# COMPENSATION OF EXECUTIVE OFFICERS
# COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis ("CD&A") describes our executive compensation philosophy and objectives and the decisions of the Human Resources and Compensation Committee ("HRCC") of our Board of Directors ("Board") regarding the fiscal 2022 compensation of our named executive officers ("NEOs"). This section provides details on both the pre-Emergence compensation programs and decisions made by the pre-Emergence HRCC and Board, as well as the compensation programs and decisions made by our post-Emergence HRCC and Board for fiscal 2022 compensation.

### Fiscal 2022 Company Performance

Despite the various challenges of fiscal 2022, including our emergence from bankruptcy on June 16, 2022, the core operations of our business outperformed our expectations and we exceeded our Adjusted EBITDA guidance and achieved the high end of our net sales guidance for the year as we continued to focus on executing our three near-term strategic priorities: strengthening the balance sheet; stabilizing our portfolio; and making the right investments in our pipeline.

Key performance highlights for fiscal 2022 include:

- **Total net sales of $1.914 billion**, including Specialty Brands net sales of $1.270 billion and Specialty Generics net sales of $644.8 million.
- **Cash balance at the end of the fiscal year end of $409.5 million**. The Company continues to maintain an undrawn accounts receivable financing facility up to $200 million, ending the fiscal year with approximately $610 million in liquidity.
- **Pipeline developments.** In September 2022, Terlivaz became the only treatment for adults with hepatorenal syndrome approved by the U.S. Food and Drug Administration ("FDA"). Since approval, we have been working to engage with hospitals to gain formulary inclusion of Terlivaz and are pleased with the formulary approval thus far in hospitals that have reviewed the product. With respect to INOmax Evolve, the next-generation delivery system of INOmax, we believe we remain on track for FDA approval in 2023.

Please refer to the more comprehensive discussions contained in our Annual Report on Form 10-K for the fiscal year ended December 30, 2022 for additional information about these highlights.

### Executive Summary

We believe our executive compensation practices play a key role in driving our performance. These practices are designed to maximize shareholder value and return, and to reward performance when financial, operational and strategic performance goals that drive long-term value for our shareholders are achieved. Following Emergence and in connection with the Company's ability to grant equity in 2022, we believe our compensation practices are heavily weighted toward long-term stock-based compensation and are designed to align the long-term interests of executives with those of our shareholders. By utilizing performance-based compensation as a significant portion of total compensation, actual realized compensation is accordingly expected to be higher when we overperform and lower when we underperform.

The table below highlights the principal elements of our executive compensation program.

| Category | Pre-Emergence<br>January 1, 2022 – June 15, 2022 | Post-Emergence<br>June 16, 2022 – December 30, 2022 |
|---|---|---|
| **Human Resources and Compensation Committee** | Chair — Mr. Norton<br>Members — Mr. Carlucci, Mr. Carrol and Ms. Whitaker | Chair — Mr. Goldman<br>Members — Mr. El-Dada, Ms. Ling, Dr. Myers and Mr. Sulat |
| **Management** | Immediately before Emergence:<br>Chief Executive Officer — Mr. Trudeau<br>EVP and Chief Financial Officer — Mr. Reasons<br>EVP and Chief Commercial and Operations Officer — Mr. O'Neill<br>EVP and Chief Scientific Officer — Dr. Romano<br>EVP and Chief Legal Officer — Mr. Casey<br>EVP and Chief Human Resources Officer — Mr. Watkins | End of Year:<br>Chief Executive Officer — Mr. Olafsson<br>EVP and Chief Financial Officer — Mr. Reasons<br>EVP and Chief Transformation Officer — Ms. Nielsen<br>EVP, Chief Legal Officer and Corporate Secretary — Mr. Tyndall<br>EVP and Chief Commercial Officer — Ms. French<br>EVP and Head of Specialty Generics — Mr. Welch<br>EVP and Head of Corporate Development — Mr. Goodson<br>EVP and Chief Compliance Officer — Ms. Harrold |
| **Objectives of Compensation Programs** | Stabilize Company during bankruptcy proceedings, retain key talent, successfully emerge. | Maximize shareholder value, align individual performance with shareholder value, drive long-term performance. |
| **Key Employee Incentive Plan ("KEIP")** | • Incentive plan implemented and was a combination of the Company's previous short- and long-term incentive plans<br>• Cash-based<br>• Adjusted EBITDA*<br>• Adjusted Operating Cash Flow* | Grandfathered participants only |
| **Annual Incentive Plan ("AIP")** | Participants: Non-KEIP NEOs<br>• Cash-based<br>• Adjusted EBITDA*<br>• Adjusted Operating Cash Flow*<br>• Net Sales | Participants: Non-KEIP NEOs<br>• Cash-based<br>• Adjusted EBITDA*<br>• Adjusted Operating Cash Flow*<br>• Net Sales<br>• **Executive payouts capped per executive employment agreement** |
| **Long Term Incentive ("LTI")** | N/A | 50% performance-based restricted unit awards ("PSUs")<br>50% restricted unit awards ("RSUs")<br>PSU Performance Metrics:<br>• Adjusted Operating Cash Flow<br>• Relative Total Shareholder Return |
| **Retention** | Cash-based | No cash-based retention bonuses were granted post-Emergence |
| **Creditor and Shareholder Feedback** | Focused on achieving emergence and business operations | Focused on business operations and cash generation |

* See page 36 below for the definition of these non-GAAP financial measures.

***What We Do***

- ✓ Align to a peer group that reflects our business model
- ✓ Engage independent and expert compensation committee consultants
- ✓ Ensure a substantial portion of compensation is at risk, tied to performance and linked to shareholder value creation
- ✓ Establish challenging threshold performance goals and maximum performance goals that reflect stretch levels of performance
- ✓ Cap long-term performance unit payouts for performance measures at 200% of the target award
- ✓ Cap individual executive annual cash incentive payouts per the employment agreements for post-emergence executives
- ✓ Allow for no overlap in performance metrics between annual and long-term incentives, with the exception of cash flow, which is a key strategic focus for the Company
- ✓ Include both relative and absolute performance metrics in our long-term performance units program
- ✓ Require robust stock ownership guidelines with retention requirements
- ✓ Require termination of employment in addition to a change in control for accelerated equity vesting (double trigger)
- ✓ Require non-competition, non-solicitation and confidentiality agreement for eligibility in severance and change in control benefits
- ✓ Ensure that the HRCC has the discretion to apply negative adjustments to incentive awards
- ✓ Maintain an executive compensation clawback policy that provides for the recovery of performance-based cash and equity incentive compensation paid to executives in various circumstances, including for misconduct
- ✓ Review annually our compensation programs and policies for best practices and to ensure they do not encourage excessive risk-taking
- ✓ Conduct annual “say-on-pay” advisory votes

***What We Don’t Do***

- x Provide excessive executive perquisites
- x Reprice or exchange equity awards without shareholder approval
- x Allow hedging and pledging of Company securities
- x Provide change in control excise tax gross-ups
- x Provide any other tax gross-ups to our executives, with the exception of relocation expenses, limited business-related benefits or in connection with expatriate / international assignments

**Our Named Executive Officers**

For purposes of this CD&A and executive compensation disclosures, the individuals listed below are our NEOs for fiscal 2022.

- Sigurdur O. Olafsson*, President, Chief Executive Officer and Director*
- Bryan M. Reasons, *Executive Vice President and Chief Financial Officer*

- Mark A. Tyndall*, Executive Vice President, Chief Legal Officer and Corporate Secretary*
- Stephen A. Welch*, Executive Vice President and Head of Specialty Generics*
- Henriette Nielsen, *Executive Vice President and Chief Transformation Officer*
- Mark C. Trudeau, *Former President, Chief Executive Officer and Director**
- Hugh M. O'Neill, *Former Executive Vice President and Chief Commercial and Operations Officer***
- Steven J. Romano, M.D., *Former Executive Vice President and Chief Scientific Officer***

*Mr. Trudeau resigned from his roles as President, Chief Executive Officer and Director on June 15, 2022, in connection with our emergence from Chapter 11 proceedings. Mr. Olafsson became President, Chief Executive Officer and a director effective June 25, 2022.

**On August 17, 2022, Mallinckrodt announced updates to its Executive Committee, pursuant to which several members of the Executive Committee, including Steven J. Romano, M.D. and Hugh M. O'Neill, would step down from their roles and depart the Company. Mr. O'Neill departed the Executive Committee and Mallinckrodt effective September 16, 2022. Dr. Romano departed the Executive Committee and Mallinckrodt on December 1, 2022.

**Executive Compensation Philosophy**

Our executive compensation philosophy, which was approved by the post-Emergence HRCC, provides a governance framework that is based on the tenets of sound judgment and discretion, including the following principles:

- Compensation should strongly align the interests of executive officers with those of shareholders through the use of stock-based compensation and executive stock ownership;
- Compensation policies and practices should support effective governance;
- Focus on total compensation opportunity (base salary, annual incentive compensation and long-term incentive compensation) with an explicit role for each element;
- Compensation should be competitive, but not excessive, in order to attract and retain talented executive officers who can achieve our long-term strategic goals and create shareholder value;
- Compensation earned should be aligned with Company performance and investor returns;
- Compensation should reward corporate and individual performance to encourage collaboration and collective interests, and recognize key contributors;
- The reward elements should be balanced, with an emphasis on performance-based compensation;
- Compensation goals and practices should be transparent and easy to communicate, both internally and externally;
- Goal setting is a key activity and should be conducted in a rigorous manner resulting in targets that reflect challenging, yet achievable, levels of performance; and
- Pay programs and oversight of these programs should avoid excessive compensation risk that could adversely impact the Company.

**Fiscal 2022 Compensation Program**

The following table summarizes the major elements of our fiscal 2022 executive compensation program and the objective of each element. They are designed to work together, as the HRCC views the executive compensation program as an integrated total compensation program. The overall value of compensation is compared to market data on compensation opportunities at pharmaceutical industry and peer companies to ensure that our executive pay programs are positioned competitively. The HRCC considers the mix of variable and fixed compensation when determining base salary and short- and long-term incentives with an emphasis on variable compensation rather than fixed compensation.

| Element | Key Features | Objective |
|---|---|---|
| **Base salary** | Fixed cash compensation. | Offer a stable income, intended to reflect the market value of the executive's role, with differentiation for strategic significance, individual capability and experience. |
| **Annual incentive compensation** | Market-competitive, performance-based cash bonus opportunity tied to achievement of Company goals.<br>• Calculation for each executive's cash incentive is based on performance versus pre-determined goals tied to financial performance measures.<br>• Each executive's individual performance can modify the amount received up to a maximum, provided that in 2022, any individuals who participated in the 2022 KEIP did not have an individual performance modifier. | Focus executives on pre-determined patient, employee and shareholder value objectives and drive specific behaviors that foster short- and long-term growth and profitability. |
| **Long-term incentive compensation** | Awards of performance units and restricted units<br>• Performance units may be earned from 0% to 200% of the target number of units over a 2.5 year performance period*. For the second half of fiscal 2022 (July 2, 2022 through December 30,2022) through 2024 fiscal year end (December 27, 2024), half of the performance units are based on adjusted operating cash flow, while the other half are based on our Total Shareholder Return ("TSR") versus TSR performance of the Russell 2000 Biotechnology Subsector Index, in each case over the performance period.<br>• To the extent earned, performance units are delivered as ordinary shares after the end of the performance period except for any portion of the award earned above target, which is delivered as cash.<br>• Restricted units vest in three equal annual installments on each anniversary of the NEO's employment contract effective date or start date with the Company. | Align the interests of executives with the interests of shareholders in long-term growth and stock performance, reward executives for the achievement of multi-year performance objectives and shareholder value creation and promote retention. |

| Element | Key Features | Objective |
|---|---|---|
| | • Each unit is converted into one ordinary share at vesting. | |
| **Retention Bonuses** | Cash-based retention bonus awarded in September 2020 to the NEOs who served on the Executive Committee prior to Emergence. These retention bonuses were subject to repayment in the event the award recipient resigned, retired, voluntarily terminated employment or was terminated by the Company for cause prior to May 15, 2022. The awards ceased to be subject to repayment on May 15, 2022. In addition, cash-based retention bonuses awarded in August 2020 and paid in May 2022 for a select group of non-executives.<br><br>Cash-based retention bonus awarded in 2022 to the NEOs who served on the Executive Committee prior to Emergence and remained employed directly following Emergence. Payment of the retention bonus was contingent upon remaining continuously employed with the Company through the 90-day anniversary of Emergence. | Designed to stabilize the executive leadership team and reduce the possibility of turnover.<br><br>No additional cash-based retention bonuses were awarded post-Emergence. |

* Performance period aligns with our financial quarterly and fiscal year dates. Therefore, fiscal 2022 second half period is July 2, 2022 through December 30, 2022, which is our fiscal 2022 third and fourth quarters. Our 2024 fiscal year end date is December 27, 2024.

### Shareholder Engagement

It is and has been our practice for many years to engage with our investors on a routine basis as part of our investor relations program, during which the Company's executives regularly meet with investors at both public conferences as well as in private meetings. Our engagement program focuses on overall performance of the business, particularly on subjects such as financial and commercial performance, research and development efforts, corporate strategy, capital allocation and business development, as well as corporate governance, social responsibility, executive compensation and other similar areas of interest.

We value our shareholders' feedback and perspectives, and we are committed to continuing this broad scope of engagement with our shareholders across multiple channels, as we believe that the solicitation and consideration of shareholder views is a critical component of driving long-term value for the Company.

### Compensation Decision-Making

***Role of the HRCC and Management.***

The HRCC reviews our executive compensation policies, practices and plans on an ongoing basis to determine whether they are consistent with our compensation philosophy and objectives, and whether they need to be modified in light of changes in our business or changes in the market. The HRCC meets periodically with management to review compensation policies and specific levels of compensation paid to officers and other key personnel and approves compensation and programs for executive officers other than our CEO. The HRCC reports to the Board on compensation paid to officers and other key personnel and makes recommendations to the Board regarding CEO compensation. In addition, our CEO makes recommendations to the HRCC regarding salary adjustments and the setting of incentive targets and awards for executive officers other than himself.

In determining the compensation of an executive officer, the HRCC considers various factors, including:

- Company, business unit and individual performance, as well as business conditions and our business outlook;
- Market data on compensation opportunities of officers with similar responsibilities at comparable companies;
- The officer's experience, skillset, current and future responsibilities and potential contribution to our performance;
- Retention considerations; and
- Compensation levels of our executives with similar levels of responsibility.

***Role of the Compensation Consultant*.**

The HRCC utilizes the services of independent compensation consultants from time to time and has the sole authority to retain, compensate and terminate any such compensation consultants. Prior to emergence from Chapter 11 in fiscal 2022, Willis Towers Watson Public Limited Company ("WTW") served as the independent compensation consultant to the pre-Emergence HRCC. Upon emergence from Chapter 11 in fiscal 2022, Lyons, Benenson & Company Inc. ("LB&Co.") served as the independent compensation consultant to the post-Emergence HRCC. LB&Co. reported directly to the HRCC, and within its scope of services, LB&Co. reviewed HRCC materials, attended all HRCC meetings, reviewed our peer group and competitive positioning of individual executives versus market, advised the HRCC with program design, provided advice to the HRCC as compensation issues arose and provided recommendations on certain specific aspects of our compensation programs. The HRCC assessed the independence of LB&Co. and determined that LB&Co. was independent and that no conflicts of interest existed during fiscal 2022.

***Peer Group Determination*.**

Given the rapidly changing business landscape of the pharmaceutical industry, it is important for us to maintain a current view of peer competitors, including to be able to assess compensation opportunities for officers with similar responsibilities at comparable companies to ours. The HRCC periodically reviews the peer group it uses and approves changes, based on an established set of criteria and the recommendation of its independent compensation consultant. The peer group in place at the time of setting fiscal 2022 compensation (the "Pre-Emergence Peer Group") was approved by our pre-Emergence HRCC prior to our 2021 bankruptcy filing. The specific companies were selected using objective size criteria, in a range that the HRCC determined is appropriate, as well as taking into consideration revenue and market capitalization, business similarity and our market for executive talent. We believe the peer group includes companies that we compete with for business, executive talent and/or investment dollars.

The following table sets forth the Pre-Emergence Peer Group.

**Pre-Emergence Peer Group**

| | |
|---|---|
| Alexion Pharmaceuticals, Inc. | CSL Limited |
| Alkermes plc | Endo International plc |
| Amneal Pharmaceuticals | Horizon Pharma plc |
| BioMarin Pharmaceutical Inc. | Incyte Corporation |
| Bausch Health Companies | Jazz Pharmaceuticals plc |
| Catalent, Inc. | Perrigo Company plc |

| | |
|---|---|
| Regeneron Pharmaceuticals, Inc. | Vertex Pharmaceuticals Inc. |
| United Therapeutics Corporation | Zoetis Inc. |

In September 2022, the post-Emergence HRCC, with the assistance of LB&Co, analyzed this peer group to determine whether it should be revised. After consideration of various factors, the post-Emergence HRCC approved a new peer group to be used for 2023 compensation decisions.

**Fiscal Year 2022 Executive Compensation Decisions**

Given our bankruptcy proceedings, base salaries and target percentages under the AIP for our NEOs serving at the beginning of the year were unchanged from 2021 levels. As discussed below, the pre-Emergence HRCC established the annual performance targets under the AIP at the beginning of 2022.

Post-Emergence, the post-Emergence HRCC established base salaries for our then-serving and newly appointed NEOs, as well as affirmed or established opportunities under our AIP and 2022 KEIP. The post-Emergence HRCC reviewed, with support of LB&Co., the Company's strategy and operating performance and key objectives for the remainder of the fiscal year. In addition, the post-Emergence HRCC looked at the potential impact of current and emerging external factors such as the dynamic competitive landscape for executive talent, a review of compensation data and market trends from the peer group and external surveys. Finally, the post-Emergence HRCC weighed internal factors specific to Mallinckrodt such as executive experience, role and individual capabilities. Actions taken by the post-Emergence HRCC considered the Company's operating plan for the remainder of fiscal 2022 and the then-current share price and were calculated to align management and shareholder interests through competitive performance-based compensation that attracted, motivated and retained important talent.

*Base Salary*

The HRCC evaluates base salaries annually as well as upon a promotion or other change in job responsibility to determine if increases are appropriate. The post-Emergence HRCC, based in part upon the recommendation of our CEO and considering each NEO's level of responsibility, skillset and experience, as well as market data for similar positions at companies in our peer group and issues of internal pay equity, approved the base salary amounts and increases detailed in the table below.

In consultation with the pre-Emergence HRCC, the pre-Emergence Board froze the base salary for Mr. Trudeau in consideration of Company performance. In addition, base salaries for Dr. Romano and Mr. O'Neill were unchanged during fiscal 2022.

**NEO Annual Base Salaries and Adjustments During Fiscal 2022**

| | Initial Salary | Ending Salary | Change |
|---|---|---|---|
| Sigurdur Olafsson | $1,100,000 | $1,100,000 | — |
| Bryan Reasons(1) | $600,000 | $630,000 | 5% |
| Mark Tyndall(2) | $430,000 | $575,000 | 34% |
| Stephen Welch(3) | $331,500 | $450,000 | 36% |
| Henriette Nielsen | $620,000 | $620,000 | — |
| Mark Trudeau | $1,050,000 | N/A | N/A |
| Steven Romano, M.D. | $620,000 | N/A | N/A |
| Hugh O'Neill | $620,000 | N/A | N/A |

(1) Received a base salary adjustment based on competitive pay levels and performance.

(2) Received two base salary adjustments during the course of 2022; an annual salary increase applied in March 2022 and an adjustment applied in August 2022 to reflect an increase in responsibilities and competitive pay levels at the time Mr. Tyndall was appointed a member of the Executive Committee.

(3) Received a base salary adjustment in May 2022 due to a promotion prior to his appointment to the Executive Committee and increased responsibilities in line with competitive pay levels.

*Fiscal 2022 Short-Term Incentive Awards*

*2022 Annual Incentive Plan*

For fiscal 2022, the NEOs that participated in the AIP were Mr. Olafsson, Mr. Reasons and Ms. Nielsen. Mr. Tyndall and Mr. Welch did not participate in the AIP but instead continued to participate in the Company's 2022 KEIP, which they were participating in prior to their elevation to being executive officers. The 2022 KEIP is further discussed below. Mr. Trudeau, Dr. Romano and Mr. O'Neill were originally participants in the AIP, but their 2022 short-term incentive payouts were determined in accordance with their respective separation agreements entered into in connection with the termination of their employments. For more information on the payments these NEOs received in connection with the termination of their employments, see the section titled "Mr. Trudeau, Dr. Romano and Mr. O'Neill's Termination Benefits" below.

The HRCC established award targets for each of the NEOs participating in the AIP that were expressed as a percentage of base salary. The table below shows the opportunities for Mr. Olafsson, Mr. Reasons and Ms. Nielsen.

**2022 Annual Incentive Plan Target as a % of Salary**

| | |
|---|---|
| Sigurdur Olafsson | 135% |
| Bryan Reasons | 75% |
| Henriette Nielsen | 75% |

The AIP provides each of the participants with the opportunity to receive an annual incentive payment determined by multiplying their annual incentive target by the Company's achievement against pre-determined financial performance targets and then by an individual performance modifier. The Company performance targets were designed to be achieved in a range from 0% (achievement at less than threshold) to 150% (achievement at maximum or above) of target based upon our performance, subject to an individual performance modifier that can also be applied in a range from 0% to 150%, with

**a cap on the total target opportunity as set by each executive's respective employment agreement, based on which a cap of 250% of base salary was set for Mr. Olafsson and a cap of 150% of base salary was set for Mr. Reasons and Ms. Nielsen, respectively**. The following illustrates the formula for the AIP:

| Individual Annual Incentive Target | × | Company Achievement Against Financial Performance Targets | × | Individual Performance Multiplier | = | Final 2022 AIP Bonus Amount to Individual NEO |
|---|---|---|---|---|---|---|

*2022 AIP Performance Measures*. For the 2022 AIP, the pre-Emergence HRCC approved the incentive plan and established the Company performance measures. For fiscal 2022, the Company performance measures were based upon adjusted EBITDA, adjusted operating cash flow and net sales. The pre-Emergence HRCC believed these measures were key drivers of the longer term value creation and key indicators of the current and future strength of our business.

- Adjusted EBITDA was defined as earnings for the fiscal year before interest, taxes, depreciation and amortization, adjusted to exclude incremental Terlivaz launch spend contingent upon FDA approval, impact from foreign currency rate volatility, discretionary bonuses for non-executives as approved by the HRCC, and the sale of an intellectual property research and development asset.
- Adjusted operating cash flow represented operating cash flow prepared in accordance with GAAP adjusted for separation costs, reorganization advisor fees, working capital impacts related to the CARES Act, significant legal and environmental charges, working capital impacts resulting from the Company's Chapter 11 bankruptcy filing, severance costs, interest payments, acquisition/divestiture costs, incremental Terlivaz launch spend contingent upon FDA approval, and the impact of a customer bankruptcy.
- Adjusted net sales represented net sales calculated in accordance with GAAP, excluding foreign currency exchange rate impacts.

The weighted average funding for the 2022 AIP was designed to range from 0% to 150% of target based upon our performance against these measures. The HRCC maintains discretionary authority to further modify the funding, both negatively and positively, based on the HRCC's evaluation of Company achievement against the strategic imperatives, as further discussed below. The following chart summarizes the 2022 AIP design with respect to the Company performance measures, including the relative weighting, performance targets, actual results and weighted average funding for our participating NEOs.

| Measure | Weighting | Threshold (50% Payout) | Target (100% Payout) | Maximum (150% Payout) | Fiscal 2022 Results | Weighted Average Funding |
|---|---|---|---|---|---|---|
| Adjusted Operating Cash Flow[(1)] | 40% | $ 523 | $ 615 | $ 708 | $ 692 | 57% |
| Adjusted EBITDA[(1)] | 40% | $ 655 | $ 771 | $ 886 | $ 739 | 35% |
| Net Sales[(1)] | 20% | $1,819 | $2,021 | $2,223 | $1,922 | 15% |
| | | | | | | 106%[(2)] |

(1) In Millions

(2) Total amount does not total numbers presented due to rounding.

*Strategic Imperatives*. In addition to performance against financial measures, the HRCC also considers Company performance that supported the accomplishment of pre-determined key strategic imperatives and has the ability to adjust the overall size of the AIP awards, both negatively and positively. This allows the HRCC to decrease or increase the size of the awards if, in the HRCC's opinion, such amounts are not appropriately earned or adequately reflect performance.

The key strategic imperatives considered for fiscal 2022 are listed below:

| Fiscal 2022 Strategic Imperatives | |
|---|---|
| *Deliver Innovative Therapies to Patients with Severe and Critical Needs* | • Prioritize internal development, including Life Cycle Management opportunities and business development activities.<br>• Achieve regulatory success by bringing Terlivaz and Acthar SelfJect to patients.<br>• Optimize investment in current portfolio of products and ensure patient access to our therapies, including new products (StrataGraft and Terlivaz). |
| *Deliver Performance and Certainty for Stakeholders* | • Deliver clear messaging of our strategy including the implications on all parts of our business.<br>• Achieve progress on emergence from Chapter 11, including appropriate exit financing.<br>• Achieve or exceed operational performance targets by maximizing value of current portfolio.<br>• Align operating model to strategy and customer insights. |
| *Empower Employees and Shape Culture* | • Listen to, develop, engage and enable employees.<br>• Shape our culture through improved collaboration and communication, and develop a common understanding of our strategy and focus for the year.<br>• Continue to evolve our governance model. Enhance our culture of integrity by implementing and following our Corporate Integrity Agreement (“CIA”) requirements. Ensure talent across the organization aligns with our necessary capabilities.<br>• Migrate towards Environmental, Social and Corporate Governance (“ESG”) program, including Diversity and Inclusion initiatives. |

With respect to individual NEO performance modification recommendations under the 2022 AIP, the HRCC considered the following:

| NEO | Individual Key Achievements |
|---|---|
| **Sigurdur Olafsson** | • Re-established relationships with investors and creditors as well as industry connections<br>• Established new Executive Committee including hiring for key roles and internal promotions<br>• Ensured establishment of necessary requirements under the CIA and our operating injunction<br>• Restructured the organization to establish a “fit for purpose organization” |
| **Bryan Reasons** | • Implemented exit financing and ongoing liability management strategies<br>• Led bankruptcy negotiations with various stakeholders<br>• Led fresh start accounting and related complex issues including timely completion of audit<br>• Partnered with the Executive Committee on cost savings initiatives including restructuring the organization |

| NEO | Individual Key Achievements |
|---|---|
| **Henriette Nielsen** | • Played a key role in acquiring talent for key executive positions including CCO & CSO<br>• Instrumental in the cost savings initiatives and the restructuring of the organization<br>• Led the establishment of a path to deliver on our ESG obligations including establishing an ESG steering Committee (Finance, IT, EHS, Procurement, IR) and numerous workstreams |

*2022 AIP Achievement and Payout*. Following the conclusion of fiscal 2022, the post-Emergence HRCC determined the level of achievement and amount of payouts to which our NEOs were entitled under the AIP. The post-Emergence HRCC assessed the performance against the Company performance measures and the Company's progress toward each of the strategic imperatives, and it received input from our CEO on each of the NEOs (other than our CEO) regarding individual performance and key contributions made in fiscal 2022. The Board and post-Emergence HRCC respectively determined that a payout at the 106% level based on Company performance and a 150% individual performance modifier for Mr. Olafsson and Ms. Nielsen and a 130% individual performance modifier for Mr. Reasons were appropriate.

**Fiscal 2022 NEO Bonus Payout**

| | Target Performance Multiplier | | | | Individual Modifier | | | | |
|---|---|---|---|---|---|---|---|---|---|
| | **Target Bonus Opportunity** | **x** | **Multiplier** | **=** | **Preliminary Payout** | **x** | **Individual Performance Modifier** | **=** | **Final 2022 AIP Payout** |
| Sigurdur Olafsson[(1)] | $771,058 | x | 106% | x | $817,321 | x | 150% | = | $1,225,982 |
| Bryan Reasons | $472,500 | | 106% | | $500,850 | | 130% | | $ 651,105 |
| Henriette Nielsen[(1)] | $173,736 | | 106% | | $184,160 | | 150% | | $ 276,240 |

(1) Prorated based on hire date

*2022 Key Employee Incentive Plan*

Mr. Tyndall and Mr. Welch, each of whom were appointed as members of the Executive Committee for the first time in fiscal 2022, participated in the 2022 KEIP.

The pre-Emergence HRCC approved the 2022 KEIP, which was a component of our pre-Emergence Stock and Incentive Plan and included two separate stand-alone performance periods (the first half ("First Half") and the second half of fiscal 2022 ("Second Half")).

Award target amounts under the 2022 KEIP for Mr. Tyndall and Mr. Welch were not established by the HRCC as they were not serving as executive officers at the time. Their award targets were set by the former Chief Legal Officer. The 2022 KEIP replaced the Company's short- and long-term incentive plans and as such the full year target amounts for the NEOs were equal to the sum of their annual incentive targets and a portion of their long-term equity incentive targets, as shown in the tables below.

**2022 Full Year Target KEIP Opportunity**

| | |
|---|---|
| Mark Tyndall | $690,710 |
| Stephen Welch | $535,500 |

*Performance Periods and Measures*. The 2022 KEIP consisted of two standalone performance periods: the First Half (50% of award) and the Second Half (50% of award). The pre-Emergence HRCC determined that two semi-annual performance periods and semi-annual goals placed a greater emphasis on the Company's objectives and the corresponding results we needed to achieve throughout the year. In addition, this type of incentive plan structure is aligned with market practice for companies operating under similar circumstances as us during Chapter 11 proceedings.

The performance measures for each period were separately determined and were based for each period on adjusted EBITDA and adjusted operating cash flow, weighted 60% and 40%, respectively. These performance measures were set in relation to our annual budget for the enterprise as approved by the pre-Emergence Board. The pre-Emergence HRCC viewed these measures as key drivers to preserve and maximize enterprise value and maximize cash generation during bankruptcy and a period of significant litigation.

- Adjusted EBITDA was defined as earnings for the fiscal year before interest, taxes, depreciation and amortization, adjusted to exclude incremental Terlivaz launch spend contingent upon FDA approval, impact from foreign currency rate volatility, discretionary bonuses for non-executives as approved by the HRCC, and the sale of an intellectual property research and development asset.
- Adjusted operating cash flow represented operating cash flow prepared in accordance with GAAP adjusted for separation costs, reorganization advisor fees, working capital impacts related to the CARES Act, significant legal and environmental charges, working capital impacts resulting from the Company's Chapter 11 bankruptcy filing, severance costs, interest payments, acquisition/divestiture costs, incremental Terlivaz launch spend contingent upon FDA approval, and the impact of a customer bankruptcy.

The weighted average funding for the 2022 KEIP was designed to range from 0% to 150% of target based upon our performance against these measures for each standalone performance period. The HRCC maintained discretionary authority to further modify the funding, both negatively and positively.

The following charts summarize the 2022 KEIP design with respect to the Company performance measures for each of the First Half and Second Half, including the relative weighting, performance targets, actual results and weighted average funding for our participating NEOs. As shown in the charts, fiscal 2022 First Half performance resulted in an overall weighted average funding of 124% and the Second Half performance resulted in an overall weighted average funding of 95%.

**Fiscal 2022 First Half KEIP Company Performance Measures**

| Measure | Weighting | Threshold (50% Payout) | Target (100% Payout) | Maximum (150% Payout) | First Half Results | Weighted Average Funding |
|---|---|---|---|---|---|---|
| Adjusted EBITDA(1) | 60% | $297 | $350 | $402 | $358 | 65% |
| Adjusted Operating Cash Flow(1) | 40% | $242 | $284 | $327 | $324 | 59% |
| | | | | | | 124% |

(1) In millions

**Fiscal 2022 Second Half KEIP Company Performance Measures**

| Measure | Weighting | Threshold (50% Payout) | Target (100% Payout) | Maximum (150% Payout) | Second Half Results(1) | Weighted Average Funding |
|---|---|---|---|---|---|---|
| Adjusted EBITDA(1) | 60% | $358 | $421 | $484 | $381 | 41% |
| Adjusted Operating Cash Flow(1) | 40% | $281 | $331 | $381 | $365 | 54% |
| | | | | | | 95% |

(1) In millions

*Strategic Imperatives.* In addition to performance against financial and operational measures, the HRCC also considered Company performance that supported the accomplishment of the Company's strategic imperatives (as disclosed in the table "Fiscal 2022 Strategic Imperatives" above) and had the ability to adjust the overall size of the executive bonuses, both negatively and positively.

*2022 KEIP Achievement and Payout*. For fiscal 2022, the HRCC determined the amount payable to our NEOs under the 2022 KEIP by multiplying the NEO's individual incentive target by the funding based on Company performance for the two performance periods. The pre-Emergence HRCC approved the First Half payments and the post-Emergence HRCC approved the Second Half payments.

The HRCC also took into account the progress on the strategic imperatives and challenges that faced the business in fiscal 2022 when determining the 2022 KEIP award payouts for each of the two performance periods. The following charts show the HRCC approved multipliers for each of the two performance periods. The 2022 KEIP did not include an individual performance modifier and the evaluation of the strategic imperatives did not result in an increase or decrease to the amounts earned.

| | Target Performance Multiplier | | | | Payout |
|---|---|---|---|---|---|
| | **First Half Target KEIP Opportunity** | **x** | **Multiplier** | **=** | **First Half KEIP** |
| Mark Tyndall | $299,710 | x | 124% | | $371,640 |
| Stephen Welch | $267,750 | | 124% | | $332,010 |

| | Target Performance Multiplier | | | | Payout |
|---|---|---|---|---|---|
| | **Second Half Target KEIP Opportunity** | **x** | **Multiplier** | **=** | **Second Half KEIP** |
| Mark Tyndall | $391,000 | x | 95% | | $371,450 |
| Stephen Welch | $267,750 | | 95% | | $254,363 |

*2022 Grants*

During 2022, our NEOs, except for Mr. Trudeau, Dr. Romano and Mr. O'Neill, each of whom separated from the Company in 2022, received a one-time equity award (the "Initial Grant") under the Company's 2022 Stock and Incentive Plan (the "MIP") which consisted of a mix of performance units (weighted 50%) and restricted units (weighted 50%), pursuant to the NEOs' employment agreements. The table below sets forth the Initial Grant with respect to long-term incentive compensation for equity grants made during fiscal 2022.

| Name | Initial Grant (#) | Target Number of Performance Units (#) | Number of Restricted Units (#) |
|---|---|---|---|
| Sigurdur Olafsson | 450,545 | 225,273 | 225,272 |
| Bryan Reasons | 225,273 | 112,637 | 112,636 |
| Mark Tyndall | 150,182 | 75,091 | 75,091 |
| Stephen Welch | 75,091 | 37,546 | 37,545 |
| Henriette Nielsen | 150,182 | 75,091 | 75,091 |
| Mark Trudeau | — | — | — |
| Steven Romano, M.D. | — | — | — |
| Hugh O'Neill | — | — | — |

*Performance units.* We grant performance units to create incentives for executives to achieve long-term performance goals aligned with our multi-year business strategies. Performance units represent unissued ordinary shares; we do not issue ordinary shares until the applicable performance-based vesting requirements are satisfied. The vesting requirements for performance units granted to NEOs during fiscal 2022 were based upon adjusted operating cash flow and relative TSR targets, each weighted at 50%, over a performance period of second half of fiscal 2022 to fiscal year end 2024 (July 2, 2022 through December 27, 2024).

- Adjusted Operating Cash Flow for the Company will be calculated for second half of fiscal 2022 through fiscal year end 2024 (July 2, 2022 through December 27, 2024) and is defined as net cash from operating activities of continuing operations for the performance cycle, excluding the following items: payments related to the Company's emergence from bankruptcy, CARES Act refunds, interest payments, opioid and DOJ and CMS settlements, impact of acquisitions and divestitures, and any unusual or nonrecurring items that may be approved by the HRCC or Board. We have not disclosed the specific non-GAAP operating cash flow targets as they are confidential and disclosure could lead to competitive harm.
- Relative TSR means our total shareholder return as compared to the Russell 2000 Biotechnology Subsector index. This group of companies is broader than the peer group of companies used for competitive comparisons of executive compensation, and it includes some companies that are much larger or smaller than Mallinckrodt. The HRCC believes that use of a larger comparison group for measuring our TSR better reflects our market performance against the broad industry, even though some of the companies in the performance group would not be reasonable comparators for the compensation peer group because of extreme differences in size. The HRCC periodically reviews our TSR comparison group and approves changes taking into account the recommendation of the HRCC's independent advisor. The HRCC believes that relative TSR measure provides a "total picture" of our performance and balances the achievement of absolute internal goals (Adjusted Operating Cash Flow) with relative performance against an index in a measure that is directly linked with long-term shareholder value creation. The multiplier used to determine the number of earned performance units could be between a threshold of 50% and a maximum of 200%, with threshold achievement corresponding to a relative TSR level at the 25th percentile (below which no performance units are earned) and maximum an achievement level corresponding to a relative TSR level at the 75th percentile.

*Restricted units*. We grant restricted units to align the interests of management and shareholders and to promote retention of key talent over the vesting period. Restricted units represent unissued ordinary shares; we do not issue ordinary shares until the applicable vesting requirements are satisfied. When the vesting requirements are satisfied, the executive receives ordinary shares without restriction, subject to the Company's share ownership requirements. Restricted units granted to NEOs during fiscal 2022 vest one-third annually beginning on the first anniversary of either the NEOs employment agreement effective date or hire date with the Company in 2022.

*Executive Retention Bonus Program*

In November 2019, the pre-Emergence HRCC approved a key executive retention plan, also known as the Executive Retention Bonus Program ("ERBP") for specified employees, including the NEOs employed at that time, and the pre-Emergence Board approved an ERBP for our former CEO, Mr. Trudeau. The ERBP provided a cash-based retention bonus award to specified employees of the Company. In August 2020, the pre-Emergence HRCC approved an extension of the ERBP for a small number of employees, including the NEOs employed at that time, Mr. Reasons, Dr. Romano and Mr. O'Neill, and the pre-Emergence Board approved an extension for Mr. Trudeau. The pre-Emergence HRCC considered the challenges facing the Company, including the opioid litigation, and both the pre-Emergence Board and the pre-Emergence HRCC believed it critical to continue to stabilize the executive leadership team and reduce the possibility of further turnover during a critical time at the Company. Further turnover would have resulted in the loss of expert knowledge, slowed momentum and could have impaired the Company's ability to continue to navigate the challenges, including the opioid litigation, and bring pipeline products to market. The pre-Emergence HRCC consulted WTW on the extension of the program and approaches utilized by other companies facing similar uncertainties for retention of executives in determining the value of the extended ERBP. The pre-Emergence HRCC (and the pre-Emergence

Board with regard to Mr. Trudeau) approved awards under the extended ERBP for the NEOs employed at that time in the following amounts.

| 2020 Executive Retention Bonuses | |
|---|---|
| **Mark C. Trudeau** | $1,575,000 |
| **Bryan M. Reasons** | $900,000 |
| **Steven J. Romano, M.D.** | $930,000 |
| **Hugh M. O'Neill** | $930,000 |

Awards under the extended 2020 ERBP were subject to repayment in the event the award recipient resigned, retired, voluntarily terminated employment or was terminated by the Company for cause prior to May 15, 2022. The awards ceased to be subject to repayment on May 15, 2022.

In 2022, the post-Emergence HRCC approved cash-based retention bonuses awarded to the NEOs who served on the Executive Committee prior to Emergence and remained employed directly following Emergence. Payment of the retention bonus was contingent upon remaining continuously employed with the Company through the 90-day anniversary of Emergence.

*Other Benefits*

We provide NEOs the same benefits that are provided to all employees, including defined contribution retirement benefits and health and welfare benefits. In addition, our executive officers are provided with certain additional benefits, intended to be competitive with the practices of our peer companies.

*Retirement Benefits*. The NEOs are eligible to participate in our Retirement Savings and Investment Plan ("Mallinckrodt Retirement Savings Plan"), which is our 401(k) plan available to all eligible U.S. employees, and our Supplemental Savings and Retirement Plan ("Mallinckrodt Supplemental Savings Plan"), our non-qualified deferred compensation plan in which executive officers and other senior employees may participate. The Mallinckrodt Supplemental Savings Plan is a so-called "excess" plan that extends the 401(k) benefits beyond the Internal Revenue Code (the "Code") limitations.

Under the Mallinckrodt Retirement Savings Plan, we make an automatic contribution of 3% of an employee's eligible pay, irrespective of whether the employee contributes to such plan. Additionally, we match $0.50 for every dollar employees contribute, up to the first 8% of eligible pay.

*Mallinckrodt Supplemental Savings Plan*. Under the Mallinckrodt Supplemental Savings Plan, participants, including NEOs, may defer up to 50% of their base salary and 75% of their annual bonus. We provide matching credits based on the participant's deferred base salary and bonus at the same rate that such participant is eligible to receive matching contributions under the Mallinckrodt Retirement Savings Plan and Company credits on any cash compensation (i.e., base and bonus) that the participant earns during a calendar year in excess of applicable IRS limits ($305,000 for 2022). Participants are fully vested in matching and Company credits (including earnings on such credits) upon completion of two years of service. The Mallinckrodt Supplemental Savings Plan is a non-qualified deferred compensation plan that is maintained as an unfunded "top-hat" plan and is designed to comply with Section 409A of the Code. Amounts credited to the Mallinckrodt Supplemental Savings Plan as participant deferrals or Company credits may also be credited with earnings (or losses) based upon investment selections made by each participant from investments that generally mirror investments offered under the Mallinckrodt Retirement Savings Plan. Participants may elect whether they will receive a distribution of their Mallinckrodt Supplemental Savings Plan account balances upon termination of employment or at a specified date. Distributions can be made in a lump sum or in up to 15 annual installments. Elective deferrals of compensation were suspended for fiscal year 2022.

*International Assignment Benefits*. We seek to ensure that employees who are sent on an assignment outside of their home country are not subject to a higher income tax liability than they would have paid in their home country pursuant to our tax equalization program. Each such employee is responsible for a theoretical home income tax liability based on an estimate of his or her anticipated home income tax liability, and we are responsible for any home country and assignment country taxes in excess of that amount. We deduct hypothetical income taxes from the employee's compensation during the tax year and pay any assignment country taxes on his or her behalf.

*Health and Welfare Benefits*. The health and welfare benefits we provide to the NEOs are offered to all eligible U.S. based employees and include medical, dental, prescription drug, vision, life insurance, accidental death and dismemberment, business travel accident, personal and family accident, flexible spending accounts, short- and long-term disability coverage and an employee assistance program.

*Additional Benefits*. We maintain an executive physical examination program and an executive financial and tax planning program for executive officers. These programs are intended to encourage executives to proactively manage their health and complex financial/tax situations, thereby enabling them to focus on the business. The benefits are periodically assessed against market data from comparable companies and intended to be competitive for our industry. In addition, when we request a spouse or partner to attend a business meeting, such as our annual national sales recognition program for top performers, we reimburse executive officers for expenses related to this travel and for the income taxes associated with these travel expenses.

*Employment Agreements*. For each of Mr. Trudeau, Dr. Romano and Mr. O'Neill, our NEOs who separated from the Company in 2022, we entered into separation agreements that were intended to codify into a contractual arrangement the severance benefits that they otherwise would have been entitled to under our executive severance plan.

The disbursement of severance pay and related benefits during the pendency of the Chapter 11 Cases was subject to, among other things, approval by the Bankruptcy Court and the restrictions regarding severance payments imposed by section 503(c) of Chapter 11 of the United States Code. For detailed information on the severance benefits provided under the employment agreements and severance actually paid pursuant to certain related separation agreements, see the section entitled "Potential Payments upon Termination" below.

### Share Ownership Requirements

The pre-Emergence Board established share ownership requirements that required executive officers to hold equity with a value expressed as a multiple of their base salary, with the CEO set at five times base salary and all other executive officers set at three times base salary, with certain allowances for including awarded but unvested equity grants in the calculations. On November 3, 2020, the pre-Emergence Board of Directors waived compliance with the stock ownership requirements for the duration of the Chapter 11 Cases. The stock ownership guidelines were subsequently reinstated by the post-Emergence Board following Emergence.

### Anti-Hedging/Anti-Pledging Policy

Our Insider Trading Policy prohibits directors, officers and employees from entering into or trading in puts, calls, cashless collars, options or similar rights and obligations or any other hedging activity involving our securities, other than the exercise of a Company-issued stock option.

Our policy also prohibits directors, officers and employees from purchasing our securities on margin, borrowing against our securities held in a margin account or pledging our securities as collateral for a loan. However, an exception may be granted by our Chief Legal Officer if the individual clearly demonstrates the financial capacity to repay the loan without resort to the pledged securities.

### Executive Financial Recoupment Program ("Clawback")

Since the Company's separation from Covidien plc in 2013, the Corporate Governance Guidelines have mandated that the Company have a Board-approved policy for recoupment of incentive compensation. This policy was originally implemented by the Board in 2014 and was most recently amended in 2022 in connection with the Company's corporate integrity agreement entered into with the Office of Inspector General of the Department of Health and Human Services. Mallinckrodt's policy states that in the event of an accounting restatement resulting from material non-compliance with financial reporting requirements under applicable law, the Board or, if so designated by the Board, the

HRCC, is authorized to recover any incentive compensation that was overpaid taking into account such factors as the Board or the HRCC deems appropriate. In addition, Mallinckrodt's policy states that in the event of certain events of significant misconduct, including a violation of law or regulation or a significant violation of a Company policy, to the extent permitted by law, the Company must seek to recoup cash awards and all or a portion of the cash awards or the realized value of equity awards for the three year period prior to the recoupment determination.

Under Mallinckrodt's policy, the Company agreed to disclose annually whether, at any time during the last completed fiscal year, the Board required recoupment or forfeiture of any incentive compensation received by certain employees, including NEOs, (1) if required by law, and (2) if not required by law, so long as the disclosure (a) would not violate any individual's privacy rights, (b) is not likely to result in or exacerbate any existing or threatened employee, shareholder or other litigation, arbitration, investigation or proceeding against the Company and (c) is not otherwise prohibited. Subject to the exceptions described in the previous sentence, if any such recoupment or forfeiture under the policy occurred, we are required to disclose the general circumstances of the recoupment and/or forfeiture, and if no such recoupment or forfeiture occurred during the last completed fiscal year, we are required to disclose that no such event occurred.

In 2022, there was no recoupment or forfeiture applied to the incentive compensation of any executive officer of the Company.

**2022 Say-on-Pay Vote**

We consider the views of our shareholders in designing our executive compensation program and value feedback on our compensation practices. At our 2022 Annual Meeting of Shareholders, approximately 81% of the votes cast on our annual advisory vote on the compensation of our NEOs were in favor of this proposal. We believe that the level of support received for this proposal affirms our approach to executive compensation. See page 74 for this year's say-on-pay proposal.

**Compensation Committee Interlocks and Insider Participation**

The directors who served on the HRCC during fiscal year 2022 were Mr. Goldman (Chair), Mr. El-Dada, Ms. Ling, Dr. Myers and Mr. Sulat (members of the post-Emergence HRCC) and Mr. Norton (Chair), Mr. Carlucci, Mr. Carroll and Ms. Whitaker (members of the pre-Emergence HRCC). During the 2022 fiscal year, there were no members of the HRCC who were officers or employees of the Company or any of its subsidiaries, were formerly officers of the Company, or had any relationship otherwise requiring disclosure hereunder.

## HUMAN RESOURCES AND COMPENSATION COMMITTEE REPORT ON EXECUTIVE COMPENSATION

The Human Resources and Compensation Committee is responsible for the oversight of our compensation programs on behalf of the Board of Directors. In fulfilling these responsibilities, the Human Resources and Compensation Committee has reviewed and discussed with management the Compensation Discussion and Analysis set forth in this Proxy Statement.

Based on the review and discussions referred to above, the Human Resources and Compensation Committee recommended to the Board of Directors that the Compensation Discussion and Analysis be included in Mallinckrodt's Proxy Statement for the 2023 Annual General Meeting of Shareholders, which will be filed with the SEC and in the Company's Annual Report on Form 10-K (including through incorporation by reference to this Proxy Statement).

**Human Resources and Compensation Committee**

Neal P. Goldman, Chairman
Karen L. Ling
James R. Sulat

# EXECUTIVE COMPENSATION TABLES

The information presented in the Summary Compensation Table reflects compensation for our NEOs for fiscal 2022. In connection with our Emergence from bankruptcy, each existing equity interest in Mallinckrodt, including our ordinary shares and existing equity-based awards, was cancelled and extinguished, and our shareholders did not receive any recovery upon our emergence from Chapter 11 proceedings. Accordingly, upon Emergence, our NEOs who were employed by the Company prior to filing Chapter 11 did not receive any value for their RSUs, stock options or any other equity interest in Mallinckrodt held prior to Emergence.

## SUMMARY COMPENSATION TABLE

| Name and Principal Position | Fiscal Year | Salary ($) | Bonus ($)(1) | Stock Awards ($)(2) | Option Awards ($) | Non-Equity Incentive Plan Compensation ($)(3) | All Other Compensation ($)(4) | Total ($) |
|---|---|---|---|---|---|---|---|---|
| Sigurdur Olafsson(5)<br>President and Chief Executive Officer | 2022 | 571,154 | — | 4,580,263 | — | 1,225,982 | 54,342 | 6,431,741 |
| Bryan Reasons<br>Executive Vice President and Chief Financial Officer | 2022 | 611,308 | 150,000 | 2,290,137 | — | 651,105 | 114,449 | 3,816,999 |
| | 2021 | 623,077 | — | — | — | 2,059,710 | 128,898 | 2,811,685 |
| | 2020 | 586,539 | 900,000 | — | — | 2,437,750 | 176,080 | 4,100,369 |
| Mark Tyndall(6)<br>Executive Vice President, Chief Legal Officer and Corporate Secretary | 2022 | 488,871 | 300,000 | 1,526,757 | — | 743,090 | 87,452 | 3,146,170 |
| Stephen Welch(7)<br>Executive Vice President and Head of Specialty Generics | 2022 | 450,577 | 300,000 | 763,379 | — | 648,873 | 76,884 | 2,239,713 |
| Henriette Nielsen(8)<br>Executive Vice President and Chief Transformation Officer | 2022 | 233,692 | — | 1,526,757 | — | 276,240 | 29,304 | 2,065,993 |
| Mark C. Trudeau(9)<br>Former President and Chief Executive Officer | 2022 | 484,615 | — | — | — | — | 6,141,418 | 6,626,033 |
| | 2021 | 1,090,385 | — | — | — | 7,148,280 | 737,318 | 8,975,983 |
| | 2020 | 1,050,000 | 1,575,000 | — | — | 11,407,814 | 854,724 | 14,887,538 |
| Steven Romano, M.D.(10)<br>Former Executive Vice President and Chief Scientific Officer | 2022 | 569,923 | 155,000 | — | — | — | 2,495,520 | 3,220,443 |
| | 2021 | 643,846 | — | — | — | 2,486,775 | 238,439 | 3,369,060 |
| | 2020 | 620,000 | 930,000 | — | — | 2,943,675 | 283,990 | 4,777,665 |
| Hugh M. O'Neill(10)<br>Former Executive Vice President and Chief Commercial Officer | 2022 | 441,154 | 155,000 | — | — | — | 2,041,869 | 2,638,023 |
| | 2021 | 643,846 | — | — | — | 2,486,775 | 159,060 | 3,289,681 |
| | 2020 | 607,885 | 930,000 | — | — | 2,943,675 | 249,666 | 4,731,226 |

(1) The amounts reported in 2020 represent cash retention awards paid in 2020 but not earned until 2022 for Mr. Trudeau, Mr. Reasons, Dr. Romano and Mr. O'Neill. The terms of the retention payments included repayment of the full amount if the executive had voluntarily terminated employment or been terminated for cause prior to the earlier of May 15, 2022 or the date the Company emerged from the Chapter 11 proceedings. The amounts reported in 2022 for Mr. Reasons, Dr. Romano and Mr. O'Neill represent cash retention awards earned in 2022 contingent upon remaining continuously employed with the Company through the 90-day anniversary of Emergence. The amount reported in 2022 for Mr. Tyndall represents a cash retention award earned and paid in 2022 contingent upon remaining continuously employed with the Company through May 15, 2022 or, if applicable, the date the Company emerged from the Chapter 11 proceedings. The amount reported in 2022 for Mr. Welch represents a one-time cash payment.

(2) The amounts reported represent the aggregate grant date fair value, computed in accordance with Accounting Standards Codification 718 ("ASC 718"), of restricted units and performance units awards granted during fiscal 2022 to Mr. Olafsson, Mr. Reasons, Mr. Tyndall, Mr. Welch and Ms. Nielsen. For performance units, the values shown reflect the grant date fair value based on the probable outcome of the performance conditions. If the highest level of achievement of the performance conditions were assumed, the value of the performance units at the grant date for the proxy officers would be: $4,884,863 for Mr. Olafsson, $2,442,442 for Mr. Reasons, $1,628,288 for Mr. Tyndall, $814,155 for Mr. Welch and $1,628,288 for Ms. Nielsen. Further information regarding the equity awards granted in fiscal 2022 are included in the Fiscal 2022 Grants of Plan-Based Awards Table, the Outstanding Equity Awards at 2022 Fiscal Year-End Table and the CD&A. Amounts reported do not correspond to the actual value that may be recognized by the NEOs, which may be higher or lower based on a number of factors, including our performance, stock price fluctuations and applicable vesting. For additional information

relating to assumptions made in the valuation for current year awards reflected in these columns, see Note 17 to the Consolidated Financial Statements included in our Annual Report on Form 10-K for the fiscal year ended December 30, 2022.

(3) The amounts reported for fiscal year 2022 represent incentive cash awards paid to Mr. Olafsson, Mr. Reasons and Ms. Nielsen under our 2022 AIP. The amounts reported for fiscal year 2022 represent incentive cash awards paid to Mr. Tyndall and Mr. Welch under our 2022 KEIP. For information regarding the calculation of these awards, see the CD&A. For Mr. Welch, the amount reported for fiscal year 2022 includes a cash-based long-term incentive payment of $62,500 that vested in April 2022.

(4) The amounts reported represent the aggregate dollar amount for each NEO for employer contributions to the Retirement Savings Plan, employer credits to the Supplemental Savings Plan, tax reimbursements, director fees, legal fee reimbursements related to employment agreements, financial planning services, long term disability insurance payments, the value of company recognition program rewards and travel expenses. The amounts for 2022 for Mr. Trudeau, Dr. Romano and Mr. O'Neill include severance payments in connection to the termination of their respective employments. The table below provides further detail on the amounts included in the All Other Compensation column of the Summary Compensation Table for fiscal 2022.

(5) Mr. Olafsson joined the Company as its President, Chief Executive Officer and a director effective June 25, 2022.

(6) Mr. Tyndall was appointed as our Executive Vice President, Chief Legal Officer and Corporate Secretary on August 17, 2022. Mr. Tyndall is an NEO for the first time in 2022.

(7) Mr. Welch was appointed as a member of our Executive Committee on August 17, 2022. Mr. Welch is an NEO for the first time in 2022. The amount reported in the Salary column in 2022 for Mr. Welch includes a stipend in the amount of $46,154 paid for additional responsibilities undertaken during the Chapter 11 cases and ceased upon Emergence.

(8) Ms. Nielsen joined the Company as its Executive Vice President and Chief Transformation Officer on August 17, 2022. Ms. Nielsen is an NEO for the first time in 2022.

(9) Mr. Trudeau resigned from his roles as President, Chief Executive Officer and Director on June 15, 2022, in connection with our emergence from Chapter 11 proceedings.

(10) Dr. Romano and Mr. O'Neill departed the Executive Committee and Mallinckrodt effective December 1, 2022 and September 16, 2022, respectively.

## ALL OTHER COMPENSATION IN 2022

| Name | Contributions to Retirement Savings Plan ($) | Credits to Supplemental Savings Plan ($) | Tax Reimbursement Payments ($)(1) | Director Fees ($)(2) | Payments in Regard to Termination ($) | Other ($)(3) |
|---|---|---|---|---|---|---|
| Sigurdur Olafsson | 10,353 | 15,969 | — | — | — | 28,020 |
| Bryan Reasons | 19,400 | 76,979 | — | — | — | 18,070 |
| Mark Tyndall | 19,400 | 50,836 | — | — | — | 17,072 |
| Stephen Welch | 19,400 | 40,216 | — | — | — | 16,826 |
| Henriette Nielsen | 11,356 | — | — | — | — | 17,948 |
| Mark C. Trudeau | 19,400 | 214,151 | 248,417 | — | 5,648,523 | 10,928 |
| Steven Romano | 18,300 | 86,789 | — | 339,965 | 2,024,870 | 25,596 |
| Hugh M. O'Neill | 19,400 | 81,977 | | — | 1,930,551 | — |

(1) With respect to Mr. Trudeau, amounts shown represent payments under our Tax Equalization Policy related to his service on the Board of Directors. Following the filing of all tax returns, a tax equalization calculation will be prepared to determine the ultimate amount owed either to the Company or Mr. Trudeau under our Tax Equalization Policy.

(2) The Company appointed Dr. Romano as its representative on the Board of Directors of Silence Therapeutics plc. Dr. Romano received director fees of £37,000 in cash and an option award with an aggregate grant date fair value of £244,000 from Silence Therapeutics plc for this service in 2022. For purposes of this table, the exchange rate as of December 31, 2022 of one British Pound to 1.2098 U.S. dollars was used.

(3) Includes legal fee reimbursements related to the NEOs' employment agreements in the amounts of $25,000 for Mr. Olafsson, $10,422 for Mr. Reasons, $12,024 for Mr. Tyndall, $11,832 for Mr. Welch and $10,800 for Ms. Nielsen. For Ms. Nielsen, also includes $4,837 related to temporary lodging at hotels and travel expenses. For Mr. Trudeau and Dr. Romano, includes $17,379 and $7,305, respectively, for financial planning services. Also includes amounts related to long term disability insurance payments in the following amounts: $3,020 for Mr. Olafsson, $7,648 for Mr. Reasons, $5,048 for Mr. Tyndall, $4,994 for Mr. Welch, $2,311 for Ms. Nielsen, $3,623 for Mr. Trudeau and $8,217 for Dr. Romano.

### Grants of Plan-Based Awards

The following table provides information concerning the cash incentive awards and equity incentive awards granted to each of our NEOs in fiscal 2022.

- "AIP" is the annual cash incentive award payable pursuant to our 2022 Annual Incentive Plan.
- "KEIP" is the cash incentive award payable pursuant to our 2022 Key Employee Incentive Plan which included two stand-alone periods; First Half and Second Half.
- "PSUs" are restricted unit awards subject to performance-based vesting.
- "RSUs" are restricted unit awards subject to time-based vesting.

For a more complete understanding of the table, please read the footnotes that follow the table, as well as the related discussion in the CD&A.

## FISCAL 2022 GRANTS OF PLAN-BASED AWARDS

| | | | Estimated Future Payouts Under Non-Equity Incentive Plan Awards[(1)] | | | Estimated Future Payouts Under Equity Incentive Plan Awards[(2)] | | | | | | |
|---|---|---|---|---|---|---|---|---|---|---|---|---|
| Name | Grant Date | Date of Committee Action | Threshold ($) | Target ($) | Maximum ($) | Threshold (#) | Target (#) | Maximum (#) | All other Stock Awards: Number of Shares of Stock or Units (#) | All other Option Awards: Number of Securities Underlying Options (#) | Exercise or Base Price of Option Awards ($/Sh) | Grant Date Fair Value of Stock and Option Awards ($)[(3)] |
| **Sigurdur Olafsson** | | | | | | | | | | | | |
| AIP[(4)] | 2/23/2022 | | 385,529 | 771,058 | 2,313,173 | | | | | | | |
| PSUs | 12/14/2022 | 12/12/2022 | | | | 112,637 | 225,273 | 450,546 | | | | 2,442,431 |
| RSUs | 12/14/2022 | 12/12/2022 | | | | | | | 225,272[(5)] | | | 2,137,831 |
| **Bryan Reasons** | | | | | | | | | | | | |
| AIP | 2/23/2022 | | 236,250 | 472,500 | 1,417,500 | | | | | | | |
| PSUs | 12/14/2022 | 12/12/2022 | | | | 56,319 | 112,637 | 225,274 | | | | 1,221,221 |
| RSUs | 12/14/2022 | 12/12/2022 | | | | | | | 112,636[(6)] | | | 1,068,916 |
| **Mark Tyndall** | | | | | | | | | | | | |
| KEIP | 2/23/2022 | | 345,355 | 690,710 | 2,072,130 | | | | | | | |
| PSUs | 12/14/2022 | 12/12/2022 | | | | 37,546 | 75,091 | 150,182 | | | | 814,144 |
| RSUs | 12/14/2022 | 12/12/2022 | | | | | | | 75,091[(6)] | | | 712,614 |
| **Stephen Welch** | | | | | | | | | | | | |
| KEIP | 2/23/2022 | | 267,750 | 535,500 | 1,606,500 | | | | | | | |
| PSUs | 12/14/2022 | 12/12/2022 | | | | 18,773 | 37,546 | 75,091 | | | | 407,077 |
| RSUs | 12/14/2022 | 12/12/2022 | | | | | | | 37,545[(6)] | | | 356,302 |
| **Henriette Nielsen** | | | | | | | | | | | | |
| AIP[(4)] | 2/23/2022 | | 86,868 | 173,736 | 521,209 | | | | | | | |
| PSUs | 12/14/2022 | 12/12/2022 | | | | 37,546 | 75,091 | 150,182 | | | | 814,144 |
| RSUs | 12/14/2022 | 12/12/2022 | | | | | | | 75,091[(6)] | | | 712,614 |
| **Mark C. Trudeau** | | | | | | | | | | | | |
| AIP[(7)] | | | 656,250 | 1,312,500 | 3,937,500 | | | | | | | |
| **Steven Romano, M.D.** | | | | | | | | | | | | |
| AIP[(7)] | 2/23/2022 | | 201,500 | 403,000 | 1,209,000 | | | | | | | |
| **Hugh M. O'Neill** | | | | | | | | | | | | |
| AIP[(7)] | 2/23/2022 | | 201,500 | 403,000 | 1,209,000 | | | | | | | |

(1) The amounts reported reflect threshold, target and maximum award amounts for fiscal 2022 that were set in fiscal 2022 under the AIP / KEIP short-term incentive plan. The actual amounts earned by each NEO pursuant to such awards are reported under the Non-Equity Plan Incentive Compensation column of the Summary Compensation Table.

(2) The amounts reported reflect threshold, target and maximum award amounts for performance units granted to our NEOs during fiscal 2022 except for Mr. Trudeau, Dr. Romano and Mr. O'Neill. The actual amounts are contingent upon the satisfaction of performance-based vesting requirements of Relative TSR and Adjusted Operating Cash Flow, each weighted at 50%, over a performance period of the second half of fiscal 2022 through fiscal 2024.

(3) The amounts reported represent the aggregate grant date fair value, computed in accordance with ASC 718, of performance units and restricted units issued to each of our NEOs during fiscal 2022 except for Mr. Trudeau, Dr. Romano and Mr. O'Neill.

(4) Prorated based on hire date.

(5) Grants of restricted units scheduled to vest in three equal amounts on each of June 25, 2023, 2024 and 2025.

(6) Grants of restricted units scheduled to vest in three equal amounts on each of August 17, 2023, 2024 and 2025.

(7) Amounts represent the range of possible payouts denominated in dollars pursuant to AIP, as established by the HRCC in February 23, 2022. Actual amounts paid out were based on target performance and prorated pursuant to each NEO's applicable separation agreement. See the Non-Equity Incentive Plan Compensation column of the Summary Compensation Table above for actual amounts paid.

## Narrative Disclosure to Summary Compensation Table and Grants of Plan-Based Awards Table

*Employment Agreements*

*Employment Agreement with Mr. Olafsson*. Upon our emergence from Chapter 11 proceedings on June 16, 2022, we entered into an employment agreement (as subsequently amended and restated on February 22, 2023, the "New CEO Employment Agreement") with Mr. Olafsson, pursuant to which Mr. Olafsson commenced service as our CEO effective as of June 25, 2022 (the "Start Date"), for an indefinite term.

Pursuant to the New CEO Employment Agreement, Mr. Olafsson receives an annual base salary of $1,100,000. Mr. Olafsson will also be eligible to receive a performance-based annual bonus with a target amount of 135% of base salary and a maximum amount of 250% of base salary. For the 2022 annual bonus, Mr. Olafsson will receive a guaranteed amount of $742,500. In addition, the New CEO Employment Agreement provided that on or within 30 calendar days following the Start Date, Mr. Olafsson would be granted a one-time equity award (the "Initial Grant") covering 450,545 Ordinary Shares, 50% of which would consist of restricted units that vest ratably on each of the first three anniversaries of the Start Date, and the remaining 50% of which would consist of performance units that cliff vest following the performance period that ends on December 27, 2024 as outlined on the applicable award agreement, based equally on the Company's attainment of (1) total shareholder return relative to the TSR generated by the Russell 2000 Biotechnology Subsector index (or another peer group of pharmaceutical companies selected by the HRCC) peers and (2) adjusted operating cash flow, each during the performance period. Beginning in fiscal year 2023 and for each subsequent fiscal year, Mr. Olafsson will be eligible to receive equity awards (the "Annual Grant") under our equity compensation plans including the MIP (as defined below). The target value for the Annual Grant in respect of fiscal year 2023 will be not less than $4,000,000.

The New CEO Employment Agreement provides that Mr. Olafsson will be restricted from competing with us and from soliciting our employees and business partners during the 12-month period following his termination of employment for any reason. For information on termination benefits under the New CEO Employment Agreement, see "Potential Payments Upon Termination" on page 52 below.

*Other NEO Employment Agreements*. We entered into employment agreements with each of Mr. Reasons, Ms. Nielsen, Mr. Tyndall and Mr. Welch on August 17, 2022 (the "Effective Date"), each of which were subsequently amended and restated on February 22, 2023. Pursuant to their employment agreements, Mr. Reasons, Ms. Nielsen, Mr. Tyndall and Mr. Welch receive annual base salaries of $630,000, $620,000, $575,000 and $450,000, respectively. Each of the executives are eligible to receive a performance-based annual bonus with a target amount of 75% of base salary and a maximum amount of 150% of base salary, except for Mr. Welch, who will be eligible for a performance-based bonus with a target of 60% of base salary and a maximum of 120% of base salary. In addition, the employment agreements provide that as soon as reasonably practicable following the Effective Date, the executives would be granted one-time equity awards (each, an "Initial Grant") consisting of 225,273 (for Mr. Reasons), 150,182 (for Ms. Nielsen and Mr. Tyndall) and 75,091 (for Mr. Welch) ordinary shares, 50% of which would consist of restricted units that vest ratably on each of the first three anniversaries of the Effective Date, and the remaining 50% of which would consist of performance units that cliff vest following the performance period that ends on December 27, 2024 as outlined in the applicable award agreement based on the Company's attainment of TSR relative to the TSR generated by the Russell 2000 Biotechnology Subsector index (or another peer group of pharmaceutical companies selected by the HRCC) during the performance period. The employment agreements also provide that beginning in fiscal year 2023, and for each subsequent fiscal year, each of the executives will be eligible to receive equity awards under our equity compensation plans. For additional information on termination benefits under the employment agreements, see “Potential Payments Upon Termination” on page 52 below.

*Former Officer Employment Agreements*. We entered into employment agreements with each of Mr. Trudeau, Dr. Romano and Mr. O’Neill on July 20, 2020. The term of each employment agreement was three years, with automatic one year renewals, absent notice of non-renewal. Pursuant to Mr. Trudeau’s employment agreement, he was entitled to (i) a base salary of $1,050,000, (ii) an annual bonus with a target annual bonus opportunity not less than 125% of his annual base salary, (iii) eligibility for participation in the welfare and other benefit plans, practices, policies and programs for senior executives of the Company generally, and (iv) reimbursement for all reasonable, documented business expenses incurred in accordance with performance of Mr. Trudeau’s duties under the agreement. For each of Dr. Romano and Mr. O’Neill, pursuant to their respective employment agreements, each executive was entitled to (i) a base salary of $620,000, (ii) an annual bonus with a target annual bonus opportunity not less than 65% of his annual base salary, (iii) eligibility for participation in the welfare and other benefit plans, practices, policies and programs for senior executives of the Company generally, and (iv) reimbursement for all reasonable, documented business expenses incurred in accordance with performance of such executive’s duties under the agreement. Each employment agreement also provided for severance benefits which were intended to codify into a contractual arrangement the severance benefits that each executive officer was already entitled to under the executive severance plan.

The employment agreements with each of Mr. O’Neill and Dr. Romano were supplemented by a letter agreement entered into upon our emergence from Chapter 11 proceedings on June 16, 2022, which provided that the applicable officer agrees to remain continuously employed with us and our subsidiaries and affiliates through the 90-day anniversary of Emergence. During such period, the executives continued to receive compensation and benefits in accordance with the terms of his employment agreement. Upon the expiration of such period and for fifteen days thereafter, each executive had the option to terminate his employment and receive the severance benefits provided under his employment agreement upon an involuntary termination of employment, subject to conditions in his employment agreement, including his execution and nonrevocation of a release of claims. In consideration for his agreement to remain employed through the end of the 90-day period, each executive was entitled to be paid an additional amount equal to three times his monthly base salary, which amount would also be paid if his employment is terminated without cause by us prior to the end of the 90-day period.

In connection with each of Mr. Trudeau, Dr. Romano and Mr. O’Neill’s terminations of employment, each executive entered into a Separation of Employment and General Release that set forth applicable severance payments to be paid in connection with such executive’s termination. See “Potential Payments Upon Termination” on page 52 below for more information.

**Outstanding Equity Awards at Fiscal Year-End**

The following table provides information regarding outstanding stock option awards and unvested restricted unit and performance unit awards held by each NEO and the corresponding market value as of December 30, 2022, except for Mr. Trudeau, Dr. Romano and Mr. O’Neill, each of whom did not have any outstanding equity awards at fiscal year end. For a more complete understanding of the table, please read the footnotes that follow the table.

### OUTSTANDING EQUITY AWARDS AT 2022 FISCAL YEAR-END

| Name | Number of Shares or Units of Stock That Have Not Vested (#) | Market Value of Shares or Units of Stock That Have Not Vested ($) | Equity Incentive Plan Awards: Number of Unearned Shares, Units or Other Rights That Have Not Vested (#) | Equity Incentive Plan Awards: Market or Payout Value of Unearned Shares, Units or Other Rights That Have Not Vested ($) |
|---|---|---|---|---|
| Sigurdur Olafsson | 225,272[(1)] | 1,745,858 | 112,637[(3)] | 872,937 |
| Bryan Reasons | 112,636[(2)] | 872,929 | 56,319[(3)] | 436,472 |
| Mark Tyndall | 75,091[(2)] | 581,955 | 37,546[(3)] | 290,982 |
| Stephen Welch | 37,545[(2)] | 290,974 | 18,773[(3)] | 145,491 |
| Henriette Nielsen | 75,091[(2)] | 581,955 | 37,546[(3)] | 290,982 |

(1) Represents restricted units granted on December 14, 2022, which vest ratably on each of the first three anniversaries of June 25, 2022.

(2) Represents restricted units granted on December 14, 2022, which vest ratably on each of the first three anniversaries August 17, 2022.

(3) Represents performance units granted on December 14, 2022, which cover the performance cycle of second half fiscal 2022 through fiscal year end 2024 (July 2, 2022 through December 27, 2024). The amounts reported in this column are based on achievement at the threshold level. Payment of shares earned, if any, will occur in 2025.

#### Option Exercises and Stock Vested

Upon Emergence, all prior stock awards of the Company were cancelled. For the grants awarded to the NEOs in 2022 who remained employed with the Company as of December 30, 2022, none of the awards will begin to vest until 2023. Accordingly, the NEOs had no option exercises or stock vested during the year ended December 30, 2022.

#### Non-Qualified Deferred Compensation

The following table provides information with respect to non-qualified deferred compensation for fiscal 2022 for each NEO. For more information regarding information contained in the table and the material terms of our non-qualified deferred compensation plan, please read the related narrative and footnotes that follow the table.

### FISCAL 2022 NON-QUALIFIED DEFERRED COMPENSATION

| Name | Executive Contributions in Last Fiscal Year ($) | Registrant Contributions in Last Fiscal Year ($)[(1)] | Aggregate Earnings (Loss) in Last Fiscal Year ($)[(2)] | Aggregate Withdrawals / Distributions ($) | Aggregate Balance at Last Fiscal Year End ($)[(3)] |
|---|---|---|---|---|---|
| Sigurdur Olafsson | — | 15,969 | — | — | 15,969 |
| Bryan Reasons | — | 76,979 | (82,168) | — | 463,559 |
| Mark Tyndall | — | 50,836 | (36,259) | — | 197,517 |
| Stephen Welch | — | 40,216 | (28,004) | — | 163,736 |
| Henriette Nielsen | — | — | — | — | — |
| Mark Trudeau | — | 214,151 | (541,962) | — | 2,940,144 |
| Steven Romano, M.D. | — | 86,789 | (95,132) | — | 642,690 |
| Hugh O'Neill | — | 81,977 | (343,670) | — | 1,201,073 |

(1) The amounts reported include amounts that we credited to our Supplemental Savings Plan on behalf of the NEOs during fiscal 2022. These amounts are included in the amounts set forth in the All Other Compensation column of the Summary Compensation Table for fiscal 2022.

(2) The amounts reported include earnings credited to the NEO's account in the Supplemental Savings Plan. Earnings on amounts credited to the Supplemental Savings Plan are determined by investment selections made by each NEO in investment alternatives that generally mirror investment choices offered under the Retirement Savings Plan (our 401(k) plan).

(3) The amounts reported for each NEO includes the NEO's total balance in our Supplemental Savings Plan as of December 30, 2022.

*Mallinckrodt Supplemental Savings Plan*. Under the Mallinckrodt Supplemental Savings Plan, participants, including NEOs, may defer up to 50% of their base salary and 75% of their annual bonus. We provide matching credits based on the participant's deferred base salary and bonus at the same rate that such participant is eligible to receive matching contributions under the Mallinckrodt Retirement Savings Plan and Company credits on any cash compensation (i.e., base salary and bonus) that the participant earns during a calendar year in excess of applicable IRS limits ($305,000 for 2022). Participants are fully vested in matching and Company credits (including earnings on such credits) upon completion of two years of service. The Mallinckrodt Supplemental Savings Plan is a non-qualified deferred compensation plan that is maintained as an unfunded "top-hat" plan and is designed to comply with Section 409A of the Code. Amounts credited to the Mallinckrodt Supplemental Savings Plan as participant deferrals or Company credits may also be credited with earnings (or losses) based upon investment selections made by each participant from investments that generally mirror investments offered under the Mallinckrodt Retirement Savings Plan. Participants may elect whether they will receive a distribution of their Mallinckrodt Supplemental Savings Plan account balances upon termination of employment or at a specified date. Distributions can be made in a lump sum or in up to 15 annual installments. Elective deferrals of compensation were suspended for 2022.

Under the Mallinckrodt Retirement Savings Plan, we make an automatic contribution of 3% of an employee's eligible pay, irrespective of whether the employee contributes to such plan. Additionally, we match $0.50 for every one dollar $1.00 employees contribute, up to the first 8% of eligible pay.

**Potential Payments upon Termination**

*Employment Agreements*. The following description of severance provisions of Employment Agreements (which are further described above on page 49) describes the terms as in effect on December 30, 2022, which excludes Mr. Trudeau, Dr. Romano and Mr. O'Neill, each of whom separated from the Company during fiscal 2022, and whose termination benefits are described below. The following description does not apply to Mr. Olafsson's termination benefits, which are further described in the section "Mr. Olafsson's Severance" below.

For the NEOs employed by the Company as of December 30, 2022, severance benefits are payable pursuant to employment agreements entered into between each of the NEOs and a subsidiary of the Company (the "Employment Agreements"). Under the Employment Agreements, benefits are payable to the NEOs, upon termination without cause or voluntary termination with Good Reason. Post-termination benefits consist of:

- Payment of 1 times (1.5x for our CFO) the executive's annual base salary and annual target bonus payable in installments;
- A lump sum payment equal to a prorated portion of the target bonus payable with respect to the year in which the termination occurs;
- A lump sum payment equal to 12 months (18 months for our CFO) of premiums that would have been payable by the NEO if the NEO had elected to continue coverage under the Company's health and welfare plans pursuant to the Consolidated Omnibus Budget Reconciliation Act of 1985 ("COBRA");
- Accelerated vesting in full of the Initial Grant RSUs;
- A pro-rata vesting of Initial Grant PSUs to vest at the completion of the performance period based on certified performance results; and

- Outplacement services for up to 12 months.

In addition, change in control severance benefits are payable to eligible executives, including NEOs, only if the double-trigger requirements are satisfied, meaning that, in order to receive any of the following benefits, the executive must experience an involuntary termination of employment or good reason resignation during a period that begins upon, and ends 1 year after, a change in control. Post-termination benefits consist of:

- Payment of 1 times (1.5x for our CFO) the executive's annual base salary and annual target bonus payable as a lump sum;
- A lump sum payment equal to a prorated portion of the target bonus payable with respect to the year in which the termination occurs;
- A lump sum payment equal to 12 months (18 months for our CFO) of premiums that would have been payable by the NEO if the NEO had elected to continue coverage under the Company's health and welfare plans under COBRA;
- Accelerated vesting in full of RSUs, PSUs and other equity awards with the vesting level of PSUs based on assumed attainment of TSR at the target performance level; and
- Outplacement services for up to 12 months.

The payment of benefits under the Employment Agreements is conditioned upon the executive executing a general release in favor of us and is subject to the terms of the Non-Competition, Non-Solicitation and Confidentiality Agreement by and between the executive and us, under which the executive agreed not to disclose confidential information of the Company at any time and not to compete with us nor solicit our employees or customers, for a period of one year following termination of employment. We may cancel benefits that are payable or seek to recover benefits previously paid if the executive does not comply with these provisions or violates the release of claims. Payments may be delayed until six months after termination of employment if necessary to comply with Section 409A of the Code.

Upon a termination of employment for cause, executives, including NEOs, are not eligible for severance benefits under the Employment Agreements and forfeit all unvested RSUs and PSUs. In addition, the RSUs and PSUs include a "clawback" feature pursuant to which we may recover the amount of any profit the NEO realized upon the vesting of RSUs or PSUs for a period of three years from the determination that a recoupment is required, to the extent permitted by law.

For purposes of the Employment Agreements, "cause" means: substantial refusal of the NEO to perform the duties and responsibilities of the NEO's job as required by the Company other than due to permanent disability, a material violation of any fiduciary duty or duty of loyalty owed to us; conviction of misdemeanor (other than a traffic offense) or felony; fraud, embezzlement or theft; violation of a material rule or policy, including a violation of our Guide to Business Conduct; or unauthorized disclosure of any of our trade secrets or confidential information.

For purposes of the Employment Agreements, "good reason" means a retirement or termination of employment by the NEO that is not initiated by the Company and that is caused by any one or more of the following events, in each case, without the NEO's written consent : (i) the Company requires the NEO to relocate to a principal place of employment more than fifty miles from the NEO's existing place of employment, which materially increases the NEO's commuting time; (ii) the Company, without the NEO's consent, materially reduces the NEO's base salary or target annual bonus opportunity, other than a reduction of less than 10% that is made at the same time to the base salary or target annual bonus opportunity, as applicable, of all similarly situated employees; (iii) or a requirement that the NEO report to any other person, position or entity other than the CEO. Additionally, "good reason" will only exist if the NEO provides written notice stating the good reason event, we do not cure such event, and the NEO terminates employment within a certain period of time after the end of the cure period.

*Mr. Olafsson's Severance.* Under the New CEO Employment Agreement, in the event that Mr. Olafsson's employment is terminated by us without Cause or by Mr. Olafsson with good reason (in each case as defined in the New CEO Employment Agreement), Mr. Olafsson will be entitled to the following severance compensation and benefits (the "Severance Benefits"): (a) an amount equal to two times the sum of his annual base salary and target annual bonus payable in installments, (b) a lump sum payment of a prorated target annual bonus with respect to the year in which the termination occurs, (c) our payment of COBRA premiums for 18 months or until he becomes eligible for comparable benefits through a new employment, (d) accelerated vesting of outstanding equity awards by an additional 12 months following the termination, except that (i) the Initial Grant will vest in full and (ii) the pro rata portion of PSUs (other than PSUs covered by the Initial Grant) will remain eligible to vest at the end of the performance period and will be settled based on certified performance results, and (e) our coverage of the cost of outplacement services for up to 12 months.

In the event that Mr. Olafsson's employment is terminated by us without Cause or by Mr. Olafsson with good reason during the period beginning 120 days prior to and ending 24 months after a Change in Control (in each case as defined in the New CEO Employment Agreement), Mr. Olafsson will receive the foregoing Severance Benefits with the following enhancements: (a) the base salary and bonus severance will be a lump sum payment of 2.5 times the sum of his annual base salary and target annual bonus, and (b) all outstanding equity awards will become vested (with PSUs being settled based on the greater of target and actual performance through the Change in Control).

For purposes of the New CEO Employment Agreement, as well as the "clawback" feature discussed above, "cause" means: (i) substantial refusal of the CEO to perform the duties and responsibilities of his job as required by the Board other than due to incapacity; (ii) a material violation of any fiduciary duty or duty of loyalty owed to us; (iii) conviction of misdemeanor (other than a traffic offense) involving moral turpitude or felony; (iv) any willful act or omission of fraud, embezzlement or theft; (v) any violation of a material rule or policy, including a violation of our Guide to Business Conduct; or (vi) any unauthorized disclosure of any of our trade secrets or confidential information.

For purposes of the New CEO Employment Agreement, "good reason" means a retirement or termination of employment by the CEO that is not initiated by the Company and that is caused by any one or more of the following events, in each case, without the CEO's written consent: (i) a material reduction in his base salary; (ii) a material diminution in his title or authority, duties, reporting lines or responsibilities; (iii) a relocation of his principal place of employment by more than 50 miles; (iv) the Company's failure to timely make certain equity grants specified in the agreement; (v) failure of a successor to the Company to agree to assume and honor the agreement; or (vi) any other material breach of the agreement or any material compensation agreement by the Company. Additionally, "good reason" will only exist if the CEO provides written notice stating the good reason event, we do not cure such event, and the CEO terminates employment within a certain period of time after the end of the cure period.

All of the foregoing severance compensation and benefits are subject to Mr. Olafsson's execution and nonrevocation of a general release of claims against us and his continued compliance with restrictive covenants as described below.

*Other Termination Benefits.* The terms of our 2022 AIP and 2022 KEIP and equity plan provide for certain benefits upon a NEO's termination of employment due to death, disability or retirement. For this purpose, normal retirement occurs where an executive officer terminates employment after attaining age 60 and the sum of the executive's age and years of service equals at least 70. Under the 2022 AIP and 2022 KEIP, NEOs are eligible to receive a pro-rated incentive cash award based on the number of days that the executive officer was employed by us during the fiscal year upon death, disability or normal retirement. Under the equity plan as in effect on December 30, 2022, NEOs were eligible to receive full vesting of RSUs and PSUs upon death, disability or normal retirement.

The table below reflects the amount of compensation that would become payable to each of our NEOs, other than Mr. Trudeau, Dr. Romano and Mr. O'Neill, under existing employment agreements and plans if the NEO's employment had terminated on December 30, 2022, the last day of fiscal 2022, given the NEO's service levels as of such date and, where applicable, based on our closing stock price as of that date, which was $7.45. These benefits are in addition to benefits available prior to the occurrence of any termination of employment, including benefits available generally to salaried employees, such as distributions under the Retirement Savings Plan.

The actual amounts that would be paid upon an NEO's termination of employment or in connection with a change in control can be determined only at the time of any such event. Due to a number of factors that may affect the amount of any benefits provided upon the events discussed below, actual amounts paid or distributed may be higher or lower than indicated in the table. Factors that could affect these amounts include the timing during the year of any such event, our stock price, the executive's age and years of service, the attained level of performance for performance units and any additional agreements or arrangements we may enter into in connection with any change in control or termination of employment. For a more complete understanding of the table, please read the footnotes that follow the table.

### POTENTIAL PAYMENTS UPON TERMINATION

| Name and Termination Scenario | Cash Severance ($) | Stock Awards(1)(2) ($) | Benefits and Outplacement ($) | Retirement ($) | Cutback ($) | Total ($) |
|---|---|---|---|---|---|---|
| **Sigurdur Olafsson** | | | | | | |
| Involuntary Termination (other than for cause) | 5,170,000 | 3,491,716 | 49,341 | 15,969 | | 8,727,026 |
| Involuntary Termination (for cause) | — | — | — | — | — | — |
| Voluntary Termination(3) | — | — | — | — | — | — |
| Death or Disability | — | 3,491,716 | — | 15,969 | — | 3,507,685 |
| Change in Control Termination | 6,462,500 | 3,491,716 | 49,341 | 15,969 | — | 10,019,526 |
| **Bryan Reasons** | | | | | | |
| Involuntary Termination (other than for cause) | 1,653,750 | 1,046,747 | 60,968 | | | 2,761,465 |
| Involuntary Termination (for cause) | — | — | — | — | — | — |
| Voluntary Termination(3) | — | — | — | — | — | — |
| Death or Disability | — | 1,745,858 | — | — | — | 1,745,858 |
| Change in Control Termination | 1,653,750 | 1,745,858 | 60,968 | — | — | 3,460,576 |
| **Mark Tyndall** | | | | | | |
| Involuntary Termination (other than for cause) | 1,006,250 | 697,834 | 25,020 | — | — | 1,729,104 |
| Involuntary Termination (for cause) | — | — | — | — | — | — |
| Voluntary Termination(3) | — | — | — | — | — | — |
| Death or Disability | — | 1,163,911 | — | — | — | 1,163,911 |
| Change in Control Termination | 1,006,250 | 1,163,911 | 25,020 | — | — | 2,195,181 |
| **Stephen Welch** | | | | | | |
| Involuntary Termination (other than for cause) | 720,000 | 348,912 | 49,216 | — | — | 1,118,128 |
| Involuntary Termination (for cause) | — | — | — | — | — | — |
| Voluntary Termination(3) | — | — | — | — | — | — |
| Death or Disability | — | 581,948 | — | — | — | 581,948 |
| Change in Control Termination | 720,000 | 581,948 | 49,216 | — | — | 1,351,164 |
| **Henriette Nielsen** | | | | | | |
| Involuntary Termination (other than for cause) | 1,085,000 | 697,834 | 49,173 | — | — | 1,832,007 |
| Involuntary Termination (for cause) | — | — | — | — | — | — |
| Voluntary Termination(3) | — | — | — | — | — | — |
| Death or Disability | — | 1,163,911 | — | — | — | 1,163,911 |
| Change in Control Termination | 1,085,000 | 1,163,911 | 49,173 | — | — | 2,298,084 |

(1) Reflects total cash value of PSUs and RSUs subjected to accelerated vesting in the Initial Grant awarded on December 14, 2022.

(2) Each NEO's employment agreement provides for full acceleration of the RSU portion of the Initial Grant in the event of termination without cause or for good reason. With respect to his outstanding PSUs, Mr. Olafsson would receive full acceleration. The other NEOs would receive a pro-rata portion of their outstanding PSUs until the second anniversary of the applicable grant date, and the pro-rated PSUs would continue to be subject to performance vesting conditions. For purpose of this analysis, PSU value assumes payout at target performance, prorated for employment period through the change in control date.

### Mr. Trudeau, Dr. Romano and Mr. O'Neill's Termination Benefits

Mr. Trudeau resigned from his roles as President, Chief Executive Officer and Director on June 15, 2022, in connection with our emergence from Chapter 11 proceedings. Mr. O'Neill and Dr. Romano departed the Executive Committee and Mallinckrodt effective September 16, 2022 and December 1, 2022, respectively.

*Mr. Trudeau's Separation Agreement*. In connection with Mr. Trudeau's departure on June 15, 2022, he entered into a Separation of Employment Agreement and General Release pursuant to which Mr. Trudeau was entitled to receive certain severance payments in lieu of the severance benefits pursuant to his Employment Agreement, including (i) a lump sum payment of $2,100,000, equal to 24 months' of his current base salary, (ii) a lump sum payment of $2,878,750, equal to Mr. Trudeau's average annual bonus paid over the prior three fiscal years multiplied by 2.0, excluding any amounts attributable to the component of the award intended to replace his previously approved target long-term equity incentive opportunity, (iii) a lump sum of $598,558, in lieu of a bonus under the Company's AIP for the fiscal year 2022, (iv) a lump sum payment of $36,695, equal to 18 months' of the difference of the applicable COBRA premium and the current benefit plan options in which Mr. Trudeau currently enrolled, (v) the cost of 12 months' outplacement services, if Mr. Trudeau elects to utilize such services, and (vi) notice pay in the amount $34,521. In addition, pursuant to the Separation Agreement and Release, all equity held by Mr. Trudeau was cancelled and forfeited as of the time of his separation and Mr. Trudeau agreed to certain release of claims, non-disparagement and confidentiality obligations.

*Mr. O'Neill's Separation Agreement*. In connection with Mr. O'Neill's departure on September 16, 2022, he entered into a Separation of Employment Agreement and General Release pursuant to which Mr. O'Neill was entitled to receive certain severance payments in lieu of the severance benefits pursuant to his Employment Agreement, including (i) amounts accrued but unpaid, including a previously awarded retention payment of $155,000, (ii) $50,959 in notice pay, (iii) a lump sum payment of $930,000, equal to 18 months' of his current base salary, (iv) a lump payment of $629,623 equal to Mr. O'Neill's average annual bonus paid over the prior three fiscal years multiplied by 1.5 excluding any amounts attributable to the component of the award intended to replace his previously approved target long-term equity incentive opportunity, (iv) a lump sum of $286,750 in lieu of a bonus under the Company's AIP for the fiscal year 2022; (v) a benefits lump sum payment of $33,219, and (vi) the cost of 12 months' outplacement services, if Mr. O'Neill elects to utilize such services. In addition, all equity held by Mr. O'Neill was cancelled following Emergence and Mr. O'Neill agreed to certain release of claims, non-disparagement and confidentiality obligations.

*Dr. Romano's Separation Agreement*. In connection with Dr. Romano's departure on December 1, 2022, he entered into a Separation of Employment Agreement and General Release pursuant to which Dr. Romano was entitled to receive certain severance payments in lieu of the severance benefits pursuant to his Employment Agreement, including (i) amounts accrued but unpaid, including a previously awarded retention payment of $155,000, (ii) $50,959 in notice pay, (iii) a lump sum payment of $930,000, equal to18 months' of his current base salary, (iv) a lump payment of $662,935, equal to Dr. Romano's average annual bonus paid over the prior three fiscal years multiplied by 1.5 excluding any amounts attributable to the component of the award intended to replace his previously approved target long-term equity incentive opportunity, (iv) a lump sum of $370,893, in lieu of a bonus under the Company's AIP for the fiscal year 2022; (v) a benefits lump sum payment of $10,083; and (vi) the cost of 12 months' outplacement services, if Dr. Romano elects to utilize such services. In addition, all equity held by Dr. Romano was cancelled following Emergence and Dr. Romano agreed to certain release of claims, non-disparagement and confidentiality obligations.

## PAY RATIO

As required by the Dodd-Frank Wall Street Reform and Consumer Protection Act, we are presenting the ratio of our CEO's annual total compensation to our median employee's annual total compensation.

As permitted under the SEC rules, we used annual gross wages as reported in our payroll system as our consistently applied compensation measure to determine our median employee. We maintained the same determination date as reported in prior years of October 1 to determine our employee workforce. We annualized pay for those who commenced work during the twelve month period wages were considered. We identified employees who were paid within a 2% range of the median. We selected an employee from that group and determined that person's total compensation was $104,032. Our CEO, Mr. Olafsson became our President and CEO effective June 25, 2022. Accordingly, based on Mr. Olafsson's annualized total compensation of $8,284,242, our ratio of CEO pay to median worker pay for 2022 is approximately 80:1. This ratio was determined using reasonable estimates as permitted by the SEC's rules and should not be used as a comparison with pay ratios disclosed by other companies.

# PAY VERSUS PERFORMANCE

The disclosure included in this section is prescribed by SEC rules and does not necessarily align with how the Company or the HRCC views the link between the Company's performance and its NEO's pay. For a discussion of how the Company views its executive compensation structure, including alignment with Company performance, see the CD&A beginning on page 27.

In accordance with SEC rules, the following table and supporting narrative contain information regarding compensation actually paid ("CAP"). Neither CAP nor the amount reported in the Summary Compensation Table ("SCT") reflect the amount of compensation actually paid, earned or received during the applicable year. Per SEC rules, CAP was calculated by adjusting SCT total compensation values for the applicable year as described in the footnotes to the following table.

The HRCC did not consider the pay versus performance data presented below in making its pay decisions for any of the years shown.

### Pay Versus Performance Table

| | | | | | | | Value of Initial Fixed $100 Investment Based On:[4] | | | |
|---|---|---|---|---|---|---|---|---|---|---|
| Year | SCT Total for CEO #1 ($)[1] | SCT Total for CEO #2 ($)[2] | CAP to CEO #1 ($)[1] | CAP Paid to CEO #2 ($)[2] | Average SCT Total for Other NEOs ($)[3] | Average CAP to Other NEOs ($)[3] | Total Shareholder Return ($) | Peer Group Total Shareholder Return ($) | GAAP Net Loss (millions) | Adjusted operating cash flow (millions)[5] |
| 2022 | $ 6,626,033 | $6,431,741 | $ 6,626,033 | $5,514,924 | $2,854,557 | $2,650,330 | $ 42 | $111 | $(911) | $692 |
| 2021 | $ 8,975,983 | N/A | $ 8,978,348 | N/A | $3,329,371 | $3,327,359 | N/A | N/A | $(717) | $829 |
| 2020 | $14,887,538 | N/A | $13,838,104 | N/A | $4,497,889 | $4,245,890 | N/A | N/A | $(945) | $866 |

(1) Mark Trudeau served as our CEO in 2020, 2021 and 2022.

(2) Sigurdur O. Olafsson served as our CEO in 2022.

(3) Our other NEOs serving in 2020 were Bryan Reasons, Hugh O'Neill, Steven Romano and Mark Casey. Our other NEOs serving in 2021 were Mr. O'Neill and Dr. Romano. Our other NEOs serving in 2022 were Mr. Reasons, Mr. O'Neill and Dr. Romano, as well as Mark Tyndall, Stephen Welch and Henriette Nielsen.

(4) Assumes a hypothetical initial investment of $100 in new ordinary shares issued on June 17, 2022. Peer Group used for total shareholder return ("TSR") comparisons reflects NYSE Pharmaceutical Index, which is the same industry index included in Part II, Item 5, "Market for Registrant's Common Equity, Related Stockholder Matters and Issuer Purchases of Equity Securities," furnished on pages 60-61 of the Company's Annual Report on Form 10-K for the fiscal year ended December 30, 2022. The 2022 TSR covers the period from June 17, 2022 through December 30, 2022, reflecting the period of time since Company's emergence from Chapter 11 proceedings.

(5) SEC rules require us to designate a "company-selected measure" that in our assessment represents the most important financial performance measure (other than total shareholder return, stock price, or net income) used by the Company to link the CAP of our NEOs, for the most recently completed fiscal year, to our performance. For 2022, we selected adjusted operating cash flow. For 2020, the adjusted operating cash flow measure that we used for compensation purposes did include interest payments, but these amounts were excluded in this measure in 2021 and 2022. For consistency, adjusted operating cash flow for 2020 in the table above excludes the $268 million in interest payments. This performance measure may not have been the most important financial performance measure for years 2021 and 2020, and we may determine a different financial performance measure to be the most important financial performance measure in future years. Adjusted operating cash flow is a non-GAAP measure, and it represents operating cash flow prepared in accordance with GAAP adjusted for separation costs, reorganization advisor fees, working capital impacts related to the CARES Act, significant legal and environmental charges, working capital impacts resulting from the Company's Chapter 11 bankruptcy filing, severance costs, interest payments, acquisition/divestiture costs, incremental Terlivaz launch spend contingent upon FDA approval and the impact of a customer bankruptcy.

To calculate compensation actually paid for our CEOs and other NEOs the following adjustments were made to SCT total pay.

| | CEO #1 Mr. Trudeau | | | CEO #2 Mr. Olafsson | | |
|---|---|---|---|---|---|---|
| | 2020 | 2021 | 2022 | 2020 | 2021 | 2022 |
| SCT Total | $14,887,538 | $8,975,983 | $6,626,033 | N/A | N/A | $ 6,431,741 |
| Equity Deductions | | | | | | |
| Deduction for amounts reported in the "Stock Awards" column in the SCT for applicable fiscal year | — | — | — | N/A | N/A | $(4,580,263) |
| Deduction for amounts reported in the "Option Awards" column in the SCT for applicable fiscal year | — | — | — | N/A | N/A | — |
| Equity Change in Fair Value | | | | | | |
| Year End Fair Value of Current Year Equity Awards | — | — | — | N/A | N/A | $ 3,663,446 |
| Year over Year Change in Fair Value of Outstanding and Unvested Equity Awards | $ (672,936) | — | — | N/A | N/A | — |
| Year over Year Change in Fair Value of Equity Awards Granted in Prior Year that Vested in the Year | $ (184,900) | $ 2,365 | — | N/A | N/A | — |
| Fair Value as of Vesting Date of Equity Awards Granted and Vested in the year | — | — | — | N/A | N/A | — |
| Fair Value at the End of the Prior Year of Equity Awards that Failed to Meet Vesting Conditions in the Year | $ (191,599) | — | — | N/A | N/A | — |
| Average Value of Dividends or other Earnings Paid on Stock or Option Awards not Otherwise Reflected in Fair Value of Total Compensation | N/A | N/A | N/A | N/A | N/A | — |
| CAP | $13,838,104 | $8,978,348 | $6,626,033 | N/A | N/A | $ 5,514,924 |

| | Average Other NEOs | | |
|---|---|---|---|
| | 2020 | 2021 | 2022 |
| SCT Total | $4,497,889 | $3,329,371 | $ 2,854,557 |
| Equity Deductions | | | |
| Deduction for amounts reported in the “Stock Awards” column in the SCT for applicable fiscal year | — | — | $(1,017,838) |
| Deduction for amounts reported in the “Option Awards” column in the SCT for applicable fiscal year | — | — | — |
| Equity Change in Fair Value | | | |
| Year End Fair Value of Current Year Equity Awards | — | — | $ 814,101 |
| Year over Year Change in Fair Value of Outstanding and Unvested Equity Awards | $ (186,366) | $ (3,253) | $ (352) |
| Year over Year Change in Fair Value of Equity Awards Granted in Prior Year that Vested in the Year | $ (42,011) | $ 1,241 | $ (138) |
| Fair Value as of Vesting Date of Equity Awards Granted and Vested in the year | — | — | — |
| Fair Value at the End of the Prior Year of Equity Awards that Failed to Meet Vesting Conditions in the Year | $ (23,621) | — | — |
| Average Value of Dividends or other Earnings Paid on Stock or Option Awards not Otherwise Reflected in Fair Value of Total Compensation | N/A | N/A | N/A |
| CAP | $4,245,890 | $3,327,359 | $ 2,650,330 |

The equity awards included above are comprised of PSUs, RSUs and stock options granted from 2016 through 2022. The following assumptions underpin the fair value calculations.

Fair values for PSUs subject to market-based measures such as relative TSR have been calculated using a Monte Carlo valuation model. As a result of the cancellation of all of the outstanding PSUs in December 2020, no valuations were required for the 2021 measurement year. Fair values for stock options have been calculated using a Black-Scholes valuation model as of the relevant measurement date.

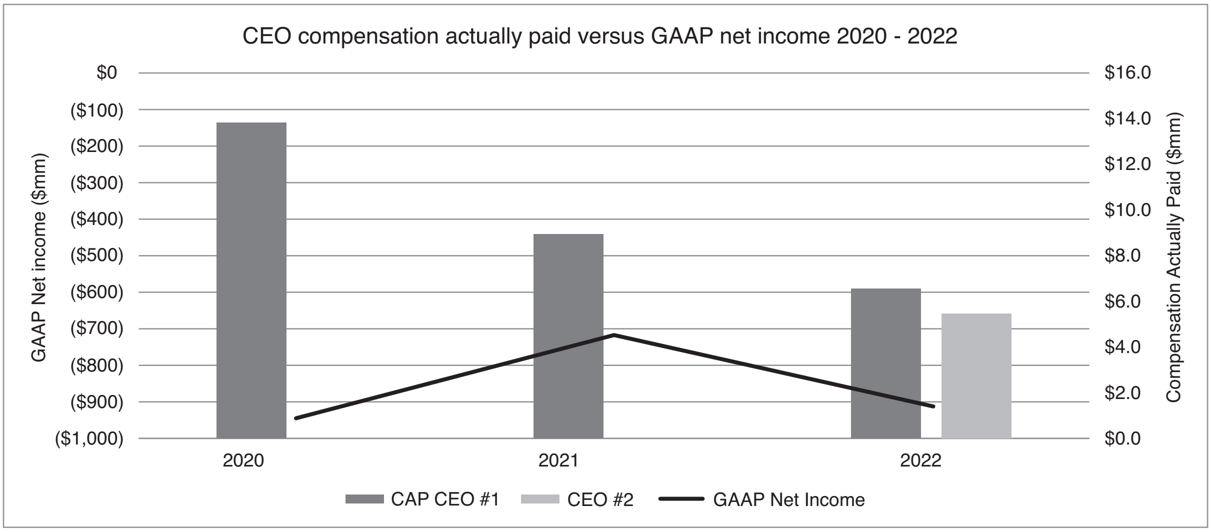
### List of Company Performance Measures

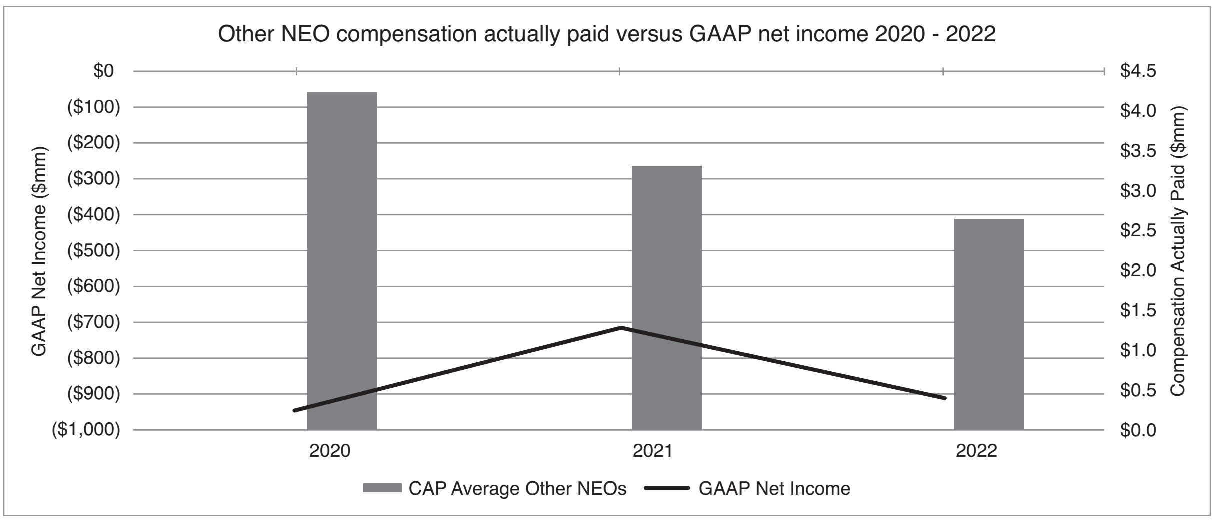
The following table lists the measures we believe are most important in linking CAP to Company performance during 2022.The order of the measures in this chart should not be interpreted as a ranking. Further details on these measures and how they feature in our compensation plans can be found in the CD&A section of this proxy statement.

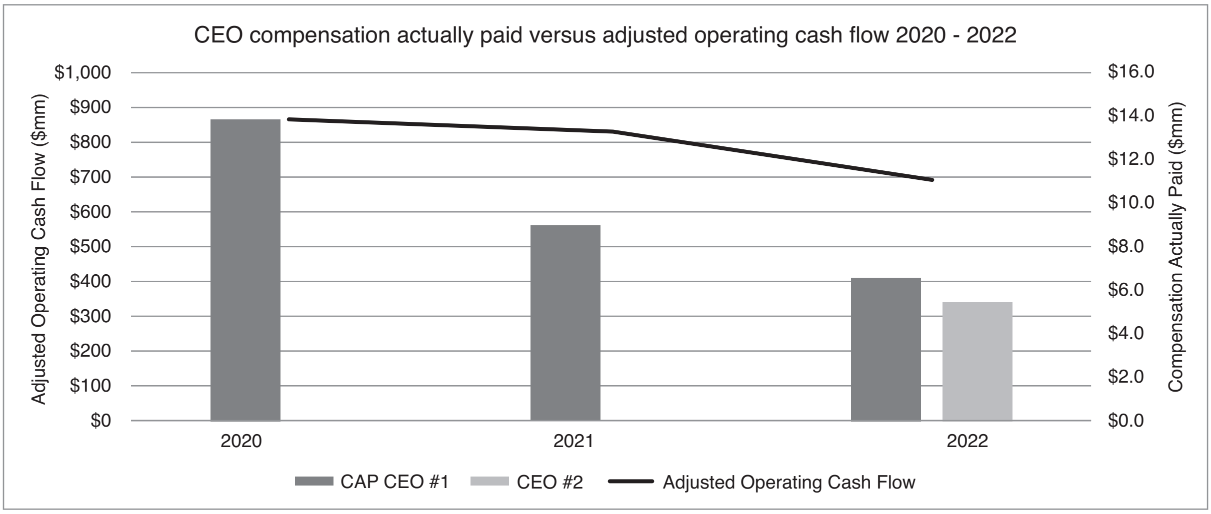
| Measure |
|---|
| Adjusted operating cash flow |
| Adjusted EBITDA |
| Net sales |

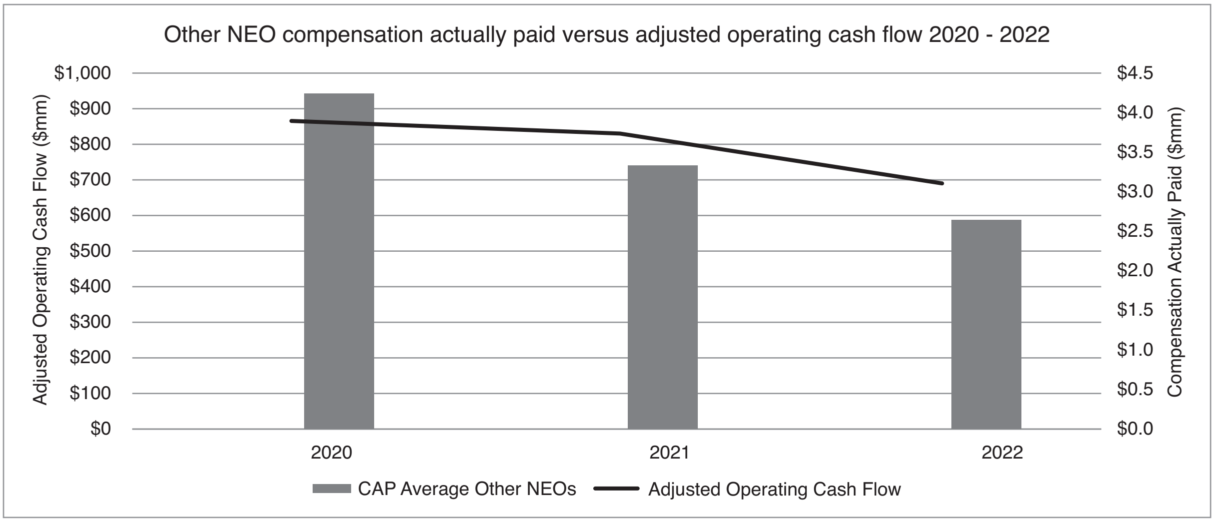
### CAP and Financial Performance Measures

In accordance with SEC rules, the following are graphical comparisons of CAP and the financial performance measures as shown in the pay versus performance table. The Company believes that there would not be a meaningful comparison in showing three years (2020, 2021 and 2022) of CAP compared to TSR as TSR only covers the period from June 17, 2022 through December 30, 2022, the period since the Company’s emergence from Chapter 11 proceedings.


CEO compensation actually paid versus GAAP net income 2020 - 2022
GAAP Net income ($mm)
$0
($100)
($200)
($300)
($400)
($500)
($600)
($700)
($800)
($900)
($1,000)
Compensation Actually Paid ($mm)
$16.0
$14.0
$12.0
$10.0
$8.0
$6.0
$4.0
$2.0
$0.0
2020
2021
2022
CAP CEO #1
CEO #2
GAAP Net Income


Other NEO compensation actually paid versus GAAP net income 2020 - 2022
GAAP Net Income ($mm)
$0
($100)
($200)
($300)
($400)
($500)
($600)
($700)
($800)
($900)
($1,000)
Compensation Actually Paid ($mm)
$4.5
$4.0
$3.5
$3.0
$2.5
$2.0
$1.5
$1.0
$0.5
$0.0
2020
2021
2022
CAP Average Other NEOs
GAAP Net Income


CEO compensation actually paid versus adjusted operating cash flow 2020 - 2022
Adjusted Operating Cash Flow ($mm)
$1,000
$900
$800
$700
$600
$500
$400
$300
$200
$100
$0
Compensation Actually Paid ($mm)
$16.0
$14.0
$12.0
$10.0
$8.0
$6.0
$4.0
$2.0
$0.0
2020
2021
2022
CAP CEO #1
CEO #2
Adjusted Operating Cash Flow


Other NEO compensation actually paid versus adjusted operating cash flow 2020 - 2022
Adjusted Operating Cash Flow ($mm)
$1,000
$900
$800
$700
$600
$500
$400
$300
$200
$100
$0
Compensation Actually Paid ($mm)
$4.5
$4.0
$3.5
$3.0
$2.5
$2.0
$1.5
$1.0
$0.5
$0.0
2020
2021
2022
CAP Average Other NEOs
Adjusted Operating Cash Flow