controls Framework

Similar to how we manage cybersecurity and privacy risk, we have implemented an AI controls framework as the primary mechanism to comply with regulatory requirements and manage AI risk. Establishing controls and technical requirements allows us to define prescriptive requirements for using AI securely and measure our progress through regular controls testing. Our AI controls framework is based on the National Institute of Standards and Technology (NIST) AI Risk Management Framework and is integrated with our existing NIST-aligned cybersecurity and privacy controls framework. This integration enables us to manage and control AI risk across the Company.

To operationalize our controls, we have documented governance guardrails to drive consistent risk management through a risk rating scheme, standardize our approach to managing appropriate data use, and help ensure we have robust processes to monitor and evaluate AI inputs and outputs for accuracy, relevance and fairness.

Board Oversight of AI-Related Risks & Opportunities

Our Board of Directors monitors our "tone at the top" and risk culture and oversees principal risks facing the Company. We take a "whole Board" approach to oversight of AI governance, meaning that our full Board of Directors exercises direct oversight of AI-related risks and opportunities.

In order to fulfill its oversight responsibility, our Board believes that all directors should have a practical understanding of AI technology and governance, both generally speaking and as applied to Equifax. In support of this commitment, our Board has undertaken several actions:

- *AI Updates Presented to Full Board of Directors.* We have been driving responsible AI innovation for more than a decade under the oversight of our Board of Directors and our Technology Committee. As our use of AI technology has accelerated, our Board has shifted AI-related updates to become a recurring topic at quarterly meetings of the full Board, instead of presenting these updates only to the Technology Committee.
- *Continuing Board Education.* We periodically bring in internal subject matter experts and outside experts to speak to our directors about AI issues and topics, including developments in AI technology and AI governance.
- *AI Integrated into Annual Strategy Review.* Our full Board reviews our AI strategy as part of our annual strategic review with management.

As we continue to innovate, our Board is focused on ensuring that our AI initiatives deliver tangible benefits – for customers, consumers, our employees and our shareholders – while at the same time abiding by established governance processes that mitigate risk.

Allstate p. 40/41 – The company includes a dedicated subsection under the Oversight section. The section includes highlights of 2025 focus, and a clear infographic describing governance across the board, its committees and management. It also includes an interesting short graphic depiction regarding AI risk management processes.

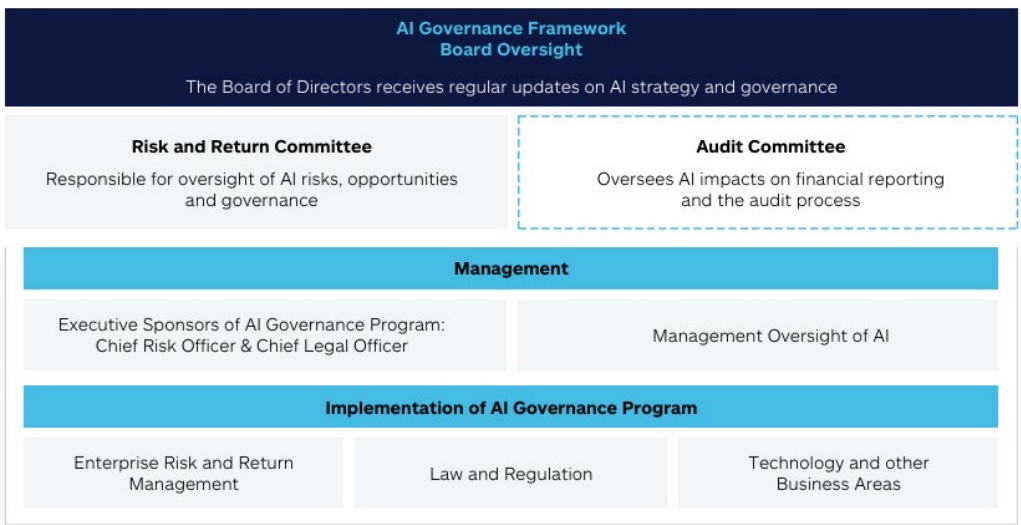
AI Governance Oversight

The Risk and Return Committee has responsibility for overseeing AI governance to support the full Board's enterprise risk and return oversight. Senior management, including Allstate's Chief Risk Officer and Chief Legal Officer, reports to the Risk and Return Committee and the Board on AI governance and Allstate's AI Governance Program. The Audit Committee reviews relevant aspects of the control environment.

During 2025, the Board and its committees engaged on a broad range of AI governance, strategy, operational and educational topics, including:

- AI Governance Framework
- Allstate's Large Language Intelligent Ecosystem (ALLIE)
- Generative and Agentic AI Priorities
- Human Capital Management and AI
- Marketing in the Age of AI
- AI and Financial Reporting, Internal Controls and Audit

The AI Governance Program is led by Enterprise Risk and Return Management with cross-functional input on strategy and operations from various areas of the company including legal, compliance, human resources and technology.



Risk Management Embedded into Development, Deployment and Use of AI

Allstate's AI Governance Program has policies, procedures and controls over design, implementation and utilization. The program also includes workforce training to build AI literacy, risk assessments and due diligence, inventories of AI systems and monitoring. The program is reviewed and updated to address emerging risks and new capabilities such as agentic AI.

Step 1
Perform Due Diligence
Conduct risk assessments of AI technology and use cases, including supplier usage, to identify risks and determine governance requirements

Step 2
Build and Test
Rigorously review and test AI use cases to ensure appropriate levels of accuracy and risk mitigation

Step 3
Deploy, Use and Monitor
Implement AI solutions with process and technology controls in place to enable ongoing safe and reasonable use

Cognizant p. 33 and p. 36/37 – The company includes an extensive highlight on AI oversight with precise information on the breakdown of responsibilities among the board and its committees, board education on the matter, and precisions on management's framework and processes to govern AI. Interestingly, the company goes beyond its own processes and briefly addresses third-party AI risk management (including client). Additionally, AI is mentioned as the focus of 2025 key changes in committees charters and responsibilities.



Committee charters and composition changes

Each of the Board's four standing committees — the Audit Committee, Compensation Committee, Finance Committee and Governance Committee — operates under a charter that has been approved by the Board and is available on the Company's website. See "Helpful Resources" on **page 100**. In 2025, as part of its annual process and following feedback received through the Board's 2024 self-assessment, the Board refreshed its committee charters to more fully integrate technology considerations into the Company's governance framework, including oversight of AI-related investments, risks, resource allocation and talent strategy. See "AI governance and oversight" on **page 36**.



AI governance and oversight

Board oversight of AI

Our Board understands that AI presents both strategic opportunities and risks across our business. The Board provides active oversight of the Company's AI strategy, governance and risk management through a combination of full Board review and delegated committee responsibilities. This oversight is designed to facilitate the responsible development, deployment and use of AI in a manner that advances our strategy, sustains trust with our clients and other stakeholders and complies with evolving legal and regulatory requirements.

Full Board oversight

The full Board maintains direct oversight of AI strategy. Throughout the year, the Board regularly receives updates on AI-related progress at the Company, including management's AI roadmap, investments in AI, operating model and service delivery implications and skilling initiatives. The Board also receives periodic briefings from representatives of the Company's AI Governance Committee (discussed below) on the AI risk landscape, including major developments under, and the Company's responsible AI standards' alignment with, key AI standards and regulations, including the EU AI Act, the NIST AI Risk Management Framework and the OECD AI Principles.

Committee-level oversight

To support focused, experienced oversight, the Board has allocated specific aspects of AI risk and opportunity to its committees:

- **Audit Committee.** The Audit Committee oversees the Company's ERM program and assists the Board with review and evaluation of the Company's security and technology-related operational risks. The Audit Committee receives periodic assessments from management on AI-related controls, including the use of AI tools in assurance activities and to improve security-related productivity and effectiveness within the Company, and reviews management's remediation of findings.
- **Finance Committee.** The Finance Committee assists the Board in developing the Company's major strategies and objectives, including innovation strategies related to emerging technologies. The Finance Committee has received updates on the impact of AI on the pricing models and productivity in IT service delivery, as well as new revenue opportunities from providing AI services.

- **Compensation Committee.** The Compensation Committee oversees executive officer compensation and whether such compensation is appropriately aligned with successful achievement of the Company's strategic priorities, including in the area of AI. Beginning with the Company's 2024 annual cash incentive program, the Compensation Committee approved the inclusion of a strategic initiative focused on innovation, which looked at the number of Bluebolt and gen AI ideas generated and implemented. For 2025, this innovation strategic initiative was refined to further focus on gen AI innovation, including productivity improvements generated through use of gen AI.

Committee chairs regularly report to the full Board following committee meetings, helping to facilitate a comprehensive and coordinated approach to AI oversight.

Management's role in AI governance

Management oversees day-to-day AI deployment and risk management under a framework that emphasizes the following characteristics.

The TRUST framework for responsible AI

The Company's responsible AI program is organized around the TRUST framework—five principles-based standards that govern how the Company develops, deploys, and monitors AI systems, both internally and in client engagements:

	Principle	Description
T	Transparent	Explainable AI decisions; clear disclosure of AI use in client-facing and internal systems
R	Responsible	Accountable development and deployment aligned with our code of ethics and global standards
U	Unbiased	Fairness and non-discrimination across AI system design, training data, and outputs
S	Secure	Robust data protection, adversarial risk management, and third-party AI supply chain controls
T	Trustworthy	Reliable, auditable systems with human oversight and defined escalation mechanisms

Cross-functional oversight

The TRUST framework was created by the Company's Responsible AI Office, led by our Chief Responsible AI Officer. The Responsible AI Office operationalizes the TRUST framework principles, implements the Company's responsible AI standards and provides mechanisms for ongoing monitoring and risk assessment. The Company has also established an AI Governance Committee, a cross-functional body with representatives from departments spanning technology, legal, compliance, client delivery, data privacy and human resources, which meets quarterly and provides support and guidance for implementation and governance of AI across the enterprise. The Company received accredited ISO/IEC 42001:2023 certification for our AI management system, providing an independently verified baseline for the Company's governance practices and underscoring the Company's commitment to responsible AI development and deployment.

Vendor and client ecosystem governance

Given that the Company's business includes designing, building and operating AI-enabled solutions in client environments, the Company's responsible AI governance extends beyond its internal operations to encompass its wider ecosystem:

- **Vendor and third-party AI governance.** The Company applies a third-party AI risk management process to vendors and sub-processors contracted by the Company whose AI systems are material to client delivery. This includes AI-specific due diligence at onboarding, contractual responsible AI requirements, and periodic reassessment for high-risk engagements via its AI risk assessment program.
- **Client engagement governance.** The Company applies the TRUST framework to AI solutions developed and deployed for clients, including risk classification of use cases, disclosure of AI use to client stakeholders where appropriate and contractual alignment on responsible AI standards. The Company assists clients in implementing their own responsible AI compliance programs where requested.

Continued improvement

AI technologies, risks and regulations continue to evolve. Management seeks to continuously improve the Company's AI governance and controls; to enhance technical and organizational safeguards; and to adapt training and oversight to reflect new standards, regulatory guidance and best practices. The Board expects to continue to regularly review oversight structures to maintain effective, transparent and responsive governance over the opportunities and risks posed by AI.

Lockheed Martin p. 13 – AI is mentioned in the general board oversight infographic on p. 11, and the company provides more details in an AI focus alongside the other risks in focus. This section is clear, addressing in a concise manner the responsibilities of the board and the committees, the ties with the ERM process, and the policies governing AI in the company.

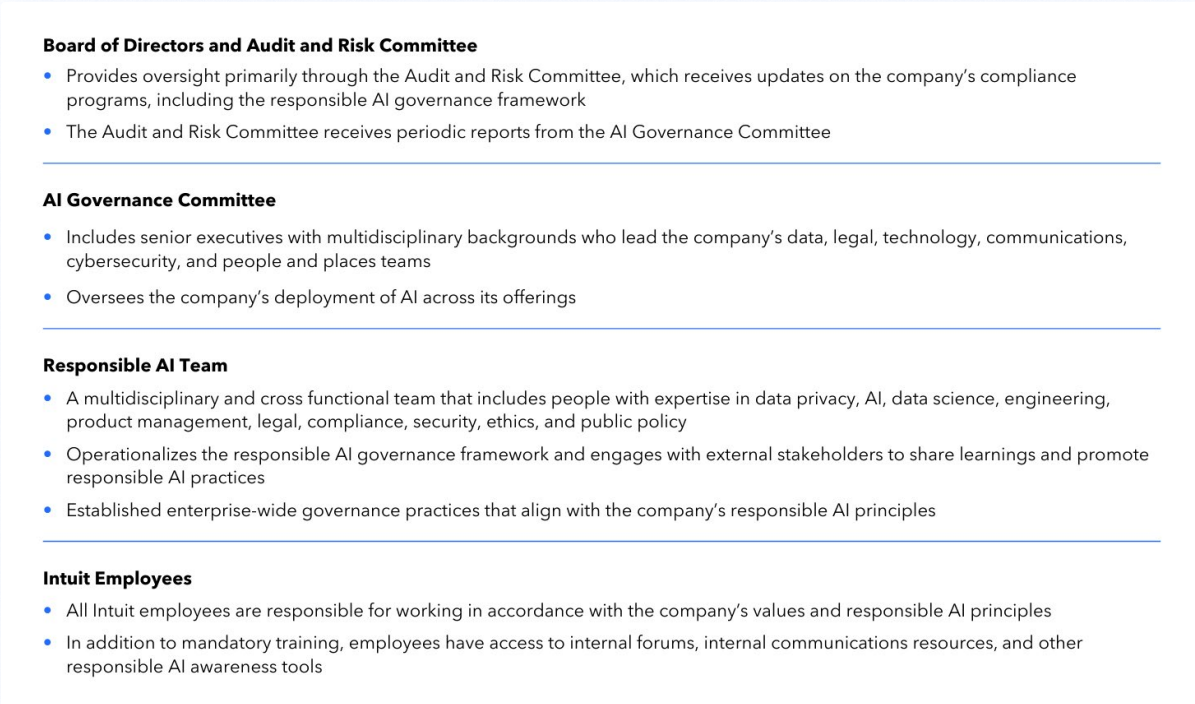


Ethical, governable artificial intelligence development & deployment

- The full Board reviews our AI strategy with senior leadership, including the Chief Digital and Artificial Intelligence Officer.
- We analyze AI risks through our ERM process, discuss them with the Audit Committee and, in the context of our classified programs, discuss them with the CBS Committee.
- The Governance Committee oversees our 2025 Sustainability Management Plan (SMP), which includes an achieved goal for providing AI developers with training on system engineering approaches to AI ethical principles.
- Our Code of Ethics and Business Conduct (Code of Conduct) and our "Ethical Development and Use of Artificial Intelligence" policy guide the Company's development and use of AI. Our cross-enterprise AI Ethics Subcommittee meets monthly to oversee AI design, development, deployment and use aligned to our adopted principles for the responsible use of AI: responsible, equitable, traceable, reliable and governable. The subcommittee reports quarterly to the AI Executive Steering Committee.
- Both our Senior Vice President, Technology and Strategic Innovation and our Senior Vice President, Ethics and Enterprise Assurance review performance on a periodic basis and serve as the Executive Leadership Team's leaders responsible for ethical use of AI.

In addition, the Governance Committee has primary oversight of the following risks that target particular stakeholders.

Intuit p. 13 – The company includes AI governance in the Key areas of oversight, first presenting the Responsible AI principles of the company and presenting the board and management's role and responsibilities, down to employees level.



Board of Directors and Audit and Risk Committee

- Provides oversight primarily through the Audit and Risk Committee, which receives updates on the company's compliance programs, including the responsible AI governance framework
- The Audit and Risk Committee receives periodic reports from the AI Governance Committee

AI Governance Committee

- Includes senior executives with multidisciplinary backgrounds who lead the company's data, legal, technology, communications, cybersecurity, and people and places teams
- Oversees the company's deployment of AI across its offerings

Responsible AI Team

- A multidisciplinary and cross functional team that includes people with expertise in data privacy, AI, data science, engineering, product management, legal, compliance, security, ethics, and public policy
- Operationalizes the responsible AI governance framework and engages with external stakeholders to share learnings and promote responsible AI practices
- Established enterprise-wide governance practices that align with the company's responsible AI principles

Intuit Employees

- All Intuit employees are responsible for working in accordance with the company's values and responsible AI principles
- In addition to mandatory training, employees have access to internal forums, internal communications resources, and other responsible AI awareness tools

Focus on AI in Executive Compensation

For companies where AI is particularly material or integrated in the strategy, some are beginning to **link AI outcomes to executive compensation**. Doing so signals **genuine board conviction** and reassures investors that **management is accountable for delivering the returns expected from significant AI investment**.

Salesforce p. 37 – The company highlight changes brought to Executive compensation in 2025, including a new metric in the long-term incentive (Performance-Based Stock Options) to tie it to the company's AI strategy. AI-related performance is also extensively addressed throughout the CD&A.



A Letter from Our Compensation Committee

April 16, 2026

Dear Fellow Stockholders,

Now in my second year as Chair of the Compensation Committee, I want to share some thoughts on how we think about executive compensation at Salesforce, what we paid for in fiscal 2026, and the one refinement we've made for fiscal 2027.

Our Philosophy: Three Food Groups

Great executive compensation design requires balancing objectives that can pull in different directions. At Salesforce, we've organized our thinking around what we call "three food groups" – three distinct but complementary lenses through which we assess performance and align pay:

1. Relative Total Shareholder Return (rTSR) – how our stock performs against peers, specifically the Nasdaq-100. This keeps executives anchored to the investor experience.
2. Financial Results – specifically revenue growth and operating margin, the core measures of durable business health. These are captured through our "Rule of" metric in the PRSU program.
3. Strategic / Operating KPIs – forward-looking indicators of our AI and Agentforce product success, which we believe are the leading indicators of long-term value creation.

This evolved from an earlier system tied to operating margin and relative TSR alone. The three food groups approach is intentionally broader because we believe in this age of AI disruption we must incentivize for current execution and the future of Salesforce's AI-powered platform.

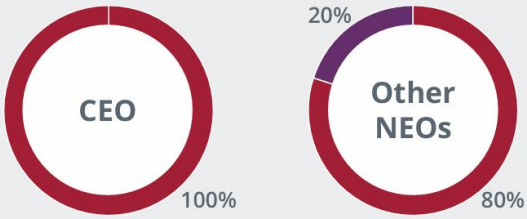
In 2026 Key Changes for Executive Compensation p. 44

- Incorporated a new "Margin & Growth" metric to our PRSU program, combining subscription and support revenue growth with non-GAAP operating margin. Alongside our three-year relative TSR metric, this addition balances AI expansion with profitable growth to maximize long-term stockholder value.

Equifax p. 63 and 79 – The company mentions AI as part of the Individual Non-Financial Strategic Goals, and each NEO scorecard mentions AI-related achievements during the year.

Annual Incentive Plan (AIP) Opportunity

Payouts are based on the attainment of financial goals and individual non-financial strategic goals



- Payout based financial performance
- Payout based on individual non-financial strategic goals

Financial Goals

- **Corporate Operating Revenue** measures our top line business growth[1,2]
- **Corporate Adjusted EPS** measures our profitability[1,2]

Individual Non-Financial Strategic Goals

Individual goals aligned with our EFX2027 strategic priorities (see pages 76–77):

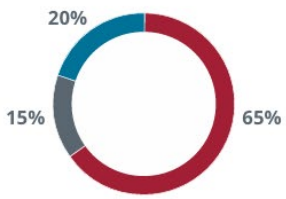
- Accelerate Innovation and New Products
- Leverage Equifax Cloud Capabilities
- Expand Differentiated Data Assets
- Drive AI Innovation
- Put Customers and Consumers First
- Execute Bolt-on M&A
- Continue Leadership in Security
- Act as One Team, One Equifax

Payouts Align With Performance

Our NEOs' 2025 AIP awards paid out between 140%-162% of target in alignment with our performance against financial goals (see page 78)



John Gamble | Executive Vice President, Chief Financial Officer and Chief Operations Officer



- Corporate Adjusted EPS
- Corporate Operating Revenue
- Individual Objectives

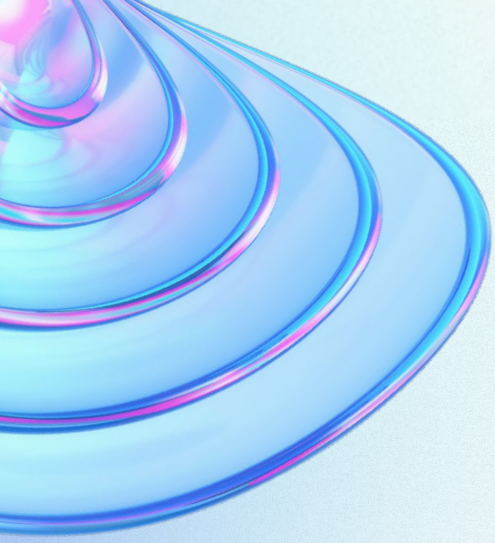
Objectives	Target Level	Actual Results	Actual Payout as a % of Target	2025 Incentive Payout
Corporate Adjusted EPS	$ 7.450	$ 7.602	156	$975,289
Corporate Operating Revenue	$5.951 billion	$6.021 billion	134	$192,768
Individual Objectives	$ 192,000		200	$384,000

Mr. Gamble's achievements for 2025 included:

- Supported achievement of the Company's budget goals, despite the challenging U.S. macroeconomic environment, by proactively managing costs and capital spending across the enterprise.
- Played a critical role in designing our new capital allocation program, consisting of a $3 billion share repurchase program and plan to grow dividend levels. Executed on the repurchase of over 4 million shares and the return of more than $1.2 billion to shareholders in the form of share repurchases and cash dividends.
- Led the finance organization's efforts to accelerate the use of AI to improve performance and operational efficiencies.
- Oversaw active investor relations calendar, including execution of an Investor Day in the second quarter 2025.
- Recruited, developed and retained talent for key roles on finance leadership team and across the broader finance organization, including through meaningful employee engagement initiatives, internal promotion opportunities and a rotational development program.

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- The Conference Board, with ESG data analytics firm ESGAUGE and in collaboration with Russell Reynolds Associates, and Rutgers Center for Corporate Law and Governance, 2026 Proxy Season Preview, Ariane Marchis-Mouren and Brian Capbell, March 2, 2026
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