



**Hewlett Packard
Enterprise**

HPE 2021 Stock Incentive Plan Proposal

2025 Annual Meeting of Stockholders

We are requesting additional shares to support continued investment in our team members through the long-term incentive plan

- As of December 31, 2024, there were approximately 26.3 million shares available for grant under the HPE 2021 Stock Incentive Plan (“2021 Plan”) which is insufficient to maintain the current level of long-term incentive (“LTI”) investment in our key talent.
- Additional shares are needed to continue providing market-competitive LTI compensation to our key talent, promote alignment between employee and stockholder interests, and drive the business strategy presented on the next page.
- The additional shares are expected to support HPE’s strategy/operations for one year, and regardless of the outcome of the proposed acquisition of Juniper Networks, Inc., if this proposal is approved, we intend to use these shares to grant equity awards under our 2021 Plan in a manner consistent with how HPE has historically granted equity awards to its eligible officers, employees, and non-employee directors in the ordinary course of business.
- On February 6, 2025, the HPE Board of Directors (“Board”) unanimously approved Amendment No. 4 to the 2021 Plan, which, subject to stockholder approval, will increase the number of shares available for issuance under the 2021 Plan by an additional 22 million shares.
- Our Board recommends that you vote **FOR** the approval of Amendment No. 4 to the 2021 Plan to increase the Plan’s shares available for issuance.



Our strategy drives stockholder value

HPE has deployed an edge-to-cloud strategy, investing strategically to capitalize on growing demand for our differentiated solutions.

HPE stands at the forefront of a new era, driven by AI, hybrid cloud, and next-generation networks and continued investment is needed to successfully capitalize and realize increased shareholder returns.

- HPE has solidified its position as a leading global business-to-business technology solutions and services provider.
- Our focused execution resulted in higher revenue, strong diluted earnings per share, and record free cash flow in FY24.
- Our differentiated portfolio across hybrid cloud, AI, and networking positions us well to capitalize on the market opportunity, accelerating value for our stockholders.

- Strategic innovation is at the top of our priority list in this new technology era, and we must foster relentless advancements to bring market-differentiated capabilities and experiences.
- Human and financial capital investment is required to accelerate innovation, and to deliver higher-growth solutions with greater profitability potential.
- With the demand for AI skills outpacing the supply, attracting and retaining the most in-demand talent (e.g., cloud and AI technical skills) requires committed, continued investment to empower bold moves to seize the opportunity in this new era driving strong shareholder returns.



Our people are our greatest assets in the delivery of sustainable value to our stockholders

Increasing the number of shares available for issuance under the 2021 Plan is necessary to enable the continued use of market-competitive LTI equity awards we need to attract and retain key, high-demand talent

Talent investment

- Our talent base continues to evolve and the highly sought-after technical skills needed to deliver our strategy require **competitive compensation**, including LTI.
- HPE's LTI compensation **aligns the interests** of our team members, the Company, and stockholders and encourages recipients to perform in line with our stockholders' interests and share in the Company's success.
- The requested level of shares enables HPE to **maintain** its current level of LTI investment in our key talent.

Plan design

- The 2021 Plan is designed with **best-practice policies & principles** in mind and no changes are recommended.
 - ✓ No "liberal share recycling" of options or stock appreciation rights ("SARs").
 - ✓ No share-dividend equivalents are paid on unvested stock awards, options, or SARs.
 - ✓ Minimum 100% fair market value exercise price for options/SARs.
 - ✓ No repricing or cash buyout of underwater options/SARs without stockholder approval, except for equitable adjustments in connection with a change in control ("CIC").
 - ✓ No "liberal" CIC definition or "single-trigger" CIC vesting.
 - ✓ No "evergreen" share increases or automatic "reload" awards.

Share usage

- We have a broad-based long-term incentive program with **more than 80%** of our outstanding awards granted to non-executive officers.
- Providing market-competitive LTI grants **deep in the organization** where we compete for talent against a broad group of companies results in a 3-year burn rate of 2.49% (as of end of FY24).
- Fully-diluted overhang would be 7.3% which is consistent with prior years (7.2-8.3% as disclosed in our FY20-FY23 proxy filings) and **below median** compared to our peer group.

Expected duration of shares

- Our proposal is sized based on the shares needed to support HPE's strategy/operations for 1 year.
- Regardless of the outcome of the proposed acquisition of Juniper Networks, Inc., if this proposal is approved, we intend to use these shares to grant equity awards under our 2021 Plan in a manner consistent with how HPE has historically granted equity awards to its eligible officers, employees, and non-employee directors in the ordinary course of business.



We need your support for our stock incentive plan proposal

- Our Board unanimously approved Amendment No. 4 to the 2021 Plan, which is necessary to attract and retain the key talent needed to support HPE's continued pivot into higher margin businesses.
- Our Board recommends that you vote **FOR** the approval of Amendment No. 4 to the 2021 Plan to increase the shares available for issuance.



Forward Looking Statements

This presentation contains forward-looking statements within the meaning of the safe harbor provisions of the Private Securities Litigation Reform Act of 1995. Such statements involve risks, uncertainties, and assumptions. If the risks or uncertainties ever materialize or the assumptions prove incorrect, the results of Hewlett Packard Enterprise and its consolidated subsidiaries (“Hewlett Packard Enterprise”) may differ materially from those expressed or implied by such forward-looking statements and assumptions. The words “believe”, “expect”, “anticipate”, “guide”, “optimistic”, “intend”, “aim”, “will”, “estimates”, “may”, “could”, “should” and similar expressions are intended to identify such forward-looking statements. All statements other than statements of historical fact are statements that could be deemed forward-looking statements, including but not limited to any projections, estimations, or expectations of addressable markets and their sizes, revenue (including annualized revenue run rate), margins, expenses (including stock-based compensation expenses), investments, or other financial or performance metrics; any statements of the plans, strategies, and objectives of management for future operations, as well as the execution and consummation of corporate transactions or contemplated acquisitions (including our proposed acquisition of Juniper Networks, Inc.) and dispositions (including disposition of our H3C shares and the receipt of proceeds therefrom), research and development expenditures, and any resulting benefit, cost savings, charges, or revenue or profitability improvements; any statements concerning the expected development, performance, market share or competitive performance relating to products or services; any statements concerning technological and market trends, the pace of technological innovation, and adoption of new technologies, including artificial intelligence-related and other products and services offered by Hewlett Packard Enterprise; any statements regarding current or future macroeconomic trends or events and the impact of those trends and events on Hewlett Packard Enterprise and our financial performance and our actions to mitigate such impacts to our business; any statements of expectation or belief, including those relating to future guidance and the financial performance of Hewlett Packard Enterprise; and any statements of assumptions underlying any of the foregoing.

Risks, uncertainties, and assumptions include the need to address the many challenges facing Hewlett Packard Enterprise’s businesses; the competitive pressures faced by Hewlett Packard Enterprise’s businesses; risks associated with executing Hewlett Packard Enterprise’s strategy; the impact of macroeconomic and geopolitical trends and events; the need to effectively manage third-party suppliers and distribute Hewlett Packard Enterprise’s products and services; the protection of Hewlett Packard Enterprise’s intellectual property assets, including intellectual property licensed from third parties and intellectual property shared with its former parent; risks associated with Hewlett Packard Enterprise’s international operations; the development and transition of new products and services and the enhancement of existing products and services to meet customer needs and respond to emerging technological trends; the execution of Hewlett Packard Enterprise’s transformation and mix shift of its portfolio of offerings, the execution and performance of contracts by Hewlett Packard Enterprise and its suppliers, customers, clients, and partners, including any impact thereon resulting from macroeconomic or geopolitical events; the prospect of a shutdown of the U.S. federal government; the attraction, hiring, and retention of key employees, in particular in connection with the latest technological developments and demands; the execution, consummation, integration, and other risks associated with business combination, disposition, and investment transactions, including but not limited to the risks associated with the disposition of H3C shares and the receipt of proceeds therefrom and completion of our proposed acquisition of Juniper Networks, Inc. and our ability to integrate and implement our plans, forecasts, and other expectations with respect to the consolidated business; and other risks that are described in Hewlett Packard Enterprise’s Annual Report on Form 10-K for the fiscal year ended October 31, 2024 and in other filings made by Hewlett Packard Enterprise from time to time with the Securities and Exchange Commission.

As in prior periods, the financial information set forth in this presentation, including tax-related items, reflects estimates based on information available at this time. While Hewlett Packard Enterprise believes these estimates to be reasonable, these amounts could differ materially from reported amounts in future Hewlett Packard Enterprise filings. Hewlett Packard Enterprise assumes no obligation and does not intend to update these forward-looking statements, except as required by applicable law.