

Other than the Current Plan, the Company has no plan in effect under which options and stock-based awards may be granted. If stockholders approve the Amended Plan, the total of the available shares thereunder would be 1,411,077 shares, or approximately 4.4% of the shares outstanding on March 22, 2024.

Shares subject to forfeited or expired awards or to awards settled in cash or otherwise terminated without issuance of shares to the participant, and shares withheld by or surrendered to the Company to satisfy withholding tax obligations or in payment of the exercise price of an award, whether granted under the Amended Plan or the Current Plan, will be deemed to be available for new awards under the Amended Plan. Under the Amended Plan, shares subject to an award granted in substitution for an award of a company or business acquired by the Company or a subsidiary will not count against the number of shares reserved and available. Shares delivered under the Amended Plan may be either newly issued or treasury shares. On March 22, 2024, the last reported sale price of our common stock on the New York Stock Exchange was \$74.79 per share.

Appropriate adjustments to the number and kind of shares which may be delivered pursuant to Awards are authorized in the event of a large, special or non-recurring dividend or distribution, recapitalization, stock split, stock dividend, reorganization, business combination, or other similar corporate transaction or event affecting the common stock of the Company. The Committee is also authorized to adjust performance conditions and other terms of awards in response to these kinds of events or to changes in applicable laws, regulations, or accounting principles.

**Eligibility.** We believe that all employees should have the ability to participate in the growth of the Company through stock ownership. Therefore all employees of the Company and its subsidiaries, including executive officers, non-employee directors, consultants and others who provide substantial services to the Company and its subsidiaries, are eligible to be granted awards under the Amended Plan; provided that option grants to non-employee directors will be in the same ratio of number of options granted to amount of compensation as is used in determining options granted to employees in an across-the-board option grant, based on the non-employee director's compensation in the prior year. In addition, any person who has been offered employment by the Company or a subsidiary may be granted awards, but such prospective employee may not receive any payment or exercise any right relating to the award until he or she has commenced employment. At present, approximately 4,000 persons are eligible for awards under the Current Plan, and would be eligible for awards under the Amended Plan.

**Administration.** The Amended Plan will be administered by the Committee, except that the Board may appoint any other committee to administer the Amended Plan and may itself act to administer the Amended Plan. The Board must perform the functions of the Committee for purposes of granting awards to non-employee directors. (References to the "Committee" below mean the committee or the full Board exercising authority with respect to a given award.) Subject to the terms and conditions of the Amended Plan, the Committee is authorized to select participants, determine the type and number of awards to be granted and the number of shares to which awards will relate or the amount of a performance award, specify times at which awards will be exercisable or settled, including performance conditions that may be required as a condition thereof, set other terms and conditions of such awards, prescribe forms of award agreements, interpret and specify rules and regulations relating to the Amended Plan, and make all other determinations which may be necessary or advisable for the administration of the Amended Plan. Nothing in the Amended Plan precludes the Committee from authorizing payment of other compensation, including bonuses based upon performance, to officers and employees, including the executive officers. The Amended Plan provides that Committee members shall not be personally liable, and shall be fully indemnified, in connection with any action, determination, or interpretation taken or made in good faith under the Amended Plan.

**Stock Options.** The Committee is authorized to grant stock options, including both incentive stock options ("ISOs"), which can result in potentially favorable tax treatment to the participant, and non-qualified stock options. The exercise price of an option is determined by the Committee, but generally may not be less than the fair market value of the shares on the date of grant (except as described below). The maximum term of each option, the times at which each option will be exercisable, and provisions requiring forfeiture of unexercised options at or following termination of employment or upon the occurrence of other events, generally are fixed by the Committee, subject to a restriction that no ISO may have a term exceeding ten years. Options may be exercised by payment of the exercise price in cash, shares or other property (possibly including notes or obligations to make payment on a deferred basis, or through broker-assisted cashless exercise procedures) or by surrender of other outstanding awards having a fair market value equal to the exercise price. Under the terms of the Amended Plan, stock options, once granted, may not be re-priced; however, they remain subject to all of the other terms and conditions of the Amended Plan.

**Restricted and Deferred Stock.** The Committee is authorized to make awards of restricted stock and deferred stock. Prior to the end of the restricted period, shares received as restricted stock may not be sold or disposed of by participants, and may be forfeited in the event of termination of employment. The restricted period generally is established by the Committee. An award of restricted stock entitles the participant to all of the rights of a shareholder of the Company, including the right to vote the shares and the right to receive any dividends thereon, unless otherwise determined by the Committee. Deferred stock gives