

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

SCHEDULE 14A INFORMATION

Proxy Statement Pursuant to Section 14(a) of the
Securities Exchange Act of 1934

Filed by the Registrant ☒

Filed by a party other than the Registrant ☐

Check the appropriate box:

- ☐ Preliminary Proxy Statement
- ☐ **Confidential, for Use of the Commission Only (as permitted by Rule 14a-6(e)(2))**
- ☒ Definitive Proxy Statement
- ☐ Definitive Additional Materials
- ☐ Soliciting Material under §240.14a-12

Dynex Capital, Inc.

(Name of Registrant as Specified in Its Charter)

Payment of Filing Fee (Check all boxes that apply):

- ☒ No fee required.
 - ☐ Fee paid previously with preliminary materials:
 - ☐ Fee computed on table in exhibit required by Item 25(b) per Exchange Act Rules 14a-6(i)(1) and 0-11.
-

2024

NOTICE OF ANNUAL MEETING
OF SHAREHOLDERS AND
PROXY STATEMENT



Annual Meeting of Shareholders
May 17, 2024



LETTER TO SHAREHOLDERS

TO OUR COMMON SHAREHOLDERS:

March 28, 2024

You are cordially invited to attend the Annual Meeting of Shareholders of Dynex Capital, Inc. (the "Company") on Friday, May 17, 2024 beginning at 9:00 a.m. Eastern Daylight Time. As with last year's annual meeting, we will use a virtual meeting format, which means that you may attend virtually by accessing www.meetnow.global/MG5CAWF. We believe that this format facilitates expanded shareholder access and participation.

The business of the meeting is to consider and act upon the election of directors; to approve, in an advisory and non-binding vote, the compensation of our named executive officers; and to ratify the selection of the auditors of the Company.

As permitted by rules adopted by the Securities and Exchange Commission (the "SEC"), we are furnishing our proxy statement and 2023 Annual Report to Shareholders over the Internet to most of our shareholders, on or about March 28, 2024. This means that most of our shareholders will initially receive only a notice containing instructions on how to access the proxy materials over the Internet. This approach lowers the cost of delivering the annual meeting materials and reduces the environmental impact of the meeting. If you would like to receive a paper copy of the proxy materials, the notice contains instructions on how you can request copies of these documents.

Whether or not you plan to attend the meeting, your vote is important, and we encourage you to vote promptly. You may vote your shares via a toll-free telephone number or over the Internet. If you receive your proxy materials by mail, you may instead sign, date and mail the proxy card in the postage-paid envelope provided. Instructions

regarding all three methods of voting are contained in the proxy card. If you mail the proxy card and desire to vote your shares of common stock in accordance with management's recommendations, you need not mark your votes on the proxy but need only sign, date and return the proxy card in the envelope provided in order to record your vote.

Sincerely,

Byron L. Boston

Chairman of the Board

NOTICE OF ANNUAL MEETING OF SHAREHOLDERS







4991 Lake Brook Drive, Suite 100
Glen Allen, Virginia 23060
(804) 217-5800

TO OUR COMMON SHAREHOLDERS:

| WHEN: | WHERE: | RECORD DATE: |
|--|---|---|
|  Friday, May 17, 2024 9:00 a.m. Eastern Daylight Time |  The Annual Meeting will be a virtual meeting which means that shareholders may attend virtually by accessing www.meetnow.global/MG5CAWF |  Shareholders of record at the close of business on Thursday, March 14, 2024 are entitled to vote. |

ITEMS OF BUSINESS

| Proposal | Board Recommendation | See Page |
|--|---|--------------------|
| 1 To elect six (6) directors of the Company, to hold office until the next annual meeting and until their successors are elected and duly qualified; |  For each director | 6 |
| 2 To approve, in an advisory and non-binding vote, the compensation of the Company's named executive officers as disclosed in the accompanying Proxy Statement; |  | 57 |
| 3 To ratify the selection of BDO USA, PC, independent certified public accountants, as auditors for the Company for the 2024 fiscal year; and |  | 59 |
| 4 To transact such other business as may properly come before the meeting or any adjournment thereof. |  | |

The Annual Meeting will be a virtual meeting, which means that shareholders may attend by accessing www.meetnow.global/MG5CAWF. Shareholders will be able to listen, vote and submit questions during the Annual Meeting online. There will be no physical location for shareholders to attend the Annual Meeting.

Only shareholders of record of our common stock at the close of business on March 14, 2024, the record date, will be entitled to vote at the Annual Meeting.

Management desires to have maximum representation at the Annual Meeting. Whether or not you plan to attend the meeting, we urge you to vote your shares via the toll-free telephone number or over the Internet, as described in the accompanying Proxy Statement. If you receive these materials by mail, you may instead sign, date and mail the proxy card in the postage-paid envelope provided. A proxy may be revoked by a shareholder prior to its use by notice in writing to the Secretary of the Company, by submitting a later-dated proxy to the Secretary of the Company,

by changing your vote via the toll-free telephone number or over the Internet or by attending and voting during the Annual Meeting (provided that, if you hold your shares through a bank, broker or other holder of record and you wish to vote during the Annual Meeting, you must register prior to the Annual Meeting, as described in the Proxy Statement).

By Order of the Board of Directors



Robert S. Colligan

Executive Vice President, Chief Financial Officer and Secretary
Dated: March 28, 2024

PROXY STATEMENT

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PROXY STATEMENT ANNUAL MEETING OF SHAREHOLDERS



4991 Lake Brook Drive, Suite 100
Glen Allen, Virginia 23060
(804) 217-5800

To be held on May 17, 2024

TO OUR COMMON SHAREHOLDERS:

This Proxy Statement is furnished to the holders of the common stock of Dynex Capital, Inc. (the "Company") in connection with the solicitation by the Company's Board of Directors (the "Board") of proxies to be used at the Annual Meeting of Shareholders of the Company to be held virtually on Friday, May 17, 2024, at 9:00 a.m. Eastern Daylight Time (the "Annual Meeting"). Shareholders may attend the Annual Meeting by accessing www.meetnow.global/MG5CAWF and following the instructions in the beginning of this Proxy Statement. Shareholders will be able to listen, vote and submit questions during the Annual Meeting online. There will be no physical location for shareholders to attend the Annual Meeting.

The Annual Meeting is being held for the purposes set forth in the accompanying Notice of Annual Meeting of Shareholders.

As permitted by rules adopted by the SEC, the Company is making this Proxy Statement and its 2023 Annual Report to Shareholders available to most of our shareholders electronically over the Internet. On March 28, 2024, we commenced mailing to our shareholders a Notice of Internet Availability of Proxy Materials containing instructions on how to access this Proxy Statement and our Annual Report and vote over the Internet.

Most shareholders will not receive a printed copy of the proxy materials in the mail, unless specifically requested. Instead, the Notice of Internet Availability of Proxy Materials instructs you on how to access and review over the Internet all of the important information contained in the Proxy Statement and Annual Report and on how you may submit your proxy over the Internet. If you would like to receive a printed copy of our proxy materials, you should follow the instructions for requesting such materials included in the Notice of Internet Availability of Proxy Materials.

Important Notice Regarding the Availability of Proxy Materials for the Shareholder Meeting to Be Held on Friday, May 17, 2024

The Proxy Statement and 2023 Annual Report to Shareholders are available online by visiting www.envisionreports.com/DYNX.

INFORMATION ABOUT THE ANNUAL MEETING AND VOTING

The Board believes that a virtual meeting format will provide the opportunity for full and equal participation by all shareholders, from any location around the world. A virtual meeting also substantially reduces the costs associated with hosting an in-person meeting.

We have sought to design our virtual meeting format to enhance shareholder access, participation and communication. Shareholders will be able to listen, vote and submit questions online during the Annual Meeting. The Company believes its virtual Annual Meeting will afford a greater number of our shareholders the opportunity to attend the Annual Meeting while affording shareholders the same rights they would have had at an in-person meeting.

If you plan to attend the virtual Annual Meeting, please follow the instructions in the following Questions and Answers:

Q: How can I attend the Annual Meeting?

A: The Annual Meeting will be a virtual meeting of shareholders, which means that you may attend the meeting by accessing www.meetnow.global/MG5CAWF to log-in on the day of the meeting and enter your control number located on your Notice of Internet Availability of Proxy Materials or proxy card. There will be no physical location for shareholders to attend the Annual Meeting.

You are entitled to attend, vote and submit questions prior to and during the Annual Meeting if you were a shareholder of the Company as of the close of business on March 14, 2024, the record date, or if you hold a valid proxy for the Annual Meeting.

Guests may join the Annual Meeting in a listen-only mode.

The Annual Meeting will begin promptly at 9:00 a.m. Eastern Daylight Time. We encourage you to access the meeting prior to the start time to leave ample time to log into the meeting and test your computer audio system. You should ensure that you have a strong Internet connection to support your virtual attendance at the Annual Meeting.

Please follow the instructions as outlined below.

Q: Do I need to register to attend the Annual Meeting?

A: Registered Shareholders. If you are a registered shareholder (i.e., you hold your shares through our transfer agent, Computershare), then you do not need to register to attend the Annual Meeting.

Beneficial Shareholders. If your shares are held in "street name" (i.e., you hold your shares through an intermediary, such as a bank or broker), then you must register in advance to attend the Annual Meeting.

To register to attend the Annual Meeting you must submit proof of your proxy power (such as a legal proxy or broker's proxy card) reflecting your common stock holdings, along with your name and email address to Computershare. Requests for registration should be directed to Computershare by email to legalproxy@computershare.com (forwarding the email from your broker, or attaching an image of your legal proxy) or by mail to:

Computershare
Dynex Capital, Inc. Legal Proxy
P.O. Box 43001
Providence, RI 02940-3001

Requests for registration must be labeled as "Legal Proxy" and be received on or before May 15, 2024.

You will receive a confirmation of your registration by email (or by mail, if no email address is provided) after Computershare receives your registration materials.

Q: How do I ask questions during the Annual Meeting?

A: Shareholders of record may submit questions prior to or during the Annual Meeting by visiting www.meetnow.global/MG5CAWF and entering your control number located on your Notice of Internet Availability of Proxy Materials or proxy card, and then following the instructions to submit a question.

Questions submitted in advance of and during the meeting that are pertinent to meeting matters will be answered during the meeting, subject to time limitations. Substantially similar questions will be answered once to avoid repetition and allow for more time for other questions. If there are pertinent questions submitted that cannot be answered during the

meeting due to time limitations, management will post answers to a representative set of such questions (after consolidating questions) to our website at www.dynexcapital.com under "Investor Center – Proxy Materials."

Q: What if I have trouble accessing the Annual Meeting?

A: If you have technical difficulties logging into the Annual Meeting or while in attendance, you can use the technical resources available on the log-in page at www.meetnow.global/MG5CAWF, which will be available beginning at 8:30 a.m. Eastern Daylight Time on May 17, 2024 or contact 1-888-724-2416 for further assistance.

If there are any technical issues in convening or hosting the Annual Meeting, we will promptly post information to our website at www.dynexcapital.com under "Investor Center – Proxy Materials," including information on when the meeting will be reconvened.

SOLICITATION

You have received these proxy materials because the Board is soliciting your proxy to vote your shares at the Annual Meeting. The costs of this solicitation will be borne by the Company.

Proxy solicitations will be made by the Internet and mail, and also may be made by personal interview, telephone and e-mail by directors and officers of the Company, acting without compensation other than their regular compensation. Brokerage houses and nominees will be requested to forward the proxy soliciting material to the beneficial owners of shares of common stock and to obtain authorization for the execution of proxies. The Company will, upon request, reimburse such parties for their reasonable expenses in forwarding these proxy materials to such beneficial owners.

VOTING RIGHTS

Our common stock is the Company's only class of capital stock entitled to vote at the Annual Meeting. Holders of shares of common stock at the close of business on March 14, 2024, the record date, are entitled to notice of, and to vote at, the Annual Meeting. On that date, 59,129,820 shares of common stock were outstanding, with each outstanding share of common stock entitled to one vote for each of the six directors nominated and one vote on each other matter presented at the Annual Meeting.

QUORUM AND BROKER NON-VOTES

The presence of a majority of the outstanding shares of common stock entitled to vote, in person or by proxy, will constitute a quorum for all matters presented at the Annual Meeting. Shares represented in person or by proxy at the Annual Meeting, including shares represented by proxies that reflect abstentions, will be counted as present in the determination of a quorum. Virtual attendance at the Annual Meeting constitutes presence "in person" for purposes of a quorum at the meeting. "Broker non-votes" (which are shares held by brokers or nominees as to which (i) instructions have not been received from the beneficial owner or the persons entitled to vote the shares, and (ii) the broker does not have discretionary voting power on a particular matter) will be treated in the same manner as abstentions for purposes of a quorum. The election of directors and the advisory vote to approve the compensation of the Company's named executive officers, are not considered routine matters and, therefore, brokers do not have discretionary voting power with respect to these proposals. The ratification of the selection of BDO USA, PC as the Company's auditors for the 2024 fiscal year is considered a routine matter under the NYSE rules and, therefore, brokers do have discretionary voting power with respect to this proposal.

VOTE REQUIRED

Under the Company's "majority vote" standard for uncontested director elections, with respect to each nominee, votes may be cast for or against, or you may abstain from voting. Cumulative voting is not permitted. If a quorum is present, in order for a nominee to be elected in an uncontested election, the votes cast for such nominee's election must exceed the votes cast against such nominee's election. Abstentions or broker non-votes will not count as votes cast and will have no effect on the outcome of the election. If a nominee who is an incumbent director is not elected to the Board, he or she must offer his or her resignation promptly to the Board, which will then determine whether to accept or reject the offered resignation, or whether to take other action. The Company maintains a "plurality vote" standard in contested director elections (where the number of nominees exceeds the number of directors to be elected).

For the advisory vote to approve the compensation of the Company's named executive officers and the ratification of the selection of BDO USA, PC as the Company's auditors for the 2024 fiscal year, votes may be cast for or against, or you may abstain from voting. For these proposals, if a quorum is present, approval of the proposal requires that the number of votes cast for the

proposal by holders entitled to vote exceeds the number of votes cast against the proposal. Abstentions and broker non-votes (if applicable) will not count as votes cast and will have no effect on the outcome of the proposal.

INFORMATION ABOUT VOTING

You will receive multiple Notices of Internet Availability of Proxy Materials or printed copies of the proxy materials if you hold your shares in different ways (e.g., joint tenancy, trusts, custodial accounts, etc.) or in multiple accounts. You should vote the shares represented by each Notice of Internet Availability of Proxy Materials and proxy card you receive to ensure that all of your shares are voted.

Shareholders of record can vote during the Annual Meeting or by proxy. There are three ways for shareholders of record to vote by proxy:

- By Telephone - you can vote by telephone toll-free by following the instructions on the proxy card (you will need the control number on your Notice of Internet Availability of Proxy Materials or proxy card);
- By Internet - you can vote over the Internet by following the instructions on the Notice of Internet Availability of Proxy Materials or proxy card (you will need the control number on your Notice of Internet Availability of Proxy Materials or proxy card); or
- By Mail - if you received these proxy materials by mail, you can vote by mail by signing, dating and mailing the proxy card in the postage-paid envelope provided.

If you hold shares in the Dynex Capital, Inc. 401(k) Plan, your voting instructions for those shares must be received by 5:00 p.m. Eastern Daylight Time on May 15, 2024 to allow sufficient time for voting by the trustee of the plan.

If you hold your shares through an intermediary, such as a bank or broker, you will receive voting instructions from the holder of record and you must register in advance to attend the Annual Meeting.

REVOCABILITY OF PROXY

If you are a shareholder of record, you may change or revoke your proxy at any time before your shares are voted at the Annual Meeting, by any of the following methods:

- By submitting a written notice of revocation to the Secretary of the Company by the close of business on May 15, 2024;
- By submitting by the close of business on May 15, 2024 a completed proxy card bearing a later date than any other proxy submitted by you;
- By toll-free telephone by following the instructions on the proxy card (you will need the control number on your Notice of Internet Availability of Proxy Materials or proxy card);
- By visiting the website listed on the Notice of Internet Availability of Proxy Materials or proxy card and following the instructions (you will need the control number on your Notice of Internet Availability of Proxy Materials or proxy card); or
- By attending the Annual Meeting and voting during the Annual Meeting.

Your latest proxy card, telephone vote, or Internet vote with respect to the same shares is the one that will be counted.

If you hold your shares through an intermediary, such as a bank or broker, you should contact the holder of record to change your vote.

Voting your shares by telephone or over the Internet or sending in a proxy card will not affect your right to attend and vote during the Annual Meeting. However, if you hold your shares through an intermediary, such as a bank or broker and you plan to vote during the Annual Meeting, you must register in advance of the Annual Meeting.

If you vote in time for the Annual Meeting by proxy, the individuals named on the proxy (your "proxies") will vote your shares of common stock in accordance with the choices you specified. If you properly submit a proxy without indicating your instructions, the shares of common stock represented by such proxy will be voted FOR the election of the nominees named in this Proxy Statement as directors, FOR the approval of the compensation of the Company's named executive officers, and FOR the ratification of the selection of BDO USA, PC as the Company's auditors for the 2024 fiscal year.

OTHER MATTERS

Management and the Board know of no other matters to come before the Annual Meeting other than those stated in the Notice of Annual Meeting of Shareholders. However, if any other matters are properly presented to the shareholders for action, it is the intention of the individuals named in the proxy to vote in their discretion on all matters on which the shares represented by such proxy are entitled to vote.

ANNUAL REPORT ON FORM 10-K AND MAILING

The Company's Annual Report on Form 10-K, including financial statements for the year ended December 31, 2023, which is available on the Internet as set forth in the Notice of Internet Availability of Proxy Materials and is being mailed together with this Proxy Statement to shareholders who receive the proxy materials by mail, contains financial and other information about the activities of the Company, but is not incorporated into this Proxy Statement and is not to be considered a part of these proxy soliciting materials.

PROPOSAL ONE

ELECTION OF DIRECTORS

DIRECTOR NOMINEES

Pursuant to Virginia law and our Restated Articles of Incorporation (the "Articles of Incorporation"), directors of the Company are to be elected by the holders of shares of common stock at the Annual Meeting to serve until the next annual meeting and until their successors are elected and duly qualified. Director David H. Stevens passed away in January 2024. During his time with the company, he leveraged his extensive industry experience and deep knowledge of mortgage finance, capital markets, and housing policy to shape and advance the Company's strategy and ensure that the Company continued to thrive in an increasingly complex market. On September 8, 2023, the Board appointed Smriti L. Popenoe to the Board. On March 6, 2024, the Board appointed Alexander I. Crawford and Andrew I. Gray to the Board. The appointees to the Board were recommended by executive officers of Dynex. On March 11, 2024, Robert A. Salcetti and Michael R. Hughes stepped down as members of the Board. On the recommendation of the Nominating & Corporate Governance Committee (the "Nominating Committee"), the Board nominated Byron L. Boston, Julia L. Coronado, Alexander I. Crawford, Andrew I. Gray, Joy D. Palmer, and Smriti L. Popenoe for election by the holders of shares of common stock to the Board at the Annual Meeting.

Unless otherwise indicated, a proxy will be voted FOR the election of Messrs. Boston, Crawford, and Gray, Dr. Coronado, and Meses. Palmer and Popenoe to the Board. Each director nominee has agreed to serve if elected. Selected biographical information regarding each director nominee is set forth below.

Although it is anticipated that each director nominee will be able to serve, should any nominee become unavailable to serve, the shares represented by each proxy may be voted for another person or persons designated by the Board. In no event will a proxy be voted for more than six directors.

BOARD COMPOSITION

The following information sets forth the names, ages, principal occupations and business experience for the Company's director nominees as of March 31, 2024. In addition to the information presented below regarding each director nominee's specific experience, qualifications, attributes and skills that led our Board to the conclusion that he or she should serve as a director, we also believe that all of our director nominees are aligned with our purpose of making lives better through careful stewardship of individuals' savings, providing financing and strengthening the communities we serve. Further, we believe our director nominees live our core values of kindness, stewardship, performance mentality, integrity, trust as well as equality and inclusion. They each have demonstrated business acumen and an ability to exercise sound judgment, as well as a commitment of service to the Company and our Board. Finally, we value their significant experience on other boards and board committees. Unless otherwise indicated, the business experience and principal occupations shown for each director has extended five or more years.

| NOMINEE | AGE | GENDER DIVERSE | RACIAL/ETHNIC DIVERSE | INDEPENDENT | TENURE |
|----------|-----|----------------|-----------------------|-------------|----------|
| Boston | 65 | | • | | 12 years |
| Coronado | 55 | • | | • | 3 years |
| Crawford | 57 | | | • | 1 month |
| Gray | 58 | | • | • | 1 month |
| Palmer | 66 | • | | • | 3 years |
| Popenoe | 55 | • | • | | 7 months |

BOARD COMPOSITION AND ATTRIBUTES

AGE

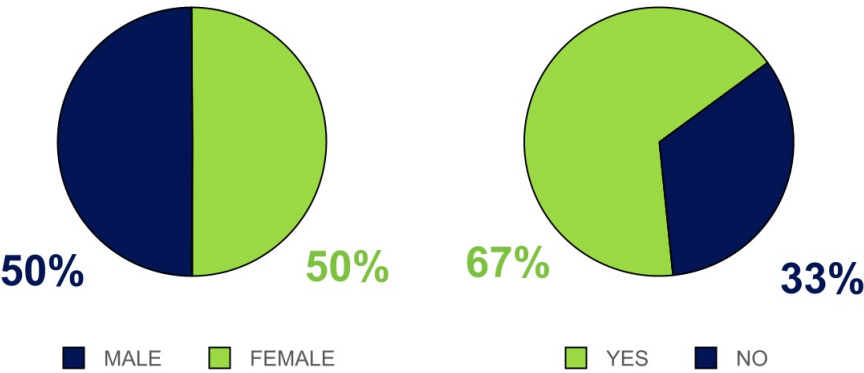
| | | |
|-----------------|---|---|
| 50-55 Years Old | . | . |
| 56-60 Years Old | . | . |
| 61-65 Years Old | . | |
| 66-70 Years Old | . | |

TENURE

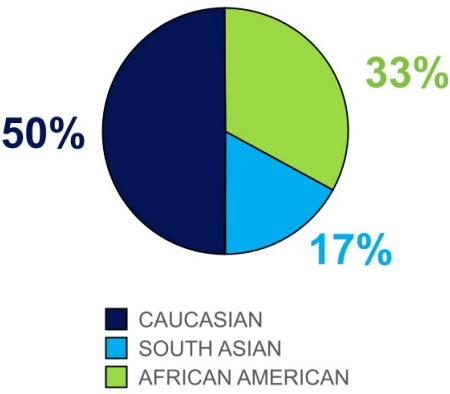
| | | | |
|------------------|---|---|---|
| Less than 1 Year | . | . | . |
| 1-5 Years | . | . | |
| 6-10 Years | | | |
| 11-15 Years | . | | |

GENDER DIVERSITY

INDEPENDENT



RACIALLY OR ETHNICALLY DIVERSE



DIRECTOR SKILLS AND QUALIFICATIONS


The Board believes that its directors collectively have the level and balance of skills, experience, diversity, and character to execute the Board's responsibilities. The table below reflects some of the key skills that our Board has identified as particularly valuable to the effective oversight of the Company and the execution of our corporate strategy, along with the number of directors that have these skills. This director skills matrix is not intended to be an exhaustive list of each of our


director's skills or contributions to our Board. All of our directors also exhibit high integrity, an appreciation for diversity of background and thought, innovative thinking, a proven record of success, and deep knowledge of corporate governance requirements and best practices. Additional information on each director, including some of their specific experience, qualifications, attributes and skills, is set forth below under "Proposal One – Election of Directors".

✓ Indicates a relevant skill, knowledge and/or experience identified by that director.

| | Boston | Coronado | Crawford | Gray | Palmer | Popenoe |
|--|--------|----------|----------|------|--------|---------|
| Senior Leadership | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Financial Services Industry | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| M&A | | ✓ | | ✓ | ✓ | |
| Capital Markets | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Business Operations | ✓ | | ✓ | ✓ | ✓ | |
| Cybersecurity and Technology | | | ✓ | ✓ | | |
| Risk Management | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Government Policy and Regulatory | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Accounting/Audit | ✓ | | ✓ | ✓ | ✓ | ✓ |
| Mortgage Industry | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Investment Management | ✓ | ✓ | ✓ | | ✓ | ✓ |
| Corporate Governance | ✓ | ✓ | ✓ | ✓ | ✓ | |
| Public Company Experience | ✓ | ✓ | | ✓ | ✓ | ✓ |
| Business Development and Strategy | ✓ | ✓ | ✓ | ✓ | | ✓ |
| Social Responsibility/ ESG | ✓ | | ✓ | ✓ | ✓ | |
| Artificial Intelligence | | | ✓ | | | |
| Finance | ✓ | ✓ | ✓ | ✓ | ✓ | ✓ |
| Independent Audit Committee Financial Expert | | | ✓ | ✓ | ✓ | |
| Managing Climate Change | | | ✓ | | | |
| Human Capital Management | ✓ | ✓ | | ✓ | | ✓ |
| Executive Compensation | ✓ | ✓ | | ✓ | | |

DIRECTOR NOMINEE BIOGRAPHIES

| | | |
|---|---|--|
|  | BYRON L. BOSTON | Chairman of the Board and Chief Executive Officer |
| <p>Age: 65</p> <p>Director Since: 2012</p> <p>Chairman Since: 2023</p> <p>Committee: Investment (Chair)</p> <p>Key Skills:</p> <ul style="list-style-type: none"> • Senior Leadership & Business Operations • Financial Services Industry • Capital Markets • Mortgage Industry • Investment Management • Corporate Governance <p>Other Current Boards: NAREIT Advisory Board of Governors, Salzburg Global Seminar</p> | <p>Byron L. Boston joined the Board in 2012 and was appointed to the role of Chairman in December 2023. Byron has served as the Chief Executive Officer since January 2014, and previously served as the President of Dynex from March 2012 to December 2020, and as Chief/Co-Chief Investment Officer from April 2008 until December 2023. Byron leads the strategic operations that have resulted in long term net gains and significant economic return for investors.</p> <p>Business Leadership: Byron brings more than 20 years of leadership experience and has an extensive background in U.S. real estate finance, asset management/investment banking, and fixed-income capital markets. Byron was successful in building Sunset Financial Resources, a mortgage REIT specializing in high-quality residential and commercial loans and securities, and instrumental in growing Dynex Capital's business after he joined the Company in 2008. Byron leverages this extensive experience and deep understanding of Dynex's growth and strategy to guide the Company's business operations and disciplined investment approach. As CEO and Chairman of Dynex's Board of Directors, he also helps drive continued collaboration between the Company's executive leadership team and Board.</p> <p>Mortgage-Backed Security Experience: Over the course of his career, Byron has gained significant experience in the debt and equity capital markets. During his six years at Freddie Mac, he developed and led the initial investment plan to grow the company's retained portfolio. Previously, Byron spent over a decade at Credit Suisse First Boston as a fixed income bond trader specializing in mortgage backed securities and over two years at Lehman Brothers as a mortgage-backed securities bond trader.</p> <p>Background: Byron currently serves on multiple boards in advisory and leadership capacities including Mortgage Bankers Association and National Association of Real Estate Investment Trusts ("NAREIT") Advisory Board of Governors representing the industry on a national level. He also serves on the board of the Salzburg Global Seminar where he has served as the Chair of the Investment Committee and the Chair of the Finance Committee. He received an A.B. in Economics and Government from Dartmouth College and a MBA with emphasis in Accounting and Finance from the University of Chicago Booth School of Business, where he was also a member of the Director's Consortium.</p> | |

| | |
|---|--|
|  | JULIA L. CORONADO, Ph.D. Lead Independent Director of the Board |
| <p>Age: 55</p> <p>Director Since: 2020</p> <p>Committees:</p> <ul style="list-style-type: none"> • Compensation (Chair) • Nominating & Corporate Governance • Investment <p>Key Skills:</p> <ul style="list-style-type: none"> • Senior Leadership & Business Operations • Financial Services Industry • Capital Markets • Government Policy and Regulatory • Academia <p>Other Current Public Boards: Robert Half</p> | <p>Julia L. Coronado, Ph.D. joined the Board in October 2020 and was appointed as Lead Independent Director in December 2023.</p> <p><i>Financial Experience:</i> Since 2017, Julia has served as the President and Founder of MacroPolicy Perspectives, LLC (MPP) a research advisory firm with deep expertise in macroeconomics, regulatory policy, financial and global markets that helps inform client decisions in financial services and other industries. Since 2018, she has served as Clinical Associate Professor of Finance at the University of Texas at Austin. From 2014 to 2017, Julia was the Chief Economist at Graham Capital Management where she managed a global economic forecast, advised portfolio managers, and participated in risk and investment committees. Additionally, she spent 10 years in the banking industry, first as a Senior US Economist at BNP Paribas and then at Barclays as Senior US Economist. Julia also served as a staff economist for the Federal Reserve Board of Governors in Washington, D.C. and contributed to the Federal Open Market Committee forecasts from 1997 to 2006.</p> <p><i>Financial Advisory Experience:</i> Julia brings over 30 years of experience in international and domestic market economics, fiscal and monetary policy, and global economic forecasting. She is a regular commentator in financial media, (including CNBC, Bloomberg, Marketplace, and the Wall Street Journal). Julia has also represented the U.S. at the Organization for Economic Cooperation & Development and testified before Congress on Social Security reform and digital currency developments. Her experience across these areas, as well as her service on other public company and advisory boards, allows her to provide significant insight to help guide the Company's business strategy and enable it to thrive in a complex macroeconomic environment.</p> <p><i>Background:</i> Julia is an Independent Director on the Board of Robert Half, an international staffing and consulting firm, where she serves on the nominating & governance committee. Julia is a member of the Economic Studies Council at the Brookings Institution and member of the Advisory Boards of the Bureau of Economic Analysis, the Pension Research Council at the Wharton School, and the Cleveland Federal Reserve Center for Inflation Research. She received a B.A. in Economics from the University of Illinois and a Ph.D. in Economics from the University of Texas at Austin.</p> |



Age: 57

Director Since: March 2024

Committees:

- Audit
- Compensation
- Investment

Key Skills:

- Financial Services Industry
- Risk Management
- Government Policy and Regulatory
- Artificial Intelligence and Technology
- Investment Management

ALEXANDER I. CRAWFORD

Alexander I. Crawford joined the board in March 2024.

Business Leadership, Financial Services, and Technology Experience: Alexander brings extensive financial knowledge and expertise across the broad financial ecosystem, including global multi-asset risk management, public and private equity, credit, and tail-risk hedging. He is also recognized as a thought leader in the risk management of artificial intelligence. As the founder, Chairman, and CEO of Artificial Intelligence Risk, Inc., Alexander created a governance, risk, compliance, and cybersecurity platform for corporate artificial intelligence ("AI") and developed incisive data-driven analytics and quantitative tools to analyze and mitigate risks through innovative strategies. Alexander is a thought leader on making AI effective, safe, and ethical and has written extensively on the topic. His background and expertise will help strengthen Dynex's technology capabilities and position in an evolving financial services industry.

Additional Professional Experience: Alexander also brings to our Board extensive experience and expertise in risk management and compliance. He served in a number of senior risk management roles, including most recently as Partner and Chief Investment Risk Officer at Lord, Abnett & Co. LLC from 2012 to 2022, and is now a Limited Partner there. As the Chief Investment Risk Officer, Alexander engaged with global regulators on various topics. He is well-respected by his peers and regulators and sat on numerous industry working groups during his tenure, such as leading the LIBOR transition effort at Lord Abnett. He was responsible for writing detailed regulatory policies and procedures for the U.S. and Europe and continues to engage globally on complying with existing and creating new policies regarding AI with governments, regulators, companies, and NGOs.

In addition, Alexander was a charter member of Lord Abnett's ESG committee and has written extensively on the intersection of sustainability, ESG, and AI. He is the lead author of a forthcoming white paper using a data-driven approach that focuses on broadening sustainability to look at important sustainability metrics beyond simply greenhouse gases.

Background: Alexander earned a B.S. in Computer Science from Harvard University. He has been a senior executive at major financial institutions, including Goldman Sachs, Morgan Stanley, Deutsche Bank, and RBS, for over 10 years. He has focused extensively on MBS throughout his career, and his MBS research has appeared in numerous publications. His 35-year career will offer significant insights for the Company's business and make him a valuable member of the Board.



ANDREW I. GRAY

Andrew I. Gray joined the board in March 2024.

Andrew is currently an Executive Advisor at MyNextSeason and serves on the Board of Trustees of the Global Association of Risk Professionals (GARP). Andrew has over 30 years of leadership experience across the financial services industry, including profit and loss management, strategy, finance, risk, and technology. He has a strong track record in guiding leadership teams and advising boards on business growth, operational improvement and risk, and regulatory compliance.

Risk Professional Experience: Most recently, Andrew served as the Group Chief Risk Officer ("CRO") and Management Committee member for The Depository Trust and Clearing Corporation (the "DTCC"). Over his tenure he transformed the global risk function and drove significant improvements in market, liquidity, credit, and non-financial risk capabilities, including cybersecurity, business continuity, data management, and operational risk. With his extensive background in the financial services and risk management industries, he will play a crucial role in helping guide Dynex's operational and growth strategy.

Business Leadership Experience: Prior to his CRO role, Andrew led DTCC's core businesses, including Clearance and Settlement of Equities and Fixed Income products, Asset Services, Wealth Management Services, Insurance & Retirement Services, Institutional Trade Processing and Data Services. He had responsibility for P&L management, strategy development and execution, rollout of new business and industry initiatives, M&A transactions, and implementation of enhanced processes for business risk management. Previously, Andrew spent over a decade at Merrill Lynch in senior leadership roles, including COO of the firm's Latin America and Canada business, Managing Director of Strategy and Business Development, and the Head of Corporate Planning for the enterprise. In these roles, he gained valuable experience in business restructuring and management, strategy development and execution, new business development, financial reporting, planning and analysis, technology transformation, and crisis management.

Technology Experience: Andrew started his career at Booz Allen & Hamilton, where, as a member of the Information Technology Group, he led consultant teams supporting financial services clients around the world. In his industry roles, he has led technology transformation projects and, as CRO for DTCC, drove major investments in resilience and cybersecurity.

Background: In addition to his current service as a GARP Board Trustee, Andrew chaired and served on DTCC subsidiary boards and was a Board Member of the International Securities Services Association ("ISSA"). He received a Bachelor of Science in Mechanical Engineering from the Massachusetts Institute of Technology and also has a Master of Government Administration from the University of Pennsylvania.

Age: 58


Director Since: March 2024


Committees:

- Audit
- Compensation
- Investment

Key Skills:

- Senior Leadership & Business Operations
- Financial Services Industry
- Government Policy and Regulatory
- Risk Management
- Corporate Governance
- Capital Markets
- Technology

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|---|--|
|  | JOY D. PALMER |
| <p>Age: 66</p> <p>Director Since: 2020</p> <p>Committees:</p> <ul style="list-style-type: none"> • Audit (Chair) • Nominating and Corporate Governance (Chair) • Investment <p>Key Skills:</p> <ul style="list-style-type: none"> • Financial Services Industry • Government Policy and Regulatory • Mortgage Industry • Investment Management | <p>Joy D. Palmer joined the Board in October 2020.</p> <p><i>Finance and Accounting Experience:</i> Over the course of Joy's 34-year career, she has served in a variety of accounting, finance, and investor relations roles. Joy is an expert in Generally Accepted Accounting Principles ("GAAP"), regulatory policies, the mortgage finance industry, including mortgage investing and origination, as well as how market trends impact financial institutions, including national banks.</p> <p><i>Banking and Treasury Experience:</i> From 2002 to 2020 she held a variety of roles at the the Comptroller of the Currency ("OCC"), Office of the Chief Accountant, including as the Deputy Chief Accountant, Accounting Policy Advisor to Large Banks and Policy Accountant of Community and Midsized Banks, where she helped oversee the regulation and supervision of national and foreign banks which operate in the U.S. During this time, Joy also contributed to the drafting of advisories, bulletins, risk tips, and other publications to provide examiners with readily accessible resources on evolving issues including mortgage banking guidelines. She also led extensive work on accounting topics such as Current Expected Credit losses ("CECL") and Troubled Debt Restructuring ("TDRs"). Prior to the OCC, Joy worked at Merrill Lynch as a Director of Equity Research focusing on specialty finance companies, banks, and the GSE's. Joy started her career at Beneficial Corporation with responsibilities for Investor Relations and Treasury Management focusing on liquidity and cash management monitoring, derivatives, capital markets activity as well as sell-side analyst communications and presentations to the board of directors.</p> <p><i>Background:</i> Joy earned a Bachelor's in Accounting from Montclair State University and a MBA from NYU Stern School of Business with emphasis in finance. Over her career and currently, Joy has been an adjunct professor teaching classes on financial statement reporting and analysis, accounting, asset management and tax topics.</p> |

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|  | <div data-bbox="602 247 966 296"> SMRITI L. POPENOE </div> <div data-bbox="602 296 1317 430"> <p>Smriti L. Popenoe joined the Board in September 2023. Smriti first joined Dynex as Chief Investment Officer in 2014 and also took on the role of President in 2020. As President of Dynex, Smriti is accountable for the raising, deployment, and management of the company's capital. As Chief Investment Officer, she leads the team that oversees the Company's investment portfolio, associated hedges, and financing arrangements.</p> </div> <div data-bbox="602 451 1317 585"> <p><i>Leadership Experience:</i> Smriti brings over 13 years of C-Suite experience and expertise in risk management, investment leadership, and best practices in portfolio optimization. In addition to her 10 years serving on Dynex's leadership team, she previously served as Chief Risk Officer at PHH Corporation, a leading provider of mortgage banking and fleet management outsourcing services.</p> </div> <div data-bbox="602 606 1317 821"> <p><i>Financial Services and Portfolio Management Experience:</i> Smriti has almost three decades of experience in the financial services and risk management industries. From 2006 to 2009, Smriti was Senior Vice President at Wells Fargo (then known as Wachovia Bank), where she managed its more than \$100 billion investment portfolio and led the team through the financial crisis of 2009. From 2003 to 2006, she served as Senior Vice President, Investments with Sunset Financial Resources, a startup REIT. She managed an investment portfolio of \$400B fixed-rate MBS and whole loans while with Freddie Mac at the beginning of her career.</p> </div> <div data-bbox="602 842 1317 1058"> <p><i>Background:</i> Smriti received the Chartered Financial Analyst (CFA) designation in 1997 and holds three degrees: a B.S. in Chemistry and Environmental Science from St. Joseph's College in Bangalore, India, a MBA from the University of Rochester and a Master's-level French diploma from the Alliance Française. She is a Founding Member of the Washington D.C. chapter of Chief, the only organization designed for senior women leaders to strengthen their leadership journey, cross-pollinate ideas across industries, and effect change from the top down. She is passionate about the environment, mentoring women, personal growth, and lifelong learning. She is also a Board member of Industrial Indicators.</p> </div> |
| <p>Age: 55</p> <p>Director Since: 2023</p> <p>Committee: Investment</p> <p>Key Skills:</p> <ul style="list-style-type: none"> • Senior Leadership & Business Operations • Financial Services Industry • Investment Management • Mortgage Industry <p>Other Current Boards: Industrial Indicators</p> | |

We are not aware of any family relationship among any director or executive officer; nor are we aware of any involvement of any director or executive officer, currently or in the past ten years, in any legal proceedings that would be material to an evaluation of the ability or integrity of any director or executive officer.

THE BOARD RECOMMENDS THAT THE SHAREHOLDERS VOTE FOR THE DIRECTOR NOMINEES LISTED ABOVE.



CORPORATE GOVERNANCE

OUR CORPORATE GOVERNANCE FRAMEWORK

The business and affairs of the Company are managed under the direction of the Board in accordance with the Virginia Stock Corporation Act and the Company's Articles of Incorporation and Amended and Restated Bylaws ("Bylaws"). Members of the Board are kept informed of the Company's business through discussions with the Chief Executive Officer and other officers, by reviewing materials provided to them, and by participating in meetings of the Board and its committees. The corporate governance practices followed by the Company, including with respect to environmental and social considerations, are summarized below.

OUR ENVIRONMENTAL, SOCIAL AND GOVERNANCE ("ESG") INITIATIVES

We believe that ESG practices and initiatives are important in sustaining and growing the Company. Our ESG practices seek to create value by improving the environment and the lives of our employees, shareholders, business partners, and the community and we recognize that understanding our efforts on ESG practices is increasingly important to those key relationships.

Our Board has formal oversight of our ESG strategies, policies, activities, and communications, including overseeing risk management related to the foregoing. The Board formally amended the Nominating Committee Charter in 2020 to memorialize the committee's primary oversight of our efforts in ESG strategies, policies, activities, and communications. Together, the Board and Nominating Committee monitor and assess our practices to work toward further ESG improvements.

A management committee oversees the ESG guidelines and the Company's measurable ESG goals as well as the implementation of the Sustainability Accounting Standards Board ("SASB") Conceptual Framework, which we adopted in 2020. The Company published its SASB disclosure in accordance with the Financials Sector standards of SASB on its website at www.dynexcapital.com.

The Company has historically operated in a partially-virtual environment, which helps limit its carbon footprint. In 2024, the Company is continuing to evaluate its governance practices to monitor its environmental impact.

We continue to search for opportunities in pursuit of the long-term success of our business and to enhance the communities where we operate through corporate giving, employee volunteering, human capital development, and environmental sustainability programs. Additional information regarding our efforts to implement environmental and social factors in the operation of our business is available in the Corporate Responsibility section of our website at www.dynexcapital.com. Nothing on our website and the information contained on, or that can be accessed through, our website referenced throughout this Proxy Statement, including, without limitation, our SASB disclosure in accordance with the Financials Sector standards of SASB, shall be deemed to be incorporated by reference herein unless indicated otherwise, and is not considered part of, this Proxy Statement.

The following are notable ESG policies we had in place as of December 31, 2023:



OUR ENVIRONMENTAL COMMITMENT

As an asset management and investment firm with approximately 22 employees, our business operations have a relatively modest environmental impact. However, energy conservation and environmental sustainability efforts are important to the Company.

Our corporate efforts to reduce our environmental impact include:

- Using specific green products for office cleaning and pest control;
- Recycling of paper and aluminum cans;
- Recycling of electronic equipment and ink cartridges;
- Use of energy certified laptops; and
- Eliminating single use plastics such as coffee pods, straws, utensils, and water bottles.



OUR SOCIAL COMMITMENT

Our primary social considerations and impacts relate to our investment activity, serving our community, and human capital management, all of which are critical to our success as an organization.

INVESTMENT ACTIVITY

We have been a leader for over 35 years in providing private capital to the U.S. housing finance system and in support of affordable housing in communities across the United States. Our business helps to enhance liquidity in residential and commercial real estate mortgage markets and, in turn, facilitate home ownership and affordable housing in the United States.

HUMAN CAPITAL MANAGEMENT

We strive to have highly engaged employees committed to looking out for each other and our shareholders. The Company views its employees as its most important asset and as the key to fulfilling our goals of making people's lives better, strengthening the communities we serve, and managing a successful business for the benefit of our stakeholders. Our human capital strategy is designed to create an environment where our employees can grow professionally and contribute to the success of the Company. We believe a supportive, collaborative, engaging, and equitable culture is key to attracting and retaining skilled, experienced, and talented employees as well as fostering the development of the Company's next generation of leaders.

DIVERSITY AND INCLUSION

We promote diversity within our workforce and believe diversity extends beyond gender, race, ethnicity, age or sexual orientation to include different perspectives, skills, and experiences and socioeconomic backgrounds. We hire based on qualifications and evaluate, recognize, reward and promote employees based on performance without regard to race, religion, color, national origin, disability, gender, gender identity, sexual orientation, stereotypes or assumptions based thereon. In addition, equity is fundamental to our philosophy of fair and equitable treatment. We regularly review and analyze our compensation practices and engage in ongoing efforts to ensure pay equity within all levels of employment.

We strive to maintain a corporate culture that is welcoming, inclusive and respectful to all. As of December 31, 2023, 50% of our employees were women or self-identified minorities.

HEALTH, SAFETY, AND WELLNESS

We strive to offer our employees a healthy work-life balance and an open environment in which they are encouraged to offer thoughts and opinions. Employees have a wide selection of resources available to protect their health, well-being, financial security, safety, and work-life balance, including an onsite gym, coverage of a substantial portion of their health insurance, and a competitive 401(k) Company match. We provide our employees with access to flexible, comprehensive and convenient medical coverage intended to meet their needs and the needs of their families. In addition to standard medical coverage, we offer employees dental and vision coverage, health savings and flexible spending accounts, paid time off, employee assistance programs, voluntary short-term and long-term disability insurance, term life insurance, and other benefits. We also offer flexible working arrangements to accommodate the individual needs of our employees.

EMPLOYEE DEVELOPMENT

Recognizing the vital role that human capital management serves in the long-term success of the Company, we have initiated a Human Capital Strategy Planning process, overseen by our Board, to formalize the process for management and development of employees. In addition to talent management and development initiatives, the Human Capital Strategy Planning process has included the following:

- development of organizational core values and a plan to integrate these values into a variety of human capital processes and practices;
- offering of a personal development program for employees;
- formalized process for determining current and future human capital requirements; and
- implementation of improved performance measures designed to better determine individual and team developmental needs.



OUR GOVERNANCE COMMITMENT

We believe good corporate governance is critical to achieving long-term shareholder value. We are committed to governance practices and policies that serve the long-term interests of the Company and its shareholders. Highlights of our governance practices include:

- Our Board represents a well-rounded and diverse combination of skills, knowledge, experience and perspectives.
- The Board regularly meets in executive sessions with its independent directors.
- All of the members of our key committees are independent.
- All three members of our Audit Committee qualify as “audit committee financial experts.”
- One-half of our directors are female.
- The Board currently has a Lead Independent Director.
- Incumbent directors up for re-election to our Board who fail to receive a majority of the votes cast in an uncontested election must tender their resignation for consideration.

- Our Board is fully declassified, and directors are elected annually.
 - Our directors are required to annually disclose commitments to other boards and must obtain prior approval before joining the board of another public company to prevent "overboarding".
 - Each share of our common stock has equal voting rights with one vote per share.
 - Our Board has adopted a Board Refreshment and Diversity Policy to (i) ensure a relevant, inclusive and diverse membership on the Board, (ii) provide the Board with the best combination of knowledge, skills, experience, and perspectives among its members (including with respect to gender, age, race, culture, and experience), and (iii) oversee and support our strategy for the future.
 - The Company has not established term limits for directors. Pursuant to its Board Refreshment and Diversity Policy, the Nominating Committee evaluates the qualifications and contributions of each incumbent director before recommending the nomination of such director for re-election.
 - We have succession plans for the CEO, completed our CFO transition in 2022, and are in the process of designing such plans for other senior management positions.
 - We are dedicated to thoughtful director succession planning.
 - The Company has not adopted a "poison pill" or other similar shareholder rights provisions in its governance documents.
 - Key risks are overseen by Board committees, including enterprise-wide risk management (Audit Committee), investment related risks (Investment Committee), executive compensation risks (Compensation Committee) and our ESG risks, strategies, policies, activities, and communications (Nominating Committee).
 - During 2023, our directors continued to be engaged, with 100% director attendance for Board and committee meetings.
 - The Company has a Code of Business Conduct and Ethics ("Code of Conduct") that applies to all of our employees, officers and directors and covers a wide range of business practices and procedures designed to foster the highest ethical standards in all business relationships. This policy covers, among other things, compliance with applicable laws, conflicts of interest, confidentiality, fair dealing, discrimination and harassment, health and safety, reporting of suspected violations, and enforcement of our Code of Conduct.
 - Our Whistleblower Policy provides a structured and formal process to facilitate confidential, anonymous submissions by employees of the Company and others with concerns or complaints regarding the Company's accounting, internal accounting controls, auditing matters or violations of the Company's Code of Conduct.
 - The Company has a robust compensation recoupment, or "clawback" policy.
 - Our Board and each of our key committees annually conduct a substantive self-evaluation.
 - We require that executives and directors own a meaningful amount of Company stock.
 - We prohibit our executive officers and directors from hedging and pledging Company stock.
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DIRECTOR INDEPENDENCE

The Board has adopted Corporate Governance Guidelines that set forth the practices of the Board with respect to its size, criteria for membership and selection to the Board, committees of the Board, meetings and access to management, director compensation, director orientation and continuing education, annual performance evaluation of the Board, director responsibilities, annual review of performance of the Chief Executive Officer, management succession and ethics and conduct. The Guidelines are available on the Company's website at www.dynexcapital.com under "Investor Center - Corporate Information - Corporate Governance." A printed copy is available to any shareholder upon written request to the Secretary of the Company, 4991 Lake Brook Drive, Suite 100, Glen Allen, Virginia 23060.

The Board in its business judgment has determined that Messrs. Crawford and Gray, Dr. Coronado, and Ms. Palmer are independent, and that Messrs. Hughes, Salcetti and Stevens were independent as defined by the New York Stock Exchange ("NYSE") listing standards. In reaching these conclusions, the Board considered whether the Company and its subsidiaries conduct business and have other relationships with organizations of which certain members of the Board or members of their immediate families are or were directors or officers. In addition, the Board considered all relevant facts and circumstances, including relationships that a director may have due to his or her status as an investor in an entity that may have a relationship with the Company.

As permitted by the NYSE, the Company's Corporate Governance Guidelines establish categorical standards under which, except with respect to members of the Audit Committee and the Compensation Committee, the following relationships between a non-employee director and the Company will not be considered material:

- if during any twelve-month period within the last three years, the director or any immediate family member of the director received \$120,000 or less in direct compensation from the Company, excluding director and committee fees and pension or other forms of deferred compensation for prior service (provided such compensation is not contingent in any way on continued service);
- if during each of the current fiscal year and three most recent fiscal years, the director is, or was, an executive officer or an employee (or has, or had, an immediate family member who is, or was, an executive officer) of another

company that made payments to, or received payments from, the Company for property or services in an amount which, in each of the last three fiscal years, did not exceed the greater of \$1 million or 2% of such other company's consolidated gross revenues; or

- if the director serves as an executive officer of a charitable organization to which the Company made charitable contributions that did not exceed the greater of \$1 million, or 2% of such charitable organization's consolidated gross revenues in each of the last three fiscal years.

None of the Company's directors, their immediate family members, or organizations in which they are a partner, shareholder or officer, are engaged in any material relationships with the Company, except Mr. Boston, who serves as Chief Executive Officer and Chairman of the Board and Ms. Popenoe who serves as President and Chief Investment Officer of the Company.

CODE OF BUSINESS CONDUCT AND ETHICS

The Board has approved our Code of Conduct for directors, officers and employees of the Company and each of its subsidiaries including the Company's Chief Executive Officer and Chief Financial Officer. The Code of Conduct addresses such topics as compliance with applicable laws, conflicts of interest, use and protection of Company assets, confidentiality, dealings with the press and communications with the public, accounting and financial reporting matters, fair dealing, discrimination and harassment and health and safety. It is available on the Company's website at www.dynexcapital.com under "Investor Center - Corporate Information - Corporate Governance." A printed copy of the Code of Conduct is available to any shareholder upon written request to the Secretary of the Company at the address set forth in the beginning of this Proxy Statement.

We intend to provide any required disclosure of an amendment to or waiver from the Code of Conduct that applies to our principal executive officer, principal financial officer, principal accounting officer or controller, or persons performing similar functions, on the Company's website at www.dynexcapital.com under "Investor Center - Corporate Information - Corporate Governance" promptly following the amendment or waiver. We may elect to disclose any such amendment or waiver in a report on Form 8-K filed with the SEC either in addition to or in lieu of the website disclosure.

BOARD AND COMMITTEE MEETINGS

The Board holds meetings throughout the year on various topics with some spanning over two days. In 2023, there were six meetings of the Board and eighteen committee meetings. Each incumbent director attended 75% or more of the total number meetings of the Board and of the committees on which he or she served during 2023, with 100% attendance.

Executive sessions where independent or non-management directors meet on an informal basis are held regularly without management participation. At least once a year, the Board schedules an executive session including only independent directors. Such sessions were generally chaired by the Chairperson of the Board, and following Mr. Boston's appointment to Chairman of the Board, are generally chaired by the Lead Independent Director, Dr. Coronado.

The Company encourages members of the Board to attend the annual meeting of shareholders. All of the then-serving directors attended the 2023 Annual Meeting of Shareholders, and we expect that all of the nominee directors will attend the 2024 Annual Meeting.

OUR BOARD LEADERSHIP STRUCTURE

Under the Company's Corporate Governance Guidelines, the Board has the responsibility to determine the most appropriate leadership structure for the Company, including whether it is best for the Company at a given point in time for the roles of Chairperson of the Board and Chief Executive Officer to be separate or combined.

At the present, the Board has determined that combining the roles of Chairperson of the Board and Chief Executive Officer is the most appropriate leadership structure. Mr. Boston is currently serving as Chief Executive Officer and Chairman of the Board. We believe that Mr. Boston's combined roles provide an effective bridge between the Board and senior management, creating strong, unified leadership. As Chairman, Mr. Boston's primary responsibilities include setting the agenda for Board meetings, chairing Board meetings, and participating in strategic planning efforts at the Company. Together with Ms. Popenoe, Director and Chief Investment Officer, he also provides updates to the remaining directors on important Company issues including business strategy, investment strategy, capital management, risk management and stakeholder management efforts.

Mr. Boston has in-depth knowledge of the Company and extensive industry experience from

his tenure as a director and from his working in the housing finance sector for most of his 40+ year career. This allows him to guide the Board's agenda in setting priorities for the Company and addressing the risks and challenges the Company faces, but with management insight into the execution of the Company's strategy. Dr. Coronado serves as the Lead Independent Director. Dr. Coronado assists with setting agendas, calling meetings of the independent directors and/or non-management directors as needed, and serving as the liaison between the independent directors and the Chairman. Mr. Boston and Dr. Coronado collaborate together, drawing upon their deep knowledge of the operations of the business and industry, to best serve the interests of the Company and ensure appropriate oversight. The Board periodically reviews the Company's corporate governance structure to ensure that it remains the most appropriate structure for the Company and its shareholders. As a result, although the Board has determined that the current structure works best for the Company at this time, the Board may implement another structure if deemed to be appropriate in the future.

BOARD OVERSIGHT OF RISK MANAGEMENT

The Company's executive officers are responsible for the day-to-day management of risks the Company faces, while the Board, as a whole and through its committees, has responsibility for the oversight of risk management. Directors are expected to devote sufficient time and apply themselves to understanding the Company's business and its significant risks. The Board has an Investment Committee that oversees the investment activities of the Company and the risks related to these activities. The Investment Committee regularly receives presentations from senior management regarding the Company's investment portfolio, its risk profile and its investment and risk management strategies. As part of that process, the Investment Committee oversees the Company's compliance with the Company's investment policy and investment risk policy, including notifying the Board if the risk limits are approached or exceeded. In addition, the Audit Committee oversees the Company's enterprise risk management program, which includes, among other items, non-investment related risks such as strategic risk, operational risk, reputational risk, and cybersecurity risk. In conducting this oversight, the Audit Committee reviews and discusses with management and the Company's risk and control personnel the Company's policies and practices with respect to risk assessment and risk management for all non-investment risks identified by management. The Audit Committee annually assesses cybersecurity

risk, which encompasses reviewing and discussing the risks identified by management and the Company's policies and practices in place to mitigate cybersecurity-related risks, and also receives periodic updates as necessary from management to keep the Board abreast of changes in any matter related to cybersecurity, including, but not limited to, results of control testing, employee training, cybersecurity insurance and new or emerging threats or risks. The Audit Committee also specifically reviews and discusses with management, the independent auditor, and risk and control personnel the risks related to financial reporting and controls on at least a quarterly basis. Additionally, the Compensation Committee reviews and discusses with management the extent to which the Company's compensation policies and practices create or mitigate risks for the Company. In addition, the Nominating Committee reviews and discusses with management the extent to which the Company's ESG policies and practices create or mitigate risks for the Company. The Company believes that its leadership structure promotes effective Board oversight of risk management as the Audit Committee, Compensation Committee, and Nominating Committee are each comprised solely of independent directors, and the Investment Committee is primarily comprised of independent directors and management of the Company. Each of the committees actively monitors the Company's policies and practices with respect to risk assessment and risk management, and the directors are provided with the information necessary to evaluate the Company's significant risks and strategies for addressing them. Although each committee is responsible for evaluating certain risks and overseeing the management of such risks, the entire Board is regularly informed through committee reports about such risks as well as through regular reports directly from the executive officers responsible for management of particular risks to the Company.

COMMUNICATIONS WITH THE BOARD

Any director, including the Chairperson of the Board, may be contacted by writing to such director c/o the Secretary of the Company at the address set forth in the beginning of this Proxy Statement. Communications to the non-management directors as a group may be sent to the Lead Independent Director of the Board c/o the Secretary of the Company at the same address. The Company promptly forwards, without screening, any correspondence addressed to a specified director to such director, and any correspondence addressed to the non-management directors as a group to the Lead Independent Director of the Board.

BOARD COMMITTEES

The Board has a standing Audit Committee, Compensation Committee, Nominating Committee and Investment Committee. Each of the Audit Committee, Compensation Committee and Nominating Committee operate pursuant to their respective written charters adopted by the Board, each of which is available at www.dynexcapital.com under "Investor Center - Corporate Information - Corporate Governance." Printed copies of the charters are available to any shareholder upon written request to the Secretary of the Company at the address set forth in the beginning of this Proxy Statement.

The following table sets forth the members of each committee and the number of meetings held by each committee during 2023. The Investment Committee meets between scheduled Board meetings as necessary when more frequent discussions of investment and related activities are warranted. A description of the principal responsibilities of the Audit, Compensation, and Nominating Committees follows.

| Name | Audit | Compensation | Investment | Nominating & Corporate Governance |
|--|-------|--------------|------------|-----------------------------------|
| Byron L. Boston | | | Chair | |
| Julia L. Coronado, Ph.D. ⁽¹⁾⁽³⁾ | | Chair | X | X |
| Alexander I. Crawford ⁽²⁾ | X | X | X | |
| Andrew I. Gray ⁽²⁾ | X | X | X | |
| Michael R. Hughes ⁽³⁾ | X | | X | X |
| Joy D. Palmer ⁽¹⁾ | Chair | | X | Chair |
| Smriti L. Popenoe | | | X | |
| Robert A. Salcetti ⁽⁴⁾ | X | X | X | |
| David H. Stevens ⁽⁵⁾ | | X | X | X |
| Number of meetings in 2023 | 5 | 5 | 4 | 4 |

(1) Dr. Coronado served as Chair of the Nominating and Corporate Governance Committee during 2023. Ms. Palmer was appointed as Chair in 2024.

(2) Messrs. Crawford and Gray were appointed to the Board in March of 2024 and did not participate in any of the 2023 meetings.

(3) Mr. Hughes was the Chair of the Investment Committee during the majority of 2023 until Mr. Boston became Chair in December.

(4) Mr. Salcetti served as the Chair of the Compensation Committee during the majority of 2023. Dr. Coronado was appointed as Chair in 2024.

(5) Mr. Stevens was Chair of the Compensation Committee until his passing in January 2024.

AUDIT COMMITTEE

The Audit Committee assists the Board in fulfilling the Board's oversight responsibility to the shareholders relating to the integrity of the Company's financial statements, the Company's compliance with legal and regulatory requirements, the qualifications, independence and performance of the Company's independent auditor, and the qualifications, independence and performance of the internal audit function. The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the work of the independent auditor engaged for the purpose of preparing or issuing an audit report or performing other audit, review or attestation services for the Company. The Audit Committee operates under a written charter last amended by the Board in February 2020.

The Board, in its business judgment, has determined that each of the members of the Audit Committee meet the independence and financial literacy standards and requirements of the NYSE and the SEC. The Board has also determined that Ms. Palmer (Chair) and Messrs. Gray and Crawford qualify as "audit committee financial experts" as defined by the SEC. For additional information regarding the Audit Committee, see "Audit Information - Audit Committee Report" beginning on page 60 of this Proxy Statement.

COMPENSATION COMMITTEE

The Compensation Committee performs the responsibilities of the Board relating to compensation of the Company's executive officers. The Compensation Committee's responsibilities include reviewing and approving corporate goals and objectives relevant to compensation of the Company's Chief Executive Officer, evaluating the Chief Executive Officer's performance annually in light of those goals and objectives and determining and recommending the Chief Executive Officer's compensation level to the independent directors based on this evaluation; reviewing and approving the compensation for executive officers, including their corporate goals and objectives; reviewing and discussing the Compensation Discussion and Analysis required by the rules of the SEC with senior management and based upon such review and discussion, recommending to the Board that the Compensation Discussion and Analysis be included in the Company's Annual Report on Form 10-K or proxy statement, as applicable; producing a Compensation Committee Report as required by the rules of the SEC to be included in the Company's annual proxy statement; overseeing an annual review of the Company's policies and practices of compensating its employees, including non-executive officers, as they relate to risk management practices and risk-taking incentives, and, based on the review, making any

changes to such policies and practices that the Committee deems appropriate; reviewing and approving any employment-related agreement or other compensation arrangement, or transaction with senior management; making recommendations to the Board with respect to annual and long-term incentive compensation and equity-based plans; administering the Company's equity-based, deferral and other compensation plans approved by the Board from time to time; monitoring compliance with the Company's stock ownership guidelines; reviewing any significant changes in the Company's tax-qualified employee benefit plans; and recommending to the Board for approval non-employee director compensation.

Under its charter, the Compensation Committee has authority to retain and terminate outside compensation consultants, including authority to approve the consultant's fees and other retention terms. The Compensation Committee engaged the services of Ferguson Partners Consulting L.P. ("FPC") as a compensation consultant to assist the Committee in determining appropriate compensation levels for the executive officers and provide recommendations for the executive compensation program framework, evaluate non-employee director compensation and provide recommendations regarding employment, severance and change in control policies and agreements. The Compensation Committee engaged FPC in 2023 to conduct a comprehensive update review of our executive compensation programs and non-employee director compensation.

The Compensation Committee has assessed the independence of FPC pursuant to SEC rules and concluded that the advice it receives from FPC is objective and not influenced by any relationships that would be viewed as conflicts of interest. See further discussion at "Executive Compensation - Compensation Discussion and Analysis" beginning on page 30 of this Proxy Statement.

The Compensation Committee operates under a written charter last amended by the Board in June 2018. The Board, in its business judgment, has determined that each of the members of the Compensation Committee meet the independence requirements and are otherwise eligible for compensation committee service as defined by the NYSE listing standards.

COMPENSATION COMMITTEE INTERLOCKS AND INSIDER PARTICIPATION

None of our current or former executive officers currently serve, or have served during the last year, as a member of our Compensation Committee or as a member of the board of

directors or compensation committee of any entity that has one or more executive officers serving as a member of our Board.

ANALYSIS OF RISK ASSOCIATED WITH COMPENSATION POLICIES AND PRACTICES

The Compensation Committee oversees an annual review of our compensation programs to determine whether such programs encourage excessive risk-taking by our employees. The most recent review was conducted in March 2024. Management and the Compensation Committee participated in the review, which included identification of the relevant compensation policies and practices, review of potential related risks, and analysis of risk-mitigating factors, including the Company's system of internal controls and oversight. The Compensation Committee determined that the potential risks arising from our compensation programs are not reasonably likely to have a material adverse effect on the Company. In making this determination, the Compensation Committee took into account the structure of our compensation programs, the amount of cash compensation available to employees in the form of base salary, the involvement of the Compensation Committee in setting compensation for executive officers and in particular for those individuals who can commit the Company's capital or who manage the Company's risk, and the oversight of the Board in monitoring certain risk tolerances and internal controls.

For additional information regarding the Compensation Committee, see "Executive Compensation - Compensation Discussion and Analysis" beginning on page 30 of this Proxy Statement.

NOMINATING & CORPORATE GOVERNANCE COMMITTEE

The Nominating Committee oversees the annual evaluation process of the directors, develops qualifications for director candidates, recommends to the Board persons to be nominated to serve as directors of the Company, periodically reviews and makes recommendations to the Board regarding the Company's strategies, activities, policies and communications regarding sustainability and other ESG matters and monitors developments in, and makes recommendations to the Board concerning, corporate governance practices. The Nominating Committee is responsible for reviewing annually, with the Chief Executive Officer, management succession planning and management development activities and strategies. The Nominating Committee operates under a written charter last amended by the Board in February 2020. The Board, in its business judgment, has

determined that each of the members of the Nominating Committee meet the independence requirements of the NYSE listing standards.

CRITERIA FOR BOARD MEMBERSHIP

The Nominating Committee considers candidates for the Board, including candidates recommended by shareholders (as described further below), based upon a number of criteria, including but not limited to the candidate's integrity, character, business experience, diversity, accounting and financial expertise, reputation, civic and community relationships, and knowledge and expertise in the Company's industry. The Nominating Committee also considers each candidate's commitment, diligence, education, business acumen, and ability to act in the interest of all shareholders, including whether the candidate may be impacted by any conflicts of interest. The Nominating Committee further considers each candidate's independence, as defined by the NYSE listing standards, as well as their time available to devote to Board duties and responsibilities. Consistent with its belief that the composition of the Board should reflect the diversity of the Company's employees, shareholders and other stakeholders, in September 2020, the Board adopted a Board Refreshment and Diversity Policy to guide the Nominating Committee and the Board with respect to Board member selection and refreshment. The policy is intended to ensure relevant, inclusive and diverse membership on the Board to provide the Board with the best combination of knowledge, skills, experience and perspectives (including with respect to gender, age, race, culture and experience) among its members, to oversee and support the Company's strategy for the future.

DIRECTOR NOMINATION PROCESS

The Nominating Committee utilizes a variety of methods for identifying and evaluating nominees for director, including the nomination of current directors for re-election. The Nominating Committee regularly assesses the appropriate size of the Board and whether any vacancies on the Board are expected due to retirement or otherwise. Pursuant to its Board Refreshment and Diversity Policy, in the event that vacancies are anticipated, or otherwise arise, the Nominating Committee will consider various potential candidates for director based on merit, expertise, skills, background and other qualities identified from time to time by the Board as being critical to the Company's future success. The Nominating Committee has developed a director skills matrix to guide it in the selection process. Candidates may also come to the attention of the Committee through current Board members, professional search firms, shareholders or other persons.

These candidates are evaluated by the Nominating Committee and may be considered at any point during the year.

While the Board has not adopted term limits for directors, under the Board Refreshment and Diversity Policy, directors may not stand for re-election after reaching age 75, unless an exception is approved by unanimous vote of the Board with a determination that, in light of all of the circumstances, the director's continued service is in the best interests of the Company and its shareholders. As noted above, consistent with our Board Refreshment and Diversity Policy, the Board values diversity in its broadest sense and seeks nominees with a complementary range of opinions, industry knowledge, experience, professions, skills, geographic representation and backgrounds and believes that a Board consisting of highly qualified directors from diverse backgrounds with a range of views, insights, perspectives and opinions leads to better decision-making and will be a benefit to the Company's shareholders and other stakeholders. The Nominating Committee does not assign specific weights to particular criteria and no particular criterion is necessarily applicable to all prospective nominees. However, the Nominating Committee considers the diversity characteristics (such as age, gender, race and ethnicity) of each director or director nominees and includes women and individuals from an ethnic minority background in the pool from which the Nominating Committee and the Board consider director candidates. Pursuant to its Board Refreshment and Diversity Policy, the Board aspires, over the long term, to increase its size to seven or more members, with women and individuals from an ethnic minority background representing at least 40% of the Board. The Company believes that the backgrounds and qualifications of the directors, considered as a group, should provide a significant composite mix of experience, knowledge, abilities, and diversity that will allow the Board to fulfill its responsibilities. The Nominating Committee recommends to the Board nominees as appropriate based on these principles.

The Board has concluded that each director nominee possesses the personal traits described above. In considering the director nominees' individual experience, qualifications, attributes and skills, the Board has concluded that the appropriate experience, qualifications, attributes and skills are represented for the Board as a whole and for each of the Board's committees. In addition, each director nominee possesses characteristics that led the Board to conclude that such person should serve as a director. The specific experience, qualifications, attributes and skills that the Board believes each director

nominee possesses are discussed under "Proposal One - Election of Directors" beginning on page 6. Please also see "Director Skills and Qualifications" beginning on page 8.

SHAREHOLDER RECOMMENDATIONS AND NOMINATIONS OF DIRECTORS

Shareholders entitled to vote for the election of directors may submit candidate recommendations for consideration by the Nominating Committee if the Company receives timely written notice, in proper form, for each such recommended director candidate. If the notice is not timely and in proper form, the Nominating Committee reserves the right to not consider the candidate. Whether the Nominating Committee considers the nomination of such candidate depends on the facts and circumstances of the nomination at that time.

Under the Company's Bylaws, a shareholder entitled to vote for the election of directors may directly nominate a candidate for election at the 2024 Annual Meeting of Shareholders if written notice of the shareholder's intent to nominate such person for election as director has been given, either by personal delivery or by certified mail, postage prepaid, to the Secretary of the Company and received by either (i) no later than December 28, 2024 and no earlier than September 29, 2024 ; or (ii) if the 2025 Annual Meeting is held more than 30 days before or after May 17, 2025, then no less than 90 days prior to the 2025 Annual Meeting. The notice must set forth (i) as to the shareholder giving the notice, (1) the name and address, as they appear on the Company's stock transfer books, of such shareholder, (2) a representation that such shareholder is a shareholder of record and intends to appear in person or by proxy at the meeting to nominate the person specified in the notice, (3) the class and number of shares of Company stock beneficially owned by such shareholder, and (4) a description of all arrangements or understandings between such shareholder and the nominee and any other person or persons pursuant to which the nomination is to be made by the shareholder; and (ii) as to the person whom the shareholder proposes to nominate for election as a director, (1) the name, age, business address and, if known, residence address of such person, (2) the principal occupation or employment of such person, (3) the class and number of shares of Company stock beneficially owned by such person, (4) any other information relating to such person that is required to be disclosed in solicitations of proxies for election of directors or is otherwise required by the rules and regulations of the SEC promulgated under the Securities Exchange Act of 1934, as amended (the "Exchange Act"), including a discussion of the specific experience, qualifications, attributes or skills that led to the conclusion that the nominee should serve as a director, and (5) the written consent of such

person to be named in the proxy statement as a nominee and to serve as a director if elected.

In addition to satisfying the foregoing requirements under the Company's Bylaws, to comply with the SEC's universal proxy rules, shareholders who intend to solicit proxies in support of director nominees other than the Company's nominees must provide notice that sets forth the information required by Rule 14a-19 under the Exchange Act (i) no later than March 18, 2025; or (ii) if the 2025 Annual Meeting is held more than 30 days before or after May 17, 2025, then no later than the later of 60 days prior to the 2025 Annual Meeting or the tenth day following the day on which the Company first publicly announces the date of the 2025 Annual Meeting.

BOARD EVALUATION PROCESS

The Board recognizes that a constructive evaluation process is an essential corporate governance tool to measure Board effectiveness. In accordance with the Company's Corporate Governance Guidelines and Board Refreshment and Diversity Policy, the Nominating Committee oversees an annual Board and committee self-evaluation process that involves each director completing detailed questionnaires designed to assess the performance of the Board as a whole and, separately, the performance of each of its committees and individual directors. The Nominating Committee reports its findings and conclusions to the Board, identifying any areas for improvement, and overseeing follow up when needed, including any need for Board refreshment to ensure the fit of the Board and individual Board members with the strategic objectives of the Company, as they change over time.

DIRECTORS' COMPENSATION

Director compensation is reviewed and approved by the Board based on recommendations of the Compensation Committee. The Compensation Committee reviews director compensation annually in an effort to determine if the Company pays competitive compensation to attract and retain highly-qualified directors.

As part of its engagement in 2023, FPC conducted a review of the Company's non-employee director compensation program compared to several peer companies with reasonably similar market capitalization and business strategy (the "2023 Review"). FPC determined in its analysis that the Company's non-employee director compensation was below the median of the selected peer group. In 2023, the Compensation Committee recommended, and the Board approved, an increase in non-employee director compensation

CORPORATE GOVERNANCE (CONTINUED)

to bring non-employee director compensation closer to the median compensation of a peer group reviewed by FPC. Effective July 1, 2023, each non-employee director received the following compensation for their services (prorated for 2023):

- an annual retainer of \$100,000, paid quarterly;
- an annual equity award in the amount of \$120,000, with shares determined based on the closing price of common stock on the date of grant, which is to be the first Friday following the annual meeting of shareholders;
- an additional annual retainer of \$25,000 for service as the Lead Independent Director of the Board (effective January 1, 2024);
- an additional annual retainer of \$30,000 for service as the Chairperson of the Audit Committee;
- an additional annual retainer of \$10,000 for service as the Chairperson of the Compensation Committee;
- an additional annual retainer of \$10,000 for service as the Chairperson of the Nominating Committee;
- an additional fee of \$5,000 for service as a member on any committee;

- an additional \$1,000 for each meeting of the Board attended above 15 meetings a year; and
- an additional \$1,000 for each meeting of a Board Committee attended as a member above 15 meetings per year.

In May 2023, each non-employee director received an annual equity award of restricted stock in the amount of \$100,000. The number of shares granted to each non-employee director totaled 9,217 shares, which was based on the closing price of the common stock on the date of grant, rounded up in the case of a fractional share. These stock awards were granted under the Company's 2020 Stock and Incentive Plan (the "2020 Plan") and generally vest at the end of one year. The Company's practice is to grant such shares as of the first Friday following each year's annual meeting of shareholders.

Directors are also reimbursed for expenses related to their attendance at Board or committee meetings.

For 2023, on average approximately 45% of Board compensation was in the form of equity awards.

The following table shows the compensation earned by each of the directors for service during 2023:

DIRECTOR COMPENSATION FOR 2023*

| Name ⁽¹⁾ | Fees Earned or Paid in | | All Other Compensation ⁽³⁾ | Total (\$) |
|--------------------------|------------------------|----------------------------------|---------------------------------------|------------|
| | Cash (\$) | Stock Awards ⁽²⁾ (\$) | | |
| Julia L. Coronado, Ph.D. | 104,130 | 100,004 | 12,420 | 216,554 |
| Michael R. Hughes | 155,652 | 100,004 | 12,420 | 268,076 |
| Joy D. Palmer | 115,326 | 100,004 | 12,420 | 227,750 |
| Robert A. Salcetti | 102,174 | 100,004 | 12,420 | 214,598 |
| David H. Stevens | 95,326 | 100,004 | 12,420 | 207,750 |

* Columns for "Option Awards," "Non-Equity Incentive Plan Compensation" and "Change in Pension Value and Non-qualified Deferred Compensation Earnings" have been omitted because they are not applicable.

(1) Mr. Boston, Chief Executive Officer and Chairman, and Ms. Popenoe, Chief Investment Officer, are not included in this table because they are executive officers of the Company. Mr. Boston's and Ms. Popenoe's compensation for service as executive officers is included in the Summary Compensation Table on page 45.

(2) The amounts in this column reflect the grant date fair value of grants of restricted stock to each listed director on May 19, 2023, under the Company's 2020 Plan, calculated in accordance with ASC Topic 718. The grant date fair value of the restricted stock is based on the closing price of the Company's common stock on the grant date. As of December 31, 2023, each of Messrs. Hughes, Salcetti, and Stevens, Dr. Coronado and Ms. Palmer held 9,217 shares of restricted stock.

(3) The amounts in this column reflect dividends paid in 2023 on unvested restricted stock held by the directors.

MINIMUM STOCK OWNERSHIP GUIDELINES FOR NON-EMPLOYEE DIRECTORS

We have established minimum stock ownership guidelines that require each non-employee director to maintain a minimum equity investment in our Company of five times the annual cash retainer fee paid to non-employee directors. Shares that count toward the minimum ownership level are shares owned individually or by the director's immediate family residing in the same household, shares held in trust for the benefit of the director or his or her family and unvested shares of restricted stock. Until the minimum ownership level is met, a non-employee director must retain 100% of the after-tax shares from the vesting of our common stock granted to the director as compensation.

The Compensation Committee reviews annually each non-employee director's compliance with the minimum stock ownership guidelines and may grant exceptions to these guidelines in special circumstances on a case-by-case basis.

EXECUTIVE OFFICERS

The following table provides information on the individuals serving as executive officers of the Company as of the date of this Proxy Statement.

| Name (Age) | Current Title | Business Experience |
|-------------------------|---|---|
| Byron L. Boston (65) | Chief Executive Officer and Chairman of the Board | Chairman since December 2023; Chief Executive Officer since 2014; Co-Chief Investment Officer from 2014 to December 2023; Chief Investment Officer from 2008 to 2014; President from 2012 to 2020; Director since 2012. |
| Smriti L. Popenoe (55) | President and Chief Investment Officer | President since December 18, 2020; Chief/Co-Chief Investment Officer since 2014; Chief Risk Officer of PHH Corporation between 2010 and 2013; Senior Vice President, Balance Sheet Management, of Wachovia Bank, from 2006 to 2009. |
| Robert S. Colligan (52) | Executive Vice President, Chief Financial Officer and Secretary | Executive Vice President, Chief Financial Officer and Secretary since 2022; Chief Financial Officer of Chimera Investment Corporation from 2013 to 2021. |

OWNERSHIP OF DYNEX STOCK

STOCK OWNERSHIP OF DIRECTORS AND EXECUTIVE OFFICERS

The following table sets forth information regarding the beneficial ownership of shares of common stock and preferred stock as of March 14, 2024, by: (a) each director of the Company, (b) each named executive officer of the Company, and (c)

all directors and executive officers of the Company as a group. Unless otherwise indicated, each person has sole investment and sole voting power with respect to the securities shown, and none of the shares are pledged. The business address of each director and named executive officer is the Company's principal address.

| Name | Common Stock | | Series C Preferred Stock ⁽¹⁾ | |
|---|--------------|---------------------------|---|---------------------------|
| | Shares | Percentage ⁽²⁾ | Shares | Percentage ⁽³⁾ |
| Byron L. Boston ⁽⁴⁾ | 682,705 | 1 % | — | — |
| Robert S. Colligan | 22,680 | * | — | — |
| Julia L. Coronado, Ph.D. ⁽⁵⁾ | 20,082 | * | — | — |
| Alexander I. Crawford ⁽⁶⁾ | — | * | — | — |
| Andrew I. Gray ⁽⁶⁾ | — | * | — | — |
| Joy D. Palmer ⁽⁵⁾ | 20,082 | * | — | — |
| Smriti L. Popenoe ⁽⁷⁾ | 136,924 | * | — | — |
| All directors and executive officers as a group (7 persons) | 882,473 | 1 % | 0 | * |

* Percentage of ownership is less than one percent of the outstanding shares.

For purposes of this table, beneficial ownership has been determined in accordance with the provisions of Rule 13d-3 of the Exchange Act under which, in general, a person is deemed to be the beneficial owner of a security if he or she has or shares the power to vote or direct the voting of the security or the power to dispose of or direct the disposition of the security, or if he or she has the right to acquire beneficial ownership of the security within 60 days ("presently exercisable"). For Mr. Colligan and Ms. Popenoe, this table does not include 56,002 and 222,352 shares underlying restricted stock units ("RSUs"), respectively, and 95,101 and 213,673 shares underlying the target number of performance-based stock units ("PSUs"), respectively, that were granted February 23, 2022, March 10, 2023, September 8, 2023, and March 8, 2024 but remain subject to vesting conditions for more than 60 days after March 14, 2024. For Mr. Boston, this table includes 262,002 shares underlying RSUs that were granted February 23, 2022, March 10, 2023, September 8, 2023, and March 8, 2024 because those units are not subject to any additional vesting conditions since he became retirement eligible in November 2023 and thus are presently exercisable; however, for Mr. Boston, this table excludes 290,224 shares underlying the target number of PSUs that were granted February 23, 2022, March 10, 2023, and March 8, 2024 because these units remain subject to vesting conditions for more than 60 days after March 14, 2024.

(1) The shares of Series C Preferred Stock are nonvoting except in very limited circumstances affecting the rights of the holders of such shares and are not convertible into common stock except in connection with certain change in control events.

(2) Each percentage is based on 59,129,820 shares of common stock issued and outstanding.

(3) Each percentage is based upon 4,460,000 shares of Series C Preferred Stock issued and outstanding.

(4) Amount includes 3,000 shares held in Mr. Boston's sons' accounts over which Mr. Boston shares voting and investment power and 3,398 restricted shares of common stock over which Mr. Boston does not have investment power until such shares vest.

(5) Amount includes 9,217 restricted shares of common stock over which the individual does not have investment power until such shares vest on May 19, 2024.

(6) Messrs. Crawford and Gray were appointed to the Board on March 6, 2024.

(7) Amount includes 4,780 shares of common stock held in Ms. Popenoe's spouse's IRA account over which Ms. Popenoe shares voting and investment power and 1,056 restricted shares of common stock over which Ms. Popenoe does not have investment power until such shares vest.

OWNERSHIP OF DYNEX STOCK

(Continued)

COMMON STOCK OWNERSHIP OF CERTAIN BENEFICIAL OWNERS

The following table sets forth information regarding the beneficial ownership of shares of common stock by persons or entities known by the Company to be beneficial owners of more than 5% of our voting securities as of March 14, 2024.

| Name and Address of Beneficial Owner | Amount and Nature of Beneficial Ownership | Percent of Class ⁽¹⁾ |
|---|---|------------------------------------|
| BlackRock, Inc. 50 Hudson Yards New York, NY 10001 | 5,132,117 shares ⁽²⁾ | 8.7% |
| The Vanguard Group 100 Vanguard Blvd. Malvern, PA 19355 | 3,001,048 shares ⁽³⁾ | 5.1% |

(1) Percentage is based on 59,129,820 shares of common stock issued and outstanding.

(2) Based solely on information as of December 31, 2023 contained in Amendment No. 4 to Schedule 13G filed with the SEC on January 24, 2024 by BlackRock, Inc. (the "Schedule 13G"), including notice that it has sole investment power as to 5,132,117 shares of common stock and sole voting power as to 5,050,049 shares of common stock. These shares may be owned by one or more of the following entities controlled by BlackRock, Inc.: Aperio Group, LLC, BlackRock Advisors, LLC, BlackRock Fund Advisors (which beneficially owns 5% or more of the outstanding shares of the Company's common stock), BlackRock Institutional Trust Company, National Association, BlackRock Asset Management Ireland Limited, BlackRock Financial Management, Inc., BlackRock Asset Management Schweiz AG, BlackRock Investment Management, LLC, BlackRock Investment Management (UK) Limited, BlackRock Asset Management Canada Limited, and BlackRock Fund Managers Ltd.

(3) Based solely on information as of December 31, 2023 contained in Schedule 13G filed with the SEC on February 13, 2024 by The Vanguard Group, including notice that it has sole investment power as to 2,915,882 shares of common stock.

DELINQUENT SECTION 16(a) REPORTS

Section 16(a) of the Exchange Act requires our directors, executive officers and persons who own more than 10% of the outstanding shares of common stock to file with the SEC reports of ownership and changes in ownership of common stock on Forms 3, 4 and 5 with the SEC and the NYSE. Based solely on a review of the copies of such reports filed with the SEC and written representations from our directors and executive officers that no other reports were required, we believe that our directors and executive officers complied with all such reporting requirements during 2023, except as follows: due to an inadvertent administrative error, the Form 4s for restricted stock units granted September 8, 2023 to Mr. Boston and Ms. Popenoe were filed one day late on September 13, 2023.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS

This Compensation Discussion and Analysis provides an overview of the Company's executive compensation program, including a description of the Company's compensation philosophy and objectives and a discussion of the material elements of compensation awarded to, earned by or paid to the Company's named executive officers for 2023. The Company had three executive officers for 2023, who are referred to in this Proxy Statement as our "named executive officers" (or "NEOs") and are listed below with their current titles:

Byron L. Boston, Chief Executive Officer and Chairman of the Board

Smriti L. Popenoe, President and Chief Investment Officer

Robert S. Colligan, Executive Vice-President and Chief Financial Officer

EXECUTIVE SUMMARY

Our pay-for-performance philosophy and key principles of our executive compensation program aligned with our performance objectives for the 2023 fiscal year. As discussed further below, along with a competitive base salary, the Company provides annual incentives through an annual cash incentive plan (the "Cash Incentive Plan") and long-term incentives through a separate long-term equity incentive program (the "Long-Term EIP"), which are structured to incentivize the Company's executive officers to achieve corporate and individual objectives and align their interests with those of our shareholders, in the near term and over the longer term, respectively.

For the annual performance period ended December 31, 2023, Messrs. Boston and Colligan and Ms. Popenoe earned a combined \$5.2 million in incentive compensation under the Cash Incentive Plan compared to a combined \$3.6 million earned for the annual performance period ended December 31, 2022.

The \$5.2 million cash incentive compensation earned for the annual performance period ended December 31, 2023, amounted to an achievement of 63% of the \$8.3 million maximum incentive compensation available to our executive officers under the Cash Incentive Plan for 2023.

Consistent with the Compensation Committee's goal of having a clear framework that provides for variable compensation that aligns the Company's incentive compensation with Company performance and shareholder value, these

incentive compensation awards were determined by the Compensation Committee based on an evaluation of corporate and individual performance for the annual performance period ended December 31, 2023 compared to specific quantitative and qualitative objectives established by the Compensation Committee pursuant to the Cash Incentive Plan. The above target achievement of the annual incentive compensation under the Cash Incentive Plan for our NEOs was a result of the performance of the Company during 2023 relative to financial targets as well as achievement of strategic objectives.

Amounts awarded to the executive officers under the Long-Term EIP in 2023 consisted of RSUs that vest over three years from the grant date and PSUs that are earned based on the Company's total economic return over the three-year period ending December 31, 2025. The grant date fair value of the RSUs granted in 2023 was \$1.3 million in the aggregate, and the grant date fair value of the PSUs granted in 2023 was \$1.9 million in the aggregate.

COMPENSATION COMMITTEE

The Compensation Committee is responsible for the development, oversight and implementation of our compensation program for our executive officers. The Compensation Committee consists entirely of non-employee, independent members of our Board and operates under a written charter approved by the Board.

Information on the Compensation Committee's processes and procedures for the consideration and determination of executive and director compensation is included under the captions "Corporate Governance and the Board of Directors - Committees of the Board - Compensation Committee" and "- Directors' Compensation."

COMPENSATION OBJECTIVES AND PHILOSOPHY

Our executive compensation program is designed to attract, motivate and retain highly skilled employees who will manage the Company in a manner to:

- preserve our capital;
- generate positive economic return to our shareholders in the form of dividends, book value stability and potential growth;
- advance the interests of our shareholders; and
- maintain a culture of integrity and ensure that our compensation practices do not promote or motivate excessive risk taking by our employees.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

We incorporate a pay-for-performance philosophy in our compensation programs by linking incentive compensation to our operating performance and the attainment of financial, operational, and strategic objectives. We also actively promote the ownership of Company stock by our executive officers, including formal stock ownership guidelines and maintaining a compensation program focused on time-based, and performance-based, vesting equity awards.

The Compensation Committee understands that the specialized nature and complexities of the Company's business, and in particular its investment, financing, capital and risk management activities and REIT structure, require individuals with unique experience and skills. The Compensation Committee also understands the potential volatility in the Company's performance given its use of leverage in its business model and the Company's exposure to macroeconomic conditions, interest rates, monetary policy (globally but especially in the U.S.), regulatory policy, fiscal policy, and global geopolitics. The Company is also exposed to general market conditions for our investments which may impact their value and performance. Many factors affecting Company performance are beyond our control, and the Compensation Committee has established a compensation program and performance criteria that accounts for the potential volatility of the Company's results on a year-to-year basis.

Executive Compensation Practices. The following highlights certain of the Company's executive compensation and governance practices that we use to drive performance and serve our shareholders' long-term interests:

Our pay practices include:

- ☑ **Performance-Based Pay**— Our compensation program is structured to align the interests of our executive officers with the interests of our shareholders and, as a result, the majority of total compensation is tied to Company performance including absolute and relative economic return over both short- and long-term time horizons, except in the case of separation benefits.
- ☑ **Meaningful Stock Ownership Requirements**— All of our executive officers are subject to meaningful stock ownership requirements that require the retention of a dollar value of the Company's stock based on a multiple of base salary.
- ☑ **Annual Risk Assessment**—Our Compensation Committee conducts an annual

risk assessment of our compensation programs.

- ☑ **Independent Compensation Consultant**—Our Compensation Committee periodically engages with an independent compensation consultant.

Our pay practices do not include:

- x **Tax Gross-Ups**— We provide no tax gross-ups.
- x **Pledging of Owned Shares**—We prohibit our employees and directors from pledging their owned shares.
- x **Derivatives Trading and Hedging**—We prohibit our employees and directors from engaging in any derivatives trading or hedging transactions associated with their holdings of Company stock.

Program Design. Our compensation program is designed to provide levels of compensation that are competitive and also reflective of both the Company's and the individual's performance in achieving our goals and objectives. The Compensation Committee seeks to establish competitive compensation practices that provide a mix of short-term and long-term incentive compensation that strikes a balance between recognition of recent performance and aligning the interests of management on a longer-term basis with that of the Company's shareholders. Further, it is the intent of the Compensation Committee, and executive management, that this compensation philosophy be applied throughout the organization and that the types of compensation and benefits described herein provided to the executive officers generally be provided to substantially all employees of the Company, with the exception of RSUs and PSUs (generally time-based restricted stock awards vesting over three years are awarded to non-executives). The Compensation Committee also believes that it is important to pay a meaningful amount of incentive compensation in equity in order to align executive compensation with shareholder performance, as reflected in the 2023 grants under the Long-Term EIP.

Pay-for-Performance. The primary elements of our compensation program are base salary, annual performance-based cash incentive compensation, long-term time-based and performance-based equity compensation, and to a lesser extent, other benefits or agreements. These components of executive compensation are used together in an attempt to strike an appropriate balance between cash and stock-based

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

compensation, between short-term and long-term incentives and between guaranteed and variable compensation.

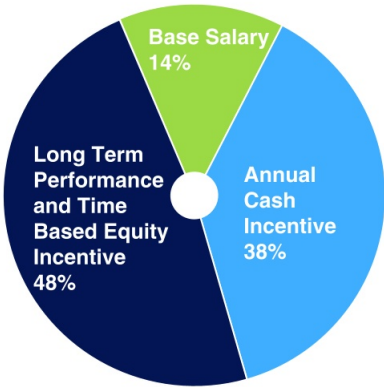
As part of our pay-for-performance compensation philosophy, we expect a meaningful portion of an executive officer's total compensation to be variable, tied to our annual and long-term performance and the creation and protection of shareholder value, and subject to ongoing employment at the Company. We believe that incentive compensation should be dependent upon corporate and individual performance for the applicable performance period, including the achievement of identified goals as they pertain to our financial performance and operations for which the executive officer is personally responsible and accountable.

In addition, by historically paying a significant portion of incentive compensation in equity, the Company also ensures a focus on longer-term performance objectives by aligning a portion of executive compensation to the Company's long-term performance, as reflected in dividends paid and changes in book value per common share.

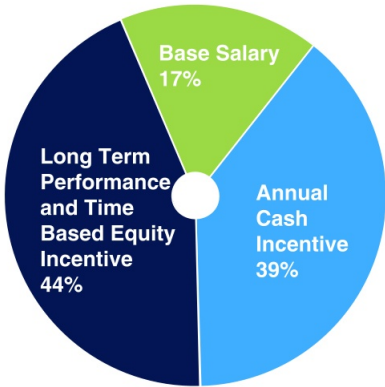
Shareholder Alignment. An important consideration for the Compensation Committee is the alignment of management compensation with shareholder interests. This includes the pay-for-performance concepts discussed above such as total economic return. This concept is also incorporated in the pay structure for our executives, including a substantial portion of targeted compensation (defined as base salary, target annual cash incentive opportunity and long-term equity grants) to be paid in Company stock.

As indicated in the charts below, for 2023, approximately 86% of the Chief Executive Officer's targeted compensation and approximately 83% of the average of Ms. Popenoe's and Mr. Colligan's targeted compensation is directly linked to performance objectives. The Compensation Committee believes that having a significant portion of compensation tied directly to the value of the Company's equity and return on equity are critical to ensuring the appropriate alignment with the interests of the Company's shareholders.

CEO 2023 Compensation



Other NEO 2023 Average Compensation



EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

COMPANY PERFORMANCE HIGHLIGHTS

| | 2023 | 2022 | 2021 |
|--|------------------|------------------|----------------|
| Net (loss) income to common shareholders (GAAP) | (\$13.8 million) | \$135.5 million | \$90.9 million |
| Comprehensive income (loss) to common shareholders (GAAP) | \$9.0 million | \$(52.6) million | \$17.4 million |
| Earnings available for distribution (EAD) to common shareholders (non-GAAP) ⁽¹⁾ | (\$52.6 million) | \$44.2 million | \$64.1 million |
| Net (loss) income to common shareholders per common share (GAAP) | (\$0.25) | \$3.19 | \$2.79 |
| EAD to common shareholders per common share (non-GAAP) ⁽¹⁾ | (\$0.96) | \$1.04 | \$1.97 |
| Dividends declared per common share | \$1.56 | \$1.56 | \$1.56 |
| Total economic return to common shareholders ⁽²⁾ | 1.0% | (9.4)% | 2.5% |
| Return on equity – GAAP ⁽³⁾ | (1.7)% | 17.7% | 14.6% |
| Total common shareholder return ⁽⁴⁾ | 12.0% | (15.4)% | 2.3% |
| Book value per common share, period end | \$13.31 | \$14.73 | \$17.99 |

(1) "Earnings available for distribution to common shareholders" is a non-GAAP measure. A reconciliation to the GAAP measure "comprehensive income to common shareholders" is provided in the Company's [Annual Report on Form 10-K](#) for the year ended December 31, 2023 on page 36.

(2) Calculated as the sum of (i) dividends declared on common stock and (ii) change in book value per common share for the period, divided by (iii) beginning book value per common share.

(3) Calculated as (i) net income per common share divided by (ii) beginning book value per common share.

(4) Source: Bloomberg. Assumes dividends are reinvested.

HOW EXECUTIVE PAY LEVELS ARE DETERMINED

The Compensation Committee annually reviews our executive compensation program and its elements. All decisions by the Compensation Committee relating to the compensation of our executive officers are reported to the full Board and, in the case of the Chief Executive Officer's compensation, are approved by the independent directors. The Compensation Committee periodically solicits input from FPC and management for information related to peer company compensation and performance. The Compensation Committee also reviews management's calculations of the achievement of quantitative performance metrics and management's observations with respect to the achievement of qualitative performance goals.

In determining the compensation of our executive officers, the Compensation Committee evaluates total overall compensation (for our executive officers as well as our entire employee base), as well as the mix of salary and incentive compensation, using a number of factors including the following:

- historical cash and equity compensation levels;
- the financial performance of the Company primarily as measured by changes in book value per common share and total economic return (defined as dividends per share and the change in book value per common share divided by beginning book value per common share);
- the operating performance of the Company;
- the performance of the executive officers, as determined by Mr. Boston and reviewed by the Compensation Committee in the case of the executive officers other than Mr. Boston, and as determined by the Compensation Committee and recommended to the independent directors in the case of Mr. Boston; and
- comparative industry and market data.

With respect to comparative industry data, with assistance from management, and in some years FPC, the Compensation Committee periodically reviews executive salaries, compensation structures and the financial performance of

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

comparable companies in a designated peer group recommended by FPC. The peer group used for comparison purposes may change from year to year but focuses principally on internally managed public mortgage REITs that have a similar market capitalization and/or have a similar business to ours or that are similar to the Company in asset management and investment complexity.

During 2023, the Compensation Committee engaged FPC to examine market compensation practices among comparably sized companies and real estate financed-focused REITs to assist in updating the compensation program for the Company's executive officers. The Compensation Committee with input from FPC developed a peer group that includes real estate finance companies, that are similar to us based on business strategy, asset class focus, and size and the executives of which are required to have similar skills and experience as our executives. The Compensation Committee focused on developing a peer group comprised of between 5 and 10 companies that have comparable market capitalization within a range and are either direct competitors with us or who otherwise are industry-relevant. The Compensation Committee determined to exclude externally-managed mortgage REITs from our peer group due to the limited publicly available comparative compensation data for their executives. In advance of undertaking the compensation review, FPC worked with the Compensation Committee and the Company to arrive at a set of peer mortgage REITs, both commercial and residential, which have been used for compensation comparison purposes. The peer group consisted of Chimera Investment Corporation, Granite Point Mortgage Trust, Hannon Armstrong, MFA Financial Inc, New York Mortgage Trust, Pennymac Mortgage Investment Trust, Redwood Trust, and Two Harbors Investment Corporation.

The results of FPC's review were provided to the Compensation Committee in June 2023, and the Compensation Committee incorporated certain of the recommendations in considering base salary adjustments for executive officers and in designing executive compensation programs for 2023. FPC used information available from proxy statements filed in 2023 which covered executive compensation for the three years ended December 31, 2022.

The peer group data is intended to provide the Compensation Committee with insight into market pay levels, market trends, governance practices, and industry performance. The compensation analysis for each peer group combined to provide an overview of typical compensation components

(e.g., base salaries, annual bonuses and long-term equity incentives), as well as the range of compensation levels by position, in each case, generally found within the relevant peer group.

The Compensation Committee continues to use the peer group for evaluating market compensation practices, updated, as necessary, to exclude companies that were acquired. The Compensation Committee uses peer group data for informational purposes and to assess the competitiveness of each NEO's overall compensation, which is one aspect of the Compensation Committee's decision-making process.

2023 SAY ON PAY VOTE

The Compensation Committee values the input of our shareholders regarding the design and effectiveness of our executive compensation program. At the 2023 Annual Meeting of Shareholders, the Company asked its shareholders to vote to approve, on an advisory basis, the Company's executive compensation. Although the advisory shareholder vote on executive compensation was non-binding, the Compensation Committee has considered, and will continue to consider, the outcome of this vote when making compensation decisions for our Chief Executive Officer and other executive officers. Approximately 92% of the shareholders who voted on the "say-on-pay" proposal at the 2023 Annual Meeting of Shareholders approved the compensation of our NEOs, which was viewed as strong support from shareholders of the existing design of our executive compensation programs. Nonetheless, because market practice and our business needs continue to evolve, the Compensation Committee continually evaluates our compensation program.

COMPENSATION DECISIONS MADE IN 2023

The elements of our compensation program for 2023 included base salary, annual incentive compensation paid in cash and RSUs and PSUs granted under our Long-Term EIP and 2020 Plan. As a result of FPC's review conducted in June 2023, Mr. Boston and Ms. Popenoe received salary increases, and each were each granted RSUs with a market value of \$1.5 million in September 2023. Mr. Boston's, Ms. Popenoe and Mr. Colligan's equity targets were increased which will impact grants made in 2024. These changes were made to bring their total compensation package in line with current market pay levels at peer companies. We also provide certain retirement benefits through our 401(k) Savings Plan and health and welfare benefits, including participation in our health, dental and vision plans

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

and various insurance plans, such as disability and life insurance, as well as certain other benefits.

Each of the principal components of executive compensation is designed to reward and provide incentives to the executive officers consistent with our overall policies and principles on executive compensation. These components and the rationale and methodology for each are described below. Specific information on the amounts and types of compensation earned by each of the NEOs during 2023 can be found in the Summary Compensation Table and other tables and narrative disclosures following this discussion.

Base Salary. Our base salary philosophy is to provide reasonable current income to our executive officers in amounts that will attract and retain individuals with a broad, proven track record of performance. The Compensation Committee establishes the annual salary for executive officers other than our Chief Executive Officer, and recommends our Chief Executive Officer's base salary to the independent directors for approval. In determining salaries, the Compensation Committee balances the need to offer salaries that are competitive with peer companies with the need to maintain careful control of salary and benefits expense, particularly relative to our size and market capitalization.

Ms. Popenoe's base salary was increased to \$800,000, effective July 1, 2023. The independent directors determined Mr. Boston's base salary would increase to \$900,000 effective July 1, 2023. The Compensation Committee concluded the increases were warranted based on a review completed by FPC at the request of the Compensation Committee of 2022 compensation data available for the peer group. The adjustments were made to move Ms. Popenoe and Mr. Boston closer to the median salary for the peer group based on the analysis reviewed by the Compensation Committee. Mr. Colligan's base salary was set at an annualized rate of \$500,000 when he joined the Company in July 2022 and remained the same for 2023.

The following table presents the actual base salary earned for each of our NEOs for 2023 and 2022 and the annual salary in effect as of January 1, 2024 for each of our NEOs:

| Name | Base Salary | | |
|--------------------|-------------|-----------|-----------|
| | 2024 | 2023 | 2022 |
| Byron L. Boston | \$900,000 | \$850,000 | \$800,000 |
| Smriti L. Popenoe | \$800,000 | \$750,000 | \$700,000 |
| Robert S. Colligan | \$500,000 | \$500,000 | \$500,000 |

Annual Cash Incentive Compensation. The Cash Incentive Plan, which became effective as of January 1, 2020, begins each January 1 and is an annual bonus plan, paid solely in cash, with a target incentive opportunity for the executive officers set forth in the table below. The plan uses a mix of quantitative and qualitative objectives with a combination of fixed and variable weightings for the metrics selected. The Compensation Committee views the Cash Incentive Plan as a clearly established cash incentive compensation framework for executive officers that is appropriately aligned with the interests of shareholders. The Compensation Committee believes that the Cash Incentive Plan's inclusion of performance metrics that incent management to create shareholder value, including absolute and relative book value per common share, capital growth, expense management and other qualitative and strategic metrics are important to the Company's incentive compensation objectives. Incentive compensation under the Cash Incentive Plan is designed to be performance based and is not guaranteed to be paid in any year.

Individuals serving as executive officers each year are eligible to participate in the Cash Incentive Plan. For 2023, the participants were Messrs. Boston and Colligan and Ms. Popenoe, each of whom is a NEO.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

The table below summarizes the target and maximum incentive opportunities granted to our executive officers under the Cash Incentive Plan for 2023 as percentages of base salary as of December 31, 2023:

| | 2023 Base Salary | Incentive Opportunity as a % of Base Salary | | |
|--------------------------|------------------|---|--------|---------|
| | | Minimum | Target | Maximum |
| CEO | \$ 900,000 | 0% | 200% | 400% |
| President ⁽¹⁾ | 800,000 | 0% | 200% | 400% |
| EVP | 500,000 | 0% | 150% | 300% |

(1) The target and maximum incentive opportunity as a percentage of base salary was increased from 175% and 350%, respectively, to the amounts shown for President as a result of Ms. Popenoe's amended employment agreement effective October 27, 2023.

Bonuses under the Cash Incentive Plan are based on the achievement of the following performance goals, weighted as follows:

| Metric | Weighting (of incentive opportunity) |
|--------------------------------------|--------------------------------------|
| Absolute Book Value Performance | 0-27.5% |
| Relative Book value per common share | 0-27.5% |
| Capital Raising | 0-10% |
| Expense Management | 0-5% |
| Corporate/individual objectives | 0-30% |

At the beginning of each year, the Compensation Committee establishes the weightings and the minimum, target and maximum performance targets for the Cash Incentive Plan goals, including the corporate and individual objectives and related weightings for each participant for the annual performance period. The corporate/individual objectives may be different for each participant and may consist of quantitative or qualitative Company or individual goals, including but not limited to: annual and/or longer-term performance versus a benchmark and/or a select group of peers; general and administrative expense efficiency ratio; attainment of Company strategic objectives; and attainment of personal objectives.

To determine each participant's cash incentive bonus earned, after the end of each annual performance period, the Compensation Committee determines the level of performance achieved with respect to each of the performance goals. Performance with respect to the corporate/individual objectives is determined by the Compensation Committee in its good faith discretion in accordance with the criteria previously established. Each participant's bonus amount under the Cash Incentive Plan will be equal to the performance level achieved for the relevant performance goal, multiplied by the relevant weighting for such goal, multiplied by the participant's target incentive opportunity percentage, multiplied by the participant's applicable base salary amount.

The following table shows the performance metrics/objectives for the Cash Incentive Plan for 2023, as well as the weightings of these objectives, the minimum, target and maximum performance targets for each objective, and the achievement against each objective on a gross and weighted average basis. The Compensation Committee approved the same individual objectives for each participant in the Cash Incentive Plan. The Compensation Committee reviewed the corporate and individual performance of Messrs. Boston, Colligan and Ms. Popenoe, and bonus payouts were determined under the Cash Incentive Plan based on their achievement of the performance goals.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

Annual Cash Incentive Plan for 2023

| Performance Metric/Objective | Weighting | Performance Target | | | Value Achieved | Percentage of Target Achieved | Weighted Average Percentage Achieved |
|--------------------------------------|-----------|--------------------|------------|------------|----------------|-------------------------------|--------------------------------------|
| | | Minimum | Target | Maximum | | | |
| Absolute book value per common share | 27.5% | (10.0)% | — % | 10.0 % | (9.6)% | 4.0 % | 1.1 % |
| Relative book value per common share | 27.5% | 30 % | 55 % | 80 % | 86 % | 200.0 % | 55.0 % |
| Corporate/Individual Objectives: | | | | | | | |
| Capital raising | 10.0% | \$ 50,000 | \$ 100,000 | \$ 150,000 | \$ 42,626 | — % | — % |
| Expense Management | 5.0% | \$ (500) | \$ (1,000) | \$ (1,500) | \$ (1,746) | 200.0 % | 10.0 % |
| Strategic objectives ⁽¹⁾ | 30.0% | — % | 100.0 % | 200.0 % | N/A | 200.0 % | 60.0 % |
| TOTALS | 100.0% | | | | | | 126.1 % |

(1) With respect to the 2023 strategic objectives under the Cash Incentive Plan, the Compensation Committee evaluated performance on a scale of 0% (minimum) to 200% (maximum) based on performance criteria determined by the Compensation Committee at the beginning of 2023.

The strategic objectives for the executives for 2023 are summarized as follows:

- **Risk Management Strategy**—Continue to mature the Company's processes of monitoring, managing, evaluating and reporting enterprise-wide risk; evaluate and articulate the operating environment as a foundation for strategy with robust scenario planning in the process;
- **Regulatory Strategy**—Government Policy will be a major driver of returns. Continue to refine strategies to stay ahead of policy and regulatory changes through existing and new relationships;
- **Debt/Equity Capital Strategy**—Evolve capital strategy to the environment, adjusting the focus and improving the capital decision-making framework, including capital alternatives and dividend strategy, while further expanding the network of relationships for issuance and end-investors;
- **Marketing/Communication Strategy**—Broaden the investor base through increased outreach and relationship expansion; continue building Dynex's industry presence and brand as a thought leader using targeted media efforts;
- **Operational Strategy**—Assess operational risk and consider service providers that could enhance the overall control environment of the

Company. Optimize financial systems platforms and integration as well as efficient and effective use of the physical office space.

- **Human Capital Strategy**—Develop and implement succession plans across key functions of the organization; implement processes to ensure talent retention, employee satisfaction and a thriving culture that reflects Dynex's values; continue talent management with development opportunities and training for professional and personal growth.

The Compensation Committee reviewed the individual performance of Messrs. Boston and Colligan and Ms. Popenoe with respect to their contributions to meeting these strategic objectives for 2023 and, in addition, the performance of their responsibilities during 2023 as Chief Executive Officer; Executive Vice-President, Chief Financial Officer and Secretary; and President and Chief Investment Officer, respectively. The Compensation Committee noted that the Company's overall performance for the year relative to its strategic objectives was outstanding, particularly given the challenges facing the industry in 2023. The Compensation Committee also noted that the executive officers' efforts with respect to growing the Company's capital base, understanding the macroeconomic environment, and executing on risk management efforts were critical to the overall success of the Company in 2023. Overall, the Compensation Committee felt that management had exceeded expectations for the 2023 strategic objectives by achieving the following:

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

- Actively managed the investment portfolio, risk and liquidity position, protecting the Company's capital base. A strategic communication plan covering market, operational, and regulatory risk was utilized in the midst of geopolitical events and a dynamic macroeconomic environment;
- Actively managed the Company's capital structure, leading to growth in the Company's capital base and improvement in market liquidity;
- Continuing to actively cultivate relationships with regulators and other market participants to monitor both domestic and international policies; helped to ensure the Company's and the industry's voice in the development of regulatory policy, where practical;

- Expanded marketing efforts to include media appearances and digital media as well as more in person meetings with current and potential investors; expanded the Company's reach to potential new target investor markets; invested time with the Analyst community to discuss financial metrics in light of interest rate volatility and an inverted yield curve; and
- Implemented a new operating model for more frequent goal setting and accountability. Focused employee training on market, technical and personal development topics in 2023.

The table below summarizes the amounts earned under the Cash Incentive Plan:

Annual Cash Incentive Plan for 2023

| Metric | Weighted Average Percentage of Target Achieved | Byron L. Boston | Smriti L. Popenoe | Robert S. Colligan |
|-------------------------------------|--|-----------------|-------------------|--------------------|
| Base Salary as of December 31, 2023 | | \$ 900,000 | \$ 800,000 | \$ 500,000 |
| Target incentive bonus % | | 200% | 200% | 150% |
| Target incentive bonus | | \$ 1,800,000 | \$ 1,600,000 | \$ 750,000 |
| Maximum incentive bonus % | | 400% | 400% | 300% |
| Maximum incentive bonus | | \$ 3,600,000 | \$ 3,200,000 | \$ 1,500,000 |
| Annual Cash Bonus Earned | 126.1% | \$ 2,269,800 | \$ 2,017,600 | \$ 945,750 |

The actual amounts earned by Messrs. Boston and Colligan and Ms. Popenoe were paid in 2024 and are reported as "Non-Equity Incentive Plan Compensation" for 2023 in the Summary Compensation Table on page [45](#).

LONG-TERM EQUITY INCENTIVE COMPENSATION.

Long-Term EIP. The Long-Term EIP for 2023 consists of grants of time-based RSUs and grants of performance-based PSUs with a three-year performance period.

Following FPC's recommendation that the target Long-Term EIP value should approximate the Cash Incentive Plan targets each year, the Compensation Committee determined the following values for the 2023 Long-Term EIP awards for each executive officer, allocating 60% to PSUs and 40% to RSUs:

| | 2023 Long-Term EIP Value ⁽¹⁾ | % of 2023 Base Salary | Target # of PSUs ⁽²⁾ | # of RSUs ⁽²⁾ |
|--------------------|---|-----------------------|---------------------------------|--------------------------|
| Byron L. Boston | \$ 1,600,000 | 200 % | 71,732 | 47,821 |
| Smriti L. Popenoe | 1,225,000 | 175 % | 54,920 | 36,613 |
| Robert S. Colligan | 750,000 | 150 % | 33,625 | 22,416 |

⁽¹⁾ Long-Term EIP values are based on target number of PSUs and each executive's base salary as of January 1, 2023.

⁽²⁾ The number of units awarded was calculated using the average closing price of the common stock for the 20 trading days ending the day before the grant date.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

The RSUs are time-based awards that vest in equal installments over three years. Any RSUs that vest will be paid in shares of the Company's common stock. Dividend equivalents will accrue on the RSUs and will be paid in cash to the executive officer only if and to the extent the RSUs vest.

The PSUs cliff vest at the end of a three-year performance period based on the achievement of absolute and relative total economic return ("TER") as noted in the table below:

| Metric | Weighting |
|-------------------------------------|-------------|
| Absolute TER | 50% |
| Relative TER compared to peer group | 50% |
| Absolute TSR/Absolute TER | Vesting cap |

The Compensation Committee established these metrics as the most critical performance metrics for the Company over the long-term and in accordance with the Company's compensation philosophy regarding shareholder alignment as described above. The Compensation Committee selected a peer group consisting of AGNC Investment Corp., Annaly Mortgage Corporation, Inc., Arlington Asset Investment Corp., Armour Residential REIT, Inc., Ellington Residential Mortgage REIT, Invesco Mortgage Capital, Inc., Orchid Island Capital, Inc., and Two Harbors Investment Corp., mortgage REITs with business models similar to the Company's current or anticipated business model, and excluded certain credit-risk oriented mortgage REITs. The peer group used to measure performance is different than the peer group used to establish compensation levels, since the companies listed directly above have very similar portfolios but range in size from much larger than Dynex to much smaller. In addition, several of the companies listed directly above are externally managed and do not have disclosed compensation for their executives, while still being a performance peer and invest in similar assets.

The Compensation Committee also established threshold, target and maximum performance levels for each performance metric, as well as a vesting cap limiting the vesting of the applicable portion of the PSUs to target level if the Company's TER for the performance period is negative. For the absolute TER performance, the Committee considered multiple factors including the macroeconomic environment, the Company's outlook with respect to its earnings profile, investment opportunities, the mortgage market, and expectation for U.S. and global monetary

policy. The Committee then established an annualized TER target of 9% with a threshold of 4% annually and a maximum of 14% annually. For the relative TER performance measure, the Committee, based on FPC's 2023 recommendation, established minimum, target, and maximum peer rankings of the 30th percentile, 55th percentile and 80th percentile, respectively.

To determine the level of PSUs earned, after the end of the three-year performance period, the Compensation Committee will determine the level of performance achieved with respect to each of the performance metrics. Performance for each metric can range from 0-200% of the target number of PSUs, based on the achievement over the three-year performance period ending December 31, 2024 for the PSUs granted in 2022 and ending December 31, 2025 for the PSUs granted in 2023. Any PSUs earned based on the achievement with respect to such goals will vest on December 31, 2024 and December 31, 2025, respectively, and be paid in shares of the Company's common stock by February 28, 2025 and March 15, 2026, respectively. For 2023, relative Total Stockholder Return ("TSR") was removed as a performance measure for PSU's given the high correlation between TSR and TER as well as the extra administrative cost to use a third-party based Monte Carlo simulation to value market-based compensation for TSR based PSUs.

In addition, dividend equivalents will accrue on the PSUs and will be paid in cash to the executive officer only if and to the extent the PSUs vest.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

The tables below set forth the PSU performance metrics for the period January 1, 2023 – December 31, 2025:

Absolute TER (Weighting: 50%)

| Performance Level | TER Performance (per common share) | TER Performance as a Percentage Increase | Absolute TER Vesting Percentage |
|-------------------|------------------------------------|--|---------------------------------|
| Maximum | \$6.19 | 42% | 200 % |
| Target | \$3.98 | 27% | 100 % |
| Threshold | \$1.77 | 12% | 1 % |
| Below Threshold | Below \$1.77 | —% | — % |

Relative TER (Weighting: 50%)

| Performance Level | Relative TER | Relative TER Vesting Percentage |
|-------------------|--------------------------|---------------------------------|
| Maximum | 80th Percentile or above | 200% |
| Target | 55th Percentile | 100% |
| Threshold | 30th Percentile | 50% |
| Below Threshold | Below 30th Percentile | —% |

2020 Stock and Incentive Plan. At the 2020 Annual Meeting of Shareholders, the Company's shareholders approved the 2020 Plan to replace the Company's 2018 Stock and Incentive Plan ("2018 Plan"). Under the 2020 Plan, the Compensation Committee has the ability to award equity compensation in the form of stock options, restricted stock, restricted stock units, stock appreciation rights ("SARs"), performance units and performance cash awards to key employees, non-employee directors, consultants and advisors in its discretion. The Board of Directors believes a competitive equity incentive program is essential to offering compensation that aligns participants' interests with those of our shareholders, based on a pay-for-performance philosophy that is consistent with prudent risk management and emphasizing an owner-operator mentality by placing a meaningful portion of an executive officer's total compensation variable, tied to our annual and long-term performance as well as to the creation and protection of shareholder value.

Some of the key features of the 2020 Plan that are intended to maintain sound governance practices in granting awards include:

- **No "Evergreen" Provision:** Shares authorized for issuance under the 2020 Plan are not automatically replenished.
- **Annual Limits:** The 2020 Plan imposes an annual limit on equity awards of 400,000

shares per participant and on cash awards of \$5,000,000 per participant.

- **No Discounted Stock Options or SARs:** The 2020 Plan prohibits the grant of stock options or SARs with an exercise price less than the fair market value of the Company's common stock on the grant date.
- **No Repricing of Stock Options or SARs:** The 2020 Plan generally prohibits the repricing of stock options or SARs without shareholder approval.
- **No Liberal Share Recycling:** Under the 2020 Plan, shares of the Company's common stock used to pay the exercise price of a stock option or SAR or to satisfy tax withholding obligations in connection with an award will not be added back (recycled) to the aggregate plan limit. In addition, the gross number of shares associated with a stock option or SAR exercise, and not just the net shares issued upon exercise, will count against the aggregate plan limit.
- **Minimum Vesting Periods:** Subject to accelerated vesting under certain circumstances, the 2020 Plan requires a minimum vesting period of one year for awards subject to time-based conditions and a minimum performance period of one year for awards subject to achievement or satisfaction

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

of performance goals, with the exception of up to 5% of the aggregate shares authorized for grant under the 2020 Plan and certain other limited exceptions such as retirement eligibility, death or disability.

- **Protective Provisions and Clawback:** The 2020 Plan provides for the forfeiture of outstanding awards upon a participant's termination for cause and subjects all awards under the 2020 Plan to repayment as may be required by the terms of any recoupment or clawback policy of the Company or as required by applicable law, regulation or stock exchange requirement.
- **Independent Committee Administration:** Awards to executive officers and directors under the 2020 Plan are granted by the Committee, which is composed entirely of independent directors.
- **Term of the 2020 Plan:** No awards may be granted under the 2020 Plan more than ten years after the date of shareholder approval.

The goal of the Compensation Committee in granting equity incentives is to link an executive's compensation opportunities with creating and protecting shareholder value. The Company uses performance stock units (with performance-based vesting provisions) and restricted stock units (with time-based vesting provisions) in its executive compensation program. The Compensation Committee views equity incentive awards as a strong alignment of interests by making employees direct (or in the case of units, indirect) owners of the Company while providing performance incentive for employees as well as incentives to remain with the Company as their awards vest.

The Compensation Committee uses multi-year vesting of equity incentive awards. Multi-year vesting focuses executive officers on consistent long-term growth in shareholder value and requires executive officers to remain employed with us for extended periods to receive the full benefit of the awards unless they are eligible for retirement as defined within the terms of each award agreement. Most of the Company's equity incentive awards have three-year vesting periods.

Timing of Equity Awards. We are aware that the release of our quarterly financial results may have an impact on the market price of our common stock, and therefore the value of the equity awards to our executive officers, as well as stock grants awarded to directors, depending on whether the information is favorable or unfavorable. Our historical practice with respect to the timing of

equity awards, including payments under the Executive Incentive Plan, has been to approve such grants once each year in the first quarter of the year following the year to which the award pertains. We anticipate that future grants generally will be awarded in the first quarter after the Company has released its fourth quarter results for the prior year, other than any one-time or off cycle grants such as the grants on September 8, 2023 that were granted as part of the Compensation Committee's review of contracts and peer company compensation methods and levels.

Non-employee directors receive annual grants of restricted stock on the first Friday following the annual meeting of shareholders, generally in May or June of each year, which shares generally vest at the end of one year.

In the case of grants to our non-employee directors, we believe that the annual meeting of shareholders is an appropriate time during the year to make equity grants and that a consistent application of our equity granting practices from year to year regardless of the content of the first quarter earnings release is also appropriate. The equity awards granted by the Compensation Committee are designed to incent creation of long-term shareholder value and contain delayed vesting provisions that prevent recipients from taking advantage of short-term fluctuations in the market price of our common stock.

We have not planned in the past, nor do we plan in the future, to time the release of material non-public information for the purpose of affecting the value of executive or director compensation.

Clawback Policy. In 2023, the Company adopted a new clawback policy as required by the requirements of Rule 10D-1 (which was adopted by the SEC to implement a mandate of Dodd-Frank Wall Street Reform and Consumer Protection Act) and the requirement of the New York Stock Exchange Listed Company Manual listing standards adopted pursuant to Rule 10D-1. The new clawback policy requires clawback of erroneously awarded incentive compensation paid to current and former executive officers in the event of a restatement of the Company's financial statements (without regard to the fault of the executive). Restatements that trigger such recoupment are restatements due to material noncompliance with any financial reporting requirement applicable to the Company under the federal securities laws, including restatements to correct an error in previously issued financial statements that is material to the previously issued financial statements, or that would result in a material misstatement if the error were corrected.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

in the current period or left uncorrected in the current period. Except in very limited circumstances, in the event of such a restatement, the new clawback policy requires the recoupment of incentive compensation paid to the executive officer in excess of the amount that would have been paid if the amount of such incentive compensation had been based on the restated financial statements.

Bonus amounts paid, in cash or stock, under the Executive Incentive Plan or Cash Incentive Plan and equity awards granted under the 2020 Plan are subject to clawback in the event repayment is required by the Company's clawback policy described above or law or regulation or stock exchange requirement applicable to the Company.

Retirement Plans. We provide additional compensation to our executive officers through various plans which are also available to some or all of our other employees. The Compensation Committee oversees these plans and the Compensation Committee considers these plans when reviewing an executive's total annual compensation and determining incentive awards described above.

We have a 401(k) Savings Plan for all of our employees. The 401(k) Savings Plan allows eligible employees to defer up to 100% of their eligible compensation, and we have made discretionary matching contributions on a dollar-for-dollar basis up to 6% of an employee's eligible compensation. Eligible employee deferrals and matching contributions under the 401(k) Savings Plan are subject to limitations imposed by the Internal Revenue Code.

Other Benefits. The Company provides our executive officers with other personal benefits on a limited basis with overall compensation program objectives to attract and retain high quality executives. The Compensation Committee has reviewed the levels of other personal benefits provided to our executive officers and the Compensation Committee believes them to be appropriate.

Details of other benefits provided to the executive officers are set forth in footnotes to the Summary Compensation Table.

Employment Agreements. The Company entered into an employment agreement with Mr. Colligan in 2022, effective July 18, 2022. The Company entered into new employment agreements with Mr. Boston and Ms. Popenoe effective October 27, 2023.

Each employment agreement provides for an initial three-year term, which will be extended automatically for an additional year at the end of the initial term and each year thereafter, unless either the Company or the executive gives written notice of non-renewal at least 90 days prior to the renewal date. Upon a Change in Control (as defined in the employment agreements), the term of each employment agreement will be extended automatically for a period of two years, unless the Change in Control occurs during the initial term and there are more than two years remaining in the initial term.

Each executive is entitled to participate in the employee and executive benefit plans and programs offered by the Company in which other senior executives of the Company are eligible to participate, including medical, dental, life and disability insurance and retirement, deferred compensation and savings plans, in accordance with the terms and conditions of such plans. Each executive is eligible for a Company-provided cell phone, personal data assistant for the executive's use, and the Company will pay for any business-related usage fees for such items. Each executive is also entitled to reimbursement for the cost of an annual concierge medical services program.

Under the employment agreements, each executive may be terminated by the Company with or without "Cause" (as defined in the employment agreements). If the executive resigns for "Good Reason" (as defined in the employment agreements) or the executive's employment is terminated by the Company without Cause, not in connection with a Change in Control, the executive is entitled to receive a lump sum severance payment. Mr. Colligan's termination benefit is dependent on the date of termination. Additionally, each executive will be entitled to receive (a) any amounts already earned but not yet paid, including any annual incentive award earned for a completed performance period and accrued but unused vacation time (the "Accrued Obligations"); (b) continued medical, dental, life and disability insurance coverage (or payment in lieu) for 24 months for Mr. Boston and Ms. Popenoe and 12 months for Mr. Colligan, depending on the date of termination; (c) a prorated annual cash incentive award for the year of termination (prorated for time employed through the date of termination and based on performance at the greater of target or actual performance in the case of financial goals and at maximum in the case of non-financial and individual goals) (a "Prorated Annual Incentive Award"); and (d) full vesting of any unvested equity awards, with performance for any performance-based equity awards determined based on the terms of the applicable grant agreement.

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

The employment agreements contain a “double trigger” provision for severance in a Change in Control context. Under this “double trigger” provision, if the executive resigns for Good Reason or the executive’s employment is terminated by the Company without Cause on or within two years after a Change in Control, the executive will be entitled to receive a lump sum severance payment equal to 2.99 times the sum of (i) the executive’s annual base salary at the time of termination and (ii) the average of the executive’s annual incentive awards paid for the prior three years. Additionally, each executive will be entitled to receive (a) his or her Accrued Obligations; (b) continued medical, dental, life and disability insurance coverage (or payment in lieu) for 36 months; (c) a Prorated Annual Incentive Award for the year of termination; and (d) full vesting of any unvested equity awards, with performance for any performance-based equity awards determined based on the terms of the applicable grant agreement.

If the executive’s employment terminates due to death, the employment agreements provide for a lump sum payment to the executive’s estate. The executive’s estate will also be entitled to (a) the applicable Accrued Obligations; (b) a Prorated Annual Incentive Award for the year of death and (c) full vesting of the executive’s unvested equity awards. If the executive’s employment terminates due to disability, the executive will be entitled to receive (x) his or her Accrued Obligations; (y) an annual cash incentive award for the year of termination and (z) full vesting of any unvested equity awards, with performance for any performance-based equity awards determined based on the terms of the applicable grant agreement.

Mr. Boston and Ms. Popenoe’s employment agreements provide that if the Company determines not to renew the agreement at the end of any term and terminates the executive’s employment for any reason other than for Cause at the end of the term or if the executive resigns for Good Reason on account of such non-renewal of the agreement, the executive will be entitled to receive the same severance payments described above for termination by the Company without Cause or resignation for Good Reason, whether or not in connection with a Change in Control depending on when the non-renewal or termination occurs.

Except for the Accrued Obligations, payment of all of the severance payments discussed above (other than in the event of death) is contingent on the executive signing a release in favor of the Company and its affiliates.

The employment agreements provide for Change in Control severance benefits on a “best net” approach, under which the Change in Control severance benefits will be reduced to avoid the golden parachute excise tax under Section 280G of the Internal Revenue Code only if such a reduction would cause the executive to receive more after-tax compensation than without a reduction.

In certain cases, some or all of the payments and benefits provided on termination of employment under these agreements may be delayed for six months following termination to comply with the requirements of Section 409A of the Internal Revenue Code. Any payment required to be delayed would be paid at the end of the six-month period in a lump sum, with any payments due after the six-month period being paid at the normal payment date provided for under the agreement.

The employment agreements also provide for a clawback of any incentive compensation by the Company, including both equity and cash compensation, to the extent required by federal or state law or regulation or stock exchange requirement. Under the employment agreements, the executives are subject to certain restrictive covenants in favor of the Company, including (i) a confidentiality covenant that applies during and following the executive’s employment for five years (or longer if the confidential information is a trade secret or is required in an employment agreement), (ii) a non-solicitation covenant that applies during and for 12 months following the executive’s employment, and (iii) a non-competition covenant that applies during the executive’s employment and for 90 days following the executive’s employment if the executive does not receive severance benefits and for six months following the executive’s employment if he or she receives severance benefits. Non-competition covenants are longer for Change in Control.

See further discussion under “Potential Payments upon Termination or Change in Control” below.

LIMITATIONS ON DEDUCTIBILITY OF COMPENSATION

In making compensation decisions, the Compensation Committee considers Section 162(m) of the Internal Revenue Code (“Section 162(m)”), which limits the federal income tax deductibility of certain compensation in excess of \$1 million paid to certain executive officers, as one factor in the context of the Company’s overall compensation philosophy. The Compensation Committee currently believes, however, that it is generally in the Company’s and its shareholders’ best interests for the Compensation Committee to

EXECUTIVE COMPENSATION

COMPENSATION DISCUSSION AND ANALYSIS (CONTINUED)

retain flexibility to develop appropriate compensation programs and establish appropriate compensation levels. As a result, the Compensation Committee awards compensation that is not fully deductible under Section 162(m) when it believes it is in the best interest of the Company and its shareholders to do so, as it has done in recent years with respect to the NEOs' compensation.

For 2023, approximately \$2.5 million and \$1.6 million of the compensation for Mr. Boston and Ms. Popenoe, respectively, were not deductible under Section 162(m).

MINIMUM STOCK OWNERSHIP GUIDELINES FOR EXECUTIVE OFFICERS

The Company's executive compensation program is designed to provide opportunities for executive officers to build ownership in the Company and to align performance with shareholder interests. Accordingly, we have established minimum stock ownership guidelines for our executive officers that require each executive officer to maintain a minimum ownership of our common stock based on a multiple of the executive officer's base salary as of the most recent December 31, as follows:

| | Multiple of Base Salary |
|--------------------------|-------------------------|
| CEO | 5x |
| President | 4x |
| Other Executive Officers | 3x |

Shares that count toward the minimum ownership level are shares owned individually or by the executive officer's immediate family residing in the same household, shares held in trust for the benefit of the executive officer and his or her family, unvested shares of restricted stock and unvested RSUs (but not unvested PSUs). Executive officers who receive an increase in base salary have one year from the date of such base salary increase to acquire any additional shares needed to achieve the required ownership level. In addition, executive officers who are subsequently promoted or for whom the required ownership level is increased have three years from the date of promotion or increase in required ownership level to acquire any additional shares needed to achieve the new required ownership level. Until the minimum ownership level is met, the executive officer must retain 100% of the after-tax shares from the vesting of any equity award granted to him or her as compensation. The Compensation Committee annually reviews each executive officer's compliance with the minimum stock ownership guidelines and may grant exceptions to

these guidelines in special circumstances on a case-by-case basis. As of December 31, 2023, all of our executive officers either satisfied the applicable minimum stock ownership levels or were covered by a grace period due to recent appointment, promotion or hiring.

LIMITATIONS ON CERTAIN SHORT-TERM OR SPECULATIVE TRANSACTIONS IN THE COMPANY'S SECURITIES

The Board of Directors has approved a Statement of Policy Regarding Trading in Company Securities reasonably designed to promote compliance with insider trading laws, rules and regulations (the "Insider Trading Policy"). The Insider Trading Policy applies to all directors, officers and employees of the Company and helps ensure that the Company's personnel bear the full risks and benefits of stock ownership. The Insider Trading Policy prohibits directors and executive officers, among others, from engaging in short-term or speculative transactions in the Company's securities, such as short sales, trading in publicly traded derivative securities, and hedging transactions. The Insider Trading Policy also prohibits directors and executive officers, among others, from holding the Company's securities in margin accounts and from pledging the Company's securities.

COMPENSATION COMMITTEE REPORT

The Compensation Committee has reviewed the Compensation Discussion and Analysis included in this Proxy Statement and discussed it with management. Based on this review and discussion, the Compensation Committee recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement.

Compensation Committee
Julia L. Coronado, Ph.D., Chairperson
Alexander I. Crawford
Andrew I. Gray

EXECUTIVE COMPENSATION (CONTINUED)

COMPENSATION OF EXECUTIVE OFFICERS

In the tables and discussion below, we summarize the compensation earned during 2023, 2022, and 2021 by Messrs. Boston, Colligan, and Ms. Popenoe. The Company had no other executive officers during these years.

Summary Compensation Table

| Name and Principal Position | Year | Salary (\$) | Bonus (\$) | Stock Awards ⁽¹⁾ (\$) | Non-Equity Incentive Plan Compensation ⁽²⁾ (\$) | All Other Compensation ⁽³⁾ (\$) | Total (\$) |
|--|------|-------------|------------|----------------------------------|--|--|------------|
| Byron L. Boston Chief Executive Officer and Chairman | 2023 | 850,000 | — | 2,931,062 | 2,269,800 | 126,377 | 6,177,239 |
| | 2022 | 800,000 | — | 1,480,618 | 1,824,444 | 125,621 | 4,230,683 |
| | 2021 | 750,000 | — | 1,456,957 | 2,095,847 | 173,334 | 4,476,138 |
| Smriti L. Popenoe President and Chief Investment Officer | 2023 | 750,000 | — | 2,595,663 | 2,017,600 | 142,863 | 5,506,126 |
| | 2022 | 700,000 | — | 1,133,592 | 1,396,840 | 73,292 | 3,303,724 |
| | 2021 | 575,000 | — | 977,379 | 1,337,879 | 90,060 | 2,980,318 |
| Robert S. Colligan ⁽⁴⁾ Executive Vice President, Chief Financial Officer and Secretary | 2023 | 500,000 | — | 670,811 | 945,750 | 21,800 | 2,138,361 |
| | 2022 | 229,167 | — | — | 427,604 | 333 | 657,104 |
| | 2021 | — | — | — | — | — | — |

(1) The amounts in this column reflect the aggregate grant date fair value of RSU and PSU awards granted to Messrs. Boston and Colligan and Ms. Popenoe under the Long-Term EIP and RSU awards granted to Mr. Boston and Ms. Popenoe on September 8, 2023 in connection with the Compensation Committee's review of executive compensation calculated in accordance with ASC Topic 718. The amounts shown for the PSUs are based on the probable outcome of such awards on the date of grant, which was achievement at target level. For 2023, the grant date fair values of the PSUs assuming achievement of maximum (200% of target) performance would be achieved are as follows: Mr. Boston - \$1,717,264; Ms. Popenoe - \$1,314,785; and Mr. Colligan - \$804,983. For 2022, the grant date fair values of the PSUs assuming achievement of maximum (200% of target) performance would be achieved are as follows: Mr. Boston - \$2,006,083 and Ms. Popenoe - \$1,535,891. For 2021, the grant date fair values of the PSUs assuming achievement of maximum (200% of target) performance would be achieved are as follows: Mr. Boston - \$1,966,772 and Ms. Popenoe - \$1,319,394. For a discussion of the assumptions made in the valuation of the awards in this column, see Note 1 to the Company's consolidated financial statements included in the Company's Annual Report on Form 10-K for 2023.

(2) Bonus amounts earned for Messrs. Boston and Colligan and Ms. Popenoe represent the cash bonus earned under the Cash Incentive Plan for 2023 performance. Bonus amounts earned for 2022 for Mr. Boston and Ms. Popenoe represent the cash bonus earned under the Cash Incentive Plan for 2022 performance. Bonus amounts earned for 2021 for Mr. Boston and Ms. Popenoe represent the cash bonus earned under the Cash Incentive Plan for 2021 performance as well as the bonus amount earned for performance during the three-year performance period ended December 31, 2021 under the long-term incentive component of the Executive Incentive Plan and include both the cash portion of the bonus award and the portion that was paid in shares of the Company's common stock. For further information, see "Annual Cash Incentive Compensation" and "Long-Term Equity Incentive Compensation". In each case, the cash portion and the shares portion of these bonus awards were paid in the year following the year in which the applicable performance criteria was achieved.

(3) The following table presents the components of "All Other Compensation" in the table above for each of the executive officers for 2023:

| | Byron L. Boston | Smriti L. Popenoe | Robert S. Colligan |
|---|-----------------|-------------------|--------------------|
| Dividends paid on unvested restricted stock | \$ 32,129 | \$ 12,944 | \$ — |
| Dividends paid on vested restricted share units | 39,831 | 28,332 | — |
| Matching contributions to the Company's 401(k) Savings Plan | 19,800 | 19,800 | 19,800 |
| Fees paid for legal review of employment agreement | 33,200 | 74,298 | — |
| HSA Company contributions | 1,417 | — | 2,000 |
| Executive health program | — | 7,489 | — |
| Total other compensation | \$ 126,377 | \$ 142,863 | \$ 21,800 |

(4) Mr. Colligan became the Company's Executive Vice President, Chief Financial Officer and Secretary in August 2022.

EXECUTIVE COMPENSATION (CONTINUED)

All compensation that we have paid to Messrs. Boston and Colligan and Ms. Popenoe has been determined as described above in our “Compensation Discussion and Analysis” section.

| Grants of Plan-Based Awards for 2023 | | | | | | | | | |
|--------------------------------------|------------|--|-------------|--------------|--|------------|-------------|---|---|
| Name | Grant Date | Estimated Future Payouts Under Non-Equity Incentive Plan Awards ⁽¹⁾ | | | Estimated Future Payouts Under Equity Incentive Plan Awards ⁽²⁾ | | | All Other Stock Awards: Number of Shares of Stock or Units ⁽³⁾ | Grant Date Fair Value of Stock and Option Awards ⁽⁴⁾ |
| | | Threshold (\$) | Target (\$) | Maximum (\$) | Threshold (#) | Target (#) | Maximum (#) | | |
| Byron L. Boston | | — | 1,800,000 | 3,600,000 | — | — | — | — | — |
| | 3/10/23 | — | — | — | 18,292 | 71,732 | 143,464 | — | 858,632 |
| | 3/10/23 | — | — | — | — | — | — | 47,821 | 572,417 |
| | 9/08/23 | — | — | — | — | — | — | 117,097 | 1,500,013 |
| Smriti L. Popenoe | | — | 1,600,000 | 3,200,000 | — | — | — | — | — |
| | 3/10/23 | — | — | — | 14,005 | 54,920 | 109,840 | — | 657,392 |
| | 3/10/23 | — | — | — | — | — | — | 36,613 | 438,258 |
| | 9/08/23 | — | — | — | — | — | — | 117,097 | 1,500,013 |
| Robert S. Colligan | | — | 750,000 | 1,500,000 | — | — | — | — | — |
| | 3/10/23 | — | — | — | 8,574 | 33,625 | 67,250 | — | 402,491 |
| | 3/10/23 | — | — | — | — | — | — | 22,416 | 268,320 |

(1) Reflects the target and maximum amounts that the executive officers could earn for 2023 performance under the Cash Incentive Plan. There is no threshold amount under the Cash Incentive Plan. The actual amounts earned by Messrs. Boston and Colligan and Ms. Popenoe for 2023 performance under the Cash Incentive Plan, which were paid in cash, are reported as “Non-Equity Incentive Plan Compensation” for 2023 in the Summary Compensation Table on page 45.

(2) Reflects PSU awards granted to the executive officers during 2023 under the Company’s 2020 Plan and Long-Term EIP, pursuant to which the executives could earn from 0 - 200% in the target number of PSUs, based on the achievement over a three-year performance period ending December 31, 2025 of TER goals for the Company as compared to a peer group and TER goals for the Company on an absolute basis. Any PSUs earned based on the achievement with respect to such goals will vest on December 31, 2025 and be paid in shares of the Company’s common stock by March 15, 2026.

(3) Reflects RSU awards granted to the executive officers during 2023 under the Company’s 2020 Plan and Long-Term EIP.

(4) The amounts in this column reflect the grant date fair value of awards of RSUs and PSUs granted to the executive officers, calculated in accordance with ASC Topic 718. The amounts shown for the PSUs are based on the probable outcome of such awards on the date of grant, which was achievement at target level.

EXECUTIVE COMPENSATION (CONTINUED)

HOLDINGS OF STOCK-BASED AWARDS

The table below presents information regarding restricted stock, RSUs and PSUs held by each of our NEOs as of December 31, 2023. None of our NEOs held any options or stock appreciation rights as of December 31, 2023.

Outstanding Equity Awards at 2023 Fiscal Year End

| Name | Grant Date | Number of Shares or Units of Stock That Have Not Vested (#) | Market Value of Shares or Units of Stock That Have Not Vested ⁽⁵⁾ (\$) | 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 ⁽⁵⁾ (\$) |
|--------------------|------------|--|--|--|--|
| Byron L. Boston | 5/26/21 | 8,617 ⁽¹⁾ | 107,885 | — | — |
| | 5/26/21 | — | — | 50,690 ⁽⁶⁾ | 634,639 |
| | 2/23/22 | 28,914 ⁽²⁾ | 362,003 | — | — |
| | 2/23/22 | — | — | 66,033 ⁽⁷⁾ | 826,733 |
| | 3/10/23 | 47,821 ⁽³⁾ | 598,719 | — | — |
| | 3/10/23 | — | — | 71,732 ⁽⁸⁾ | 898,085 |
| | 9/8/23 | 117,097 ⁽⁴⁾ | 1,466,054 | — | — |
| Smriti L. Popenoe | 5/26/21 | 5,780 ⁽¹⁾ | 72,366 | — | — |
| | 5/26/21 | — | — | 34,005 ⁽⁶⁾ | 425,743 |
| | 2/23/22 | 19,047 ⁽²⁾ | 238,468 | — | — |
| | 2/23/22 | — | — | 50,556 ⁽⁷⁾ | 632,961 |
| | 3/10/23 | 36,613 ⁽³⁾ | 458,395 | — | — |
| | 3/10/23 | — | — | 54,920 ⁽⁸⁾ | 687,598 |
| | 9/8/23 | 117,097 ⁽⁴⁾ | 1,466,054 | — | — |
| Robert S. Colligan | 3/10/23 | 22,416 ⁽³⁾ | 280,648 | — | — |
| | 3/10/23 | — | — | 33,625 ⁽⁸⁾ | 420,985 |

(1) These RSU awards vested on February 28, 2024.

(2) These restricted stock and RSU awards vest in equal annual installments on February 23, 2024 and February 23, 2025.

(3) These RSU awards vest in equal annual installments on March 10, 2024, February 28, 2025, and February 28, 2026.

(4) These RSU awards vest in equal annual installments on September 8, 2024, September 8, 2025, and September 8, 2026.

(5) The amounts in this column represent the aggregate fair market value of the restricted stock, RSUs and PSUs, as applicable, as of December 31, 2023, based on the closing price of the Company's common stock of \$12.52 on December 31, 2023, which was the last business day of the year.

(6) The amount listed here represents the number of PSUs granted assuming target performance with the fair value determined as of December 31, 2023 as noted above in footnote 5. Following the end of the 3-year performance period that ended on December 31, 2023, the Compensation Committee determined the actual performance to be 50% for these PSUs, and the PSUs were settled as common shares on March 8, 2024 at a market value of \$12.50 per share. The amount of the settled PSUs will be listed next year as stock that vested in 2024.

(7) This PSU award was unearned and not vested as of December 31, 2023. This PSU award vests on December 31, 2024 to the extent earned based on performance achievement over a three-year performance period ending December 31, 2024. The amount reported is based on achieving the target level of performance.

(8) This PSU award was unearned and not vested as of December 31, 2023. This PSU award vests on December 31, 2025 to the extent earned based on performance achievement over a three-year performance period ending December 31, 2025. The amount reported is based on achieving the target level of performance.

EXECUTIVE COMPENSATION (CONTINUED)

OPTION EXERCISES AND STOCK VESTED

The table below presents information regarding restricted stock held by our executive officers that vested during 2023.

| Option Exercises and Stock Vested for 2023 ⁽¹⁾ | | | | |
|---|--------------|--|--|---|
| Name | Vesting Date | Stock Awards | | |
| | | Vesting Date Stock Price per Share ⁽²⁾ (\$) | Number of Shares Acquired On Vesting ⁽³⁾ (#) | Value Realized on Vesting ⁽²⁾ (\$) |
| Byron L. Boston | | | | — |
| | 2/23/23 | 13.69 | 14,292 | 195,657 |
| | 2/28/23 | 13.23 | 20,070 | 265,526 |
| | 5/14/23 | 11.04 | 24,062 | 265,644 |
| | Total | | 58,424 | 726,827 |
| Smriti L. Popenoe | | | | — |
| | 2/23/23 | 13.69 | 9,397 | 128,645 |
| | 2/28/23 | 13.23 | 9,249 | 122,364 |
| | 5/14/23 | 11.04 | 12,031 | 132,822 |
| | Total | | 30,677 | 383,831 |
| Robert S. Colligan ⁽⁴⁾ | | | — | — |
| | Total | | — | — |

(1) None of the executive officers exercised any stock options or SARs during 2023.

(2) Value realized is the number of shares multiplied by the closing stock price of the Company's common stock on the date of vesting. For purposes of this table, where a vesting date was a non-business day, the Company's common stock closing stock price on the business day prior to the vesting date was used.

(3) Represents the total number of restricted shares or units that vested during 2023, without taking into account any shares or units that were withheld for applicable tax obligations.

(4) Mr. Colligan joined the Company in 2022 and did not have any awards vest in 2023.

NON-QUALIFIED DEFERRED COMPENSATION FOR 2023

The Company does not have a non-qualified deferred compensation plan.

OTHER COMPENSATION

We do not offer any pension benefit plans or deferred compensation plans to our executive officers or other employees, other than what is discussed under the Retirement Plans section of "Compensation Discussion and Analysis" above.

POTENTIAL PAYMENTS UPON TERMINATION OR CHANGE IN CONTROL

Employment Agreements, the 2020 Stock and Incentive Plan and other applicable employee benefit plans may provide for potential payments to our NEOs in connection with a termination of employment or upon a change in control of the

Company. The following table shows the estimated payments to or benefits to be received by each of the NEOs upon the following termination events or upon a change in control of the Company, in each case assuming that the termination event or the change in control occurred on December 31, 2023, and assuming a stock price of \$12.52, which was the closing stock price of the Company's common stock on December 29, 2023, which was the last business day of the year. The amounts reflected in the following table are estimates, as the actual amounts to be paid to or received by a NEO can only be determined at the time of termination or change in control.

The following table reports only amounts that are increased, accelerated or otherwise paid or payable as a result of the applicable termination or change in control event and, as a result, excludes amounts accrued through December 31, 2023, such as accrued but unpaid salary, amounts for completed performance periods, already vested

EXECUTIVE COMPENSATION (CONTINUED)

equity awards, and vested account balances under the 401(k) Savings Plan. The table also excludes any amounts that are available generally to all salaried employees and in a manner that does not discriminate in favor of our executive officers. All references to employment agreements in the following table and footnotes

are to the employment agreements in place as of December 31, 2023.

| | Death ⁽¹⁾ | Termination Due to Disability | Termination Without Cause or for Good Reason Not in Connection with Change in Control ⁽²⁾ | Termination Without Cause or for Good Reason in Connection with a Change in Control ⁽³⁾ | Termination For Cause or Without Good Reason | Change in Control with no Related Termination |
|---|----------------------|-------------------------------|--|--|--|---|
| Payments and Benefits | (\$) | (\$) | (\$) | (\$) | (\$) | (\$) |
| Byron L. Boston | | | | | | |
| Severance ⁽⁶⁾ | 2,963,364 | — | 5,926,727 | 8,860,457 | — | — |
| Stock Awards - Accelerated Vesting ⁽⁷⁾ | 4,576,811 | 4,576,811 | 4,576,811 | 4,576,811 | — | 4,576,811 |
| Health & Welfare Benefits ⁽⁶⁾⁽⁸⁾ | — | 34,517 | 46,023 | 69,034 | — | — |
| Total | 7,540,175 | 4,611,328 | 10,549,561 | 13,506,302 | — | 4,576,811 |
| Smriti L. Popenoe | | | | | | |
| Severance ⁽⁶⁾ | 2,384,106 | — | 4,768,213 | 7,128,478 | — | — |
| Stock Awards - Accelerated Vesting ⁽⁷⁾ | 3,768,708 | 3,768,708 | 3,768,708 | 3,768,708 | — | 3,768,708 |
| Health & Welfare Benefits ⁽⁶⁾⁽⁸⁾ | — | 44,791 | 59,721 | 89,582 | — | — |
| Total | 6,152,814 | 3,813,499 | 8,596,642 | 10,986,768 | — | 3,768,708 |
| Robert S. Colligan | | | | | | |
| Severance ⁽⁶⁾ | — | — | 500,000 | 2,863,776 | — | — |
| Stock Awards - Accelerated Vesting ⁽⁷⁾ | 701,633 | 701,633 | 701,633 | 701,633 | — | 701,633 |
| Health & Welfare Benefits ⁽⁶⁾⁽⁸⁾ | — | — | 26,265 | 78,796 | — | — |
| Total | 701,633 | 701,633 | 1,227,898 | 3,644,205 | — | 701,633 |

(1) Under their employment agreements, if Mr. Boston's or Ms. Popenoe's employment terminates due to death, his or her estate will be entitled to receive a lump sum payment of an amount equal to the sum of (i) his or her annual base salary at the time of his or her death and (ii) the average of his or her annual incentive award paid for the prior three years.

(2) Under their employment agreements, if Mr. Boston or Ms. Popenoe resigns for good reason or his or her employment is terminated without cause not in connection with a change in control, he or she will be entitled to receive a lump sum severance payment equal to two times the sum of (i) his or her annual base salary at the time of termination and (ii) the average of his or her annual incentive award paid for the prior three years. Under his employment agreements, if Mr. Colligan resigns for good reason or his employment is terminated without cause not in connection with a change in control, he will be entitled to receive a lump sum severance payment equal to one times the sum of (i) his annual base salary at the time of termination and (ii) his annual incentive award.

(3) Under their employment agreements, if Mr. Boston or Ms. Popenoe resigns for good reason or his or her employment is terminated without cause within six months prior to or on or within two years after a change in control, he or she will be entitled to receive a lump sum severance payment equal to 2.99 times the sum of (i) his or her annual base salary at the time of termination and (ii) the average of his or her annual incentive award paid for the prior three years.

(4) Under his employment agreement, if Mr. Colligan resigns for good reason or his employment is terminated without cause on or within two years after a change in control, he will be entitled to receive a lump sum severance payment

EXECUTIVE COMPENSATION (CONTINUED)

equal to 2.99 times the sum of (i) his annual base salary at the time of termination and (ii) the average of his annual incentive award paid for the prior three years (subject to such adjustment as the Compensation Committee deems appropriate if Mr. Colligan has worked less than three calendar years and taking into account the partial year 2022, the year in which his employment began).

- (5) Messrs. Boston's and Colligan's and Ms. Popenoe's employment agreements provide for change in control benefits on a "best net" approach, under which the executive's change in control benefits will be reduced to avoid the golden parachute excise tax under Section 280G of the Internal Revenue Code only if such a reduction would cause him or her to receive more after-tax compensation than without a reduction. The amounts shown in this column do not reflect any reductions that might be made pursuant to these provisions.
- (6) Messrs. Boston and Colligan and Ms. Popenoe must sign and not revoke a general release (other than in the event of death) in order to be entitled to receive these amounts.
- (7) Restricted shares granted to the executive officers become fully vested upon (a) a change of control or (b) termination of the executive officer's employment due to disability or death and (c) the Compensation Committee has authority to waive forfeiture in the event of termination of the executive officer's employment for good reason (as defined in their employment agreements) or termination of the executive officer's employment without cause (as defined in their employment agreements). RSUs granted to the executive officers become fully vested upon (a) termination of the executive officer's employment due to disability or death or retirement at or after age sixty-five where there is no cause for termination or (b) termination of the executive officer's employment for good reason (as defined in their employment agreements) or termination of the executive officer's employment without cause (as defined in their employment agreements), in each case whether before or after a change in control. PSUs granted to the executive officers become vested based on actual performance through the date of termination or change in control, as applicable, upon (a) termination of the executive officer's employment due to disability or death or retirement at or after age sixty-five where there is no cause for termination or (b) termination of the executive officer's employment for good reason (as defined in their employment agreements) or termination of the executive officer's employment without cause (as defined in their employment agreements) outside of a change in control scenario or during the 6 months prior to a change in control or 18 months following a change in control. The PSUs in the chart equal the number of PSUs already granted multiplied by the performance percentage determined based on the actual performance during the period determined with December 31, 2023 as the last day of the performance period. The RSUs and PSUs require the executive officer to sign and not revoke a general release (other than in the event of death or in the event of a change in control in the case of the PSUs) in order to be entitled to accelerated vesting of the awards. Mr. Boston was eligible for retirement under these provisions as of November 5, 2023.
- (8) Under their employment agreements, if Mr. Boston or Ms. Popenoe resigns for good reason or his or her employment is terminated without cause, he or she will be entitled to receive continued medical, dental, life and disability insurance coverage for 24 months in the case of termination not in connection with a change in control and for 36 months in the case of termination within six months of or on or within two years after a change in control. If the Company terminates Mr. Boston or Ms. Popenoe due to disability, he or she will be entitled to receive continued medical, dental, life and disability insurance coverage for 18 months. Under his employment agreement, if Mr. Colligan resigns for good reason or his employment is terminated without cause, he will be entitled to receive an amount equal to the monthly cost of continued medical, dental, life and disability insurance coverage for 12 months in the case of termination not in connection with a change in control and for 36 months in the case of termination on or within two years after a change in control. The amounts shown in this row represent the net present value of the estimated benefits costs in each case.

EXECUTIVE COMPENSATION (CONTINUED)

PAY VERSUS PERFORMANCE

The following table provides information about the relationship between compensation actually paid (as determined under SEC rules) to our principal executive officer ("PEO") and the average our non-PEO NEOs and certain financial performance measures of the Company. For further information concerning the Company's variable pay-for-performance philosophy and how the Company aligns executive compensation with the Company's performance, refer to "Executive Compensation - Compensation Discussion and Analysis."

Pay Versus Performance Table

| Year | Summary Compensation Table Total for PEO ⁽¹⁾ | Compensation Actually Paid to PEO | Average Summary Compensation Table Total for non-PEO NEOs ⁽¹⁾ | Average Compensation Actually Paid to non-PEO NEOs ⁽¹⁾ | Value of Initial Fixed \$100 Investment Based on: | | Net Income (loss) (\$ in thousands) | Total Economic Return Percentage ⁽⁴⁾ |
|------|---|-----------------------------------|--|---|---|--|-------------------------------------|---|
| | | | | | Total Shareholder Return ⁽²⁾ | Peer Group Total Shareholder Return ^{(2) (3)} | | |
| 2023 | \$ 6,177,239 | \$ 5,889,056 | \$ 3,822,244 | \$ 3,733,285 | 113.47 | 79.78 | \$ (6,130) | 1.0 % |
| 2022 | 4,230,683 | 3,702,486 | 3,084,333 | 2,907,635 | 101.29 | 69.26 | 143,161 | (9.4)% |
| 2021 | 4,476,138 | 4,089,845 | 2,665,564 | 2,504,410 | 119.67 | 94.04 | 102,261 | 2.5 % |
| 2020 | 3,875,179 | 4,813,278 | 1,976,652 | 2,327,810 | 117.01 | 81.38 | 177,529 | 15.2 % |

(1) For 2020-2023, Mr. Boston served as our Chief Executive Officer or PEO. During 2023, our non-PEO NEOs were Mr. Colligan and Ms. Popenoe. For 2022, our non-PEO NEOs were Messrs. Benedetti and Colligan and Ms. Popenoe. For 2020-2021, our non-PEO NEOs were Mr. Benedetti and Ms. Popenoe.

(2) Total Shareholder Return for the Company and the Peer Group assume \$100 invested at December 31, 2019.

(3) The Peer Group Total Shareholder Return is calculated based on the FTSE NAREIT Mortgage REIT Index.

(4) Total economic return (TER) percentage is the sum of dividends declared per common share during the year plus the change in book value per common share for the year divided by the beginning book value per common share. While the Company uses numerous financial and non-financial performance measures for the purpose of evaluating performance, the Company has determined that TER is the financial measure that, in the Company's assessment, represents the most important performance measure (that is not otherwise required to be disclosed in the table) used by the Company to link compensation actually paid to the Company's NEOs, for the most recently completed fiscal year, to Company performance. TER is a performance measure for our executives' PSU awards.

EXECUTIVE COMPENSATION (CONTINUED)

Compensation actually paid represents the Summary Compensation Table Total adjusted for the following items:

| Adjustments to Summary Compensation Table Total to Calculate Compensation Actually Paid | Year 2023 | |
|--|---------------------|--------------------------|
| | PEO | Average for non-PEO NEOs |
| Decrease for amounts reported under the "Stock Awards" column in the Summary Compensation Table | \$ (2,931,062) | \$ (1,633,237) |
| Increase for fair value at year-end of awards granted during year that remain outstanding and unvested as of year-end | 2,962,858 | 1,656,840 |
| Increase for fair value at vesting date of awards that were granted and vested during the year | — | — |
| Decrease for change in fair value from prior year-end to current year-end of awards granted in prior years that were outstanding and unvested as of year-end | (303,654) | (109,372) |
| Decrease for change in fair value from prior year-end to vesting date of awards granted in prior years that vested during year | (16,325) | (3,190) |
| Total adjustments | <u>\$ (288,183)</u> | <u>\$ (88,959)</u> |

| Adjustments to Summary Compensation Table Total to Calculate Compensation Actually Paid | Year 2022 | |
|--|---------------------|--------------------------|
| | PEO | Average for non-PEO NEOs |
| Decrease for amounts reported under the "Stock Awards" column in the Summary Compensation Table | \$ (1,480,618) | \$ (609,194) |
| Increase for fair value at year-end of awards granted during year that remain outstanding and unvested as of year-end | 1,398,422 | 337,235 |
| Increase for fair value at vesting date of awards that were granted and vested during the year | — | 261,096 |
| Decrease for change in fair value from prior year-end to current year-end of awards granted in prior years that were outstanding and unvested as of year-end | (401,858) | (78,797) |
| Decrease for change in fair value from prior year-end to vesting date of awards granted in prior years that vested during year | (44,143) | (87,038) |
| Total adjustments | <u>\$ (528,197)</u> | <u>\$ (176,698)</u> |

EXECUTIVE COMPENSATION (CONTINUED)

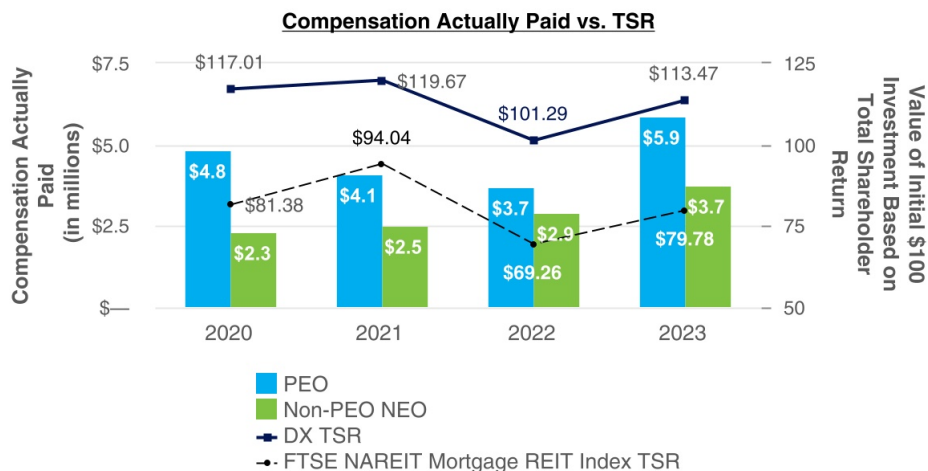
| | Year 2021 | |
|--|---------------------|--------------------------|
| | PEO | Average for non-PEO NEOs |
| Adjustments to Summary Compensation Table Total to Calculate Compensation Actually Paid | | |
| Decrease for amounts reported under the "Stock Awards" column in the Summary Compensation Table as well as amounts reported under the "Non-Equity Incentive Plan Compensation" column in the Summary Compensation Table for the portion of the long-term incentive component of the Executive Incentive Plan earned for performance during the three-year performance period ended December 31, 2021 that was paid in shares of the Company's common stock | \$ (1,623,209) | \$ (887,360) |
| Increase for fair value at year-end of awards granted during year that remain outstanding and unvested as of year-end | 1,255,337 | 734,894 |
| Decrease for change in fair value from prior year-end to current year-end of awards granted in prior years that were outstanding and unvested as of year-end | (87,125) | (36,999) |
| Increase for change in fair value from prior year-end to vesting date of awards granted in prior years that vested during year | 68,704 | 28,311 |
| Total adjustments | <u>\$ (386,293)</u> | <u>\$ (161,154)</u> |

| | Year 2020 | |
|--|-------------------|--------------------------|
| | PEO | Average for non-PEO NEOs |
| Adjustments to Summary Compensation Table Total to Calculate Compensation Actually Paid | | |
| Decrease for amounts reported under the "Stock Awards" column in the Summary Compensation Table | \$ (890,775) | \$ (445,388) |
| Increase for fair value at year-end of awards granted during year that remain outstanding and unvested as of year-end | 1,793,016 | 785,420 |
| Decrease for change in fair value from prior year-end to current year-end of awards granted in prior years that were outstanding and unvested as of year-end | (6,117) | (1,927) |
| Increase for change in fair value from prior year-end to vesting date of awards granted in prior years that vested during year | 41,975 | 13,053 |
| Total adjustments | <u>\$ 938,099</u> | <u>\$ 351,158</u> |

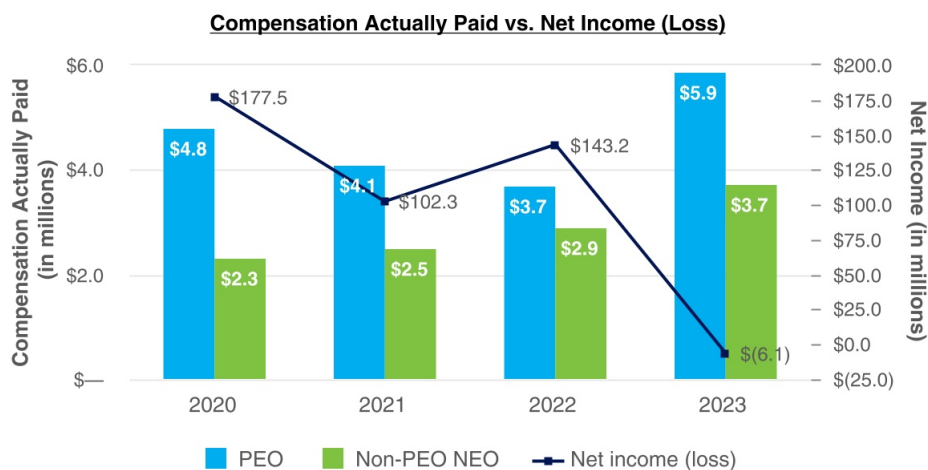
EXECUTIVE COMPENSATION (CONTINUED)

Analysis of the Information Presented in the Pay versus Performance Table

The following graph illustrates the relationship between compensation actually paid to our NEOs and our TSR as well as TSR for the FTSE NAREIT Mortgage REIT Index on a cumulative basis assuming investment of \$100 on December 31, 2019:



The following graph compares our net income to compensation actually paid to our NEOs on an annual basis:

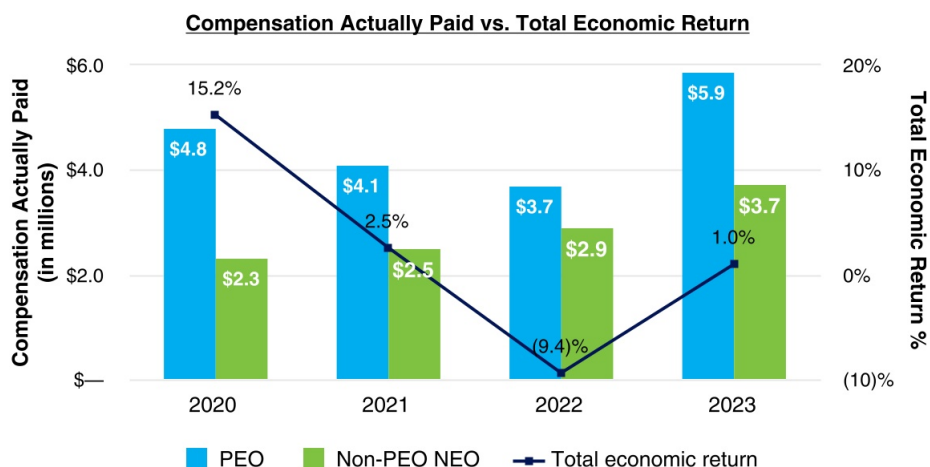


The Company accounts for its investments purchased prior to January 1, 2021 as available-for-sale with changes in fair value recorded in "other comprehensive income (loss)." Effective January 1, 2021, the

EXECUTIVE COMPENSATION (CONTINUED)

Company elected the fair value option for its investments purchased on or after that date with changes in fair value reported in "net income." As a result, net income for the years presented above in the Pay versus Performance Table and in the graph above does not include other comprehensive income (loss) of \$(93.5) million, \$(73.5) million, \$(188.1) million, and \$22.8 million, respectively.

The following graph illustrates the relationship between compensation actually paid to our NEOs and our total economic return:



Financial Performance Measures

As described in greater detail in "Executive Compensation – Compensation Discussion and Analysis," the Company's executive compensation program reflects a variable pay-for-performance philosophy. The metrics that the Company uses for both our long-term and short-term incentive awards are selected based on an objective of incentivizing our NEOs to increase the value of our enterprise to our shareholders. The most important financial measures used by the Company to link the executive compensation actually paid to the Company's NEOs to the Company's performance for the most recently completed fiscal year are as follows:

- absolute change in book value per common share
- relative change in book value per common share compared to a peer group
- absolute total economic return
- relative total economic return compared to a peer group

CEO PAY RATIO

We determined that the 2023 annual total compensation of the median compensated employee, from all our employees who were employed as of December 31, 2023, other than our Chief Executive Officer, was \$204,119; our Chief Executive Officer's 2023 annual total compensation was \$6,177,239 and the ratio of these amounts was 1 to 30.3.

As of December 31, 2023, our total population consisted of 22 employees, all located in the United States. This population consisted of all of our full-time and part-time employees.

To identify the median compensated employee, we used Medicare wages and tips for the period from January 1, 2023 to December 31, 2023 as reported to the Internal Revenue Service on Box 5 of Form W-2. We did not annualize pay for those individuals not employed for a full year in 2023 or make any cost-of-living adjustments in identifying the median compensated employee. Once we identified our median compensated employee, we calculated the median compensated employee's and our Chief Executive Officer's 2023 annual total compensation in accordance with the requirements of the Summary Compensation Table.

This pay ratio is a reasonable estimate calculated in a manner consistent with SEC rules based on our payroll and employment records and the methodology described above. The SEC rules for identifying the median compensated employee and calculating the pay ratio based on that employee's annual total compensation allow companies to adopt a variety of methodologies, to apply certain exclusions, and to make reasonable estimates and assumptions that reflect their compensation practices. As such, the pay ratio reported by other companies may not be comparable to the pay ratio reported above, as other companies may have different employment and compensation practices and may utilize different methodologies, exclusions, estimates and assumptions in calculating their own pay ratios.

PROPOSAL TWO

ADVISORY AND NON-BINDING VOTE TO APPROVE EXECUTIVE COMPENSATION

As required under Section 14A of the Exchange Act, we are providing our shareholders the opportunity to vote to approve, on an advisory and non-binding basis, the compensation of our named executive officers as disclosed in this Proxy Statement in accordance with the SEC's rules.

As described in detail under the heading "Executive Compensation - Compensation Discussion and Analysis," our executive compensation program is designed to attract and retain highly skilled and motivated officers who will manage the Company in a manner to promote our growth and profitability, prudently preserve our capital, and advance the interests of our shareholders. Under this program, our named executive officers are rewarded for the achievement of specific annual, long-term and strategic goals, corporate goals, and the realization of shareholder value. Please read the "Compensation Discussion and Analysis" for additional details about our executive compensation program, including information about the 2023 fiscal year compensation of our named executive officers.

The Compensation Committee annually reviews the compensation programs for our named executive officers to ensure they achieve the desired goal of striking a balance between recognition of recent achievements and aligning the interests of management on a longer-term basis with that of the Company's shareholders. We are asking our shareholders to indicate their support for our named executive officer compensation as described in this Proxy Statement by voting for this proposal.

This proposal, commonly known as a "say-on-pay" proposal, gives our shareholders the opportunity to express their views on our named executive officers' compensation. This vote is not intended to address any specific item of compensation, but rather the overall compensation of our named executive officers and the philosophy, policies and practices described in this Proxy Statement.

Accordingly, we are asking our shareholders to vote "FOR" the following resolution at the Annual Meeting:

"RESOLVED, that the Company's shareholders approve, on an advisory basis, the compensation of the named executive officers, as disclosed in the Company's Proxy Statement for the 2024 Annual Meeting of Shareholders pursuant to the compensation disclosure rules of the Securities and Exchange Commission, including the Compensation Discussion and Analysis, compensation tables and related disclosure."

This say-on-pay vote is advisory, and therefore not binding on the Company, the Compensation Committee or the Board. The Board and the Compensation Committee value the opinions of our shareholders and we will consider our shareholders' concerns and the outcome of this vote when making future compensation decisions regarding our executive officers.

We anticipate that the next vote on a say-on-pay proposal will occur at the 2025 Annual Meeting of Shareholders.

THE BOARD RECOMMENDS THAT THE SHAREHOLDERS VOTE "FOR" APPROVAL OF THE COMPENSATION OF OUR NAMED EXECUTIVE OFFICERS, AS DISCLOSED IN THIS PROXY STATEMENT PURSUANT TO THE COMPENSATION DISCLOSURE RULES OF THE SEC.

RELATED PERSON TRANSACTIONS

We recognize that maintaining the independence in fact and appearance for our directors and officers is critical. Therefore, we have certain policies and procedures in place to critically evaluate each transaction that could impact the independence of directors and officers. Our Code of Conduct provides that the Company's personnel, including directors and officers, are expected to avoid any situation in which their personal interests conflict, or have the appearance of conflicting, with those of the Company. Our Corporate Governance Guidelines also provide that the Company will generally refrain from entering into contracts with Board members and their immediate family members or providing support directly or indirectly to organizations with which a Board member may be affiliated. In the event that we deem it appropriate to enter into transactions with a Board member or a member of his or her immediate family, the terms of the transaction must be made in the ordinary course of business and on substantially the same terms as those prevailing at the time of a comparable transaction with a non-related person. The Board will also evaluate these transactions, in accordance with our Corporate Governance Guidelines, when the independence of the director is determined.

Our Board has adopted certain written policies and procedures, included within our Code of Conduct, for the review, approval and ratification of related person transactions, which we refer to here as our Related Person Policy. Among other things, our Related Person Policy provides that, a related person transaction shall be subject to reasonable prior review and oversight by the Audit Committee. A "related person transaction" is any transaction, arrangement or relationship (or any series of transactions, arrangements or relationships) in which we were, are or will be a participant, in which the amount involved exceeds \$120,000, and in which any related person had, has or will have a direct or indirect material interest. A "related person," as defined in our Related Person Policy, means any person who is an executive officer, director or nominee for director of the Company since the beginning of the Company's last fiscal year, even if the person does not presently serve in that role, any person who is the owner of more than 5% of any class of the Company's outstanding equity securities, any immediate family member of any of the foregoing persons, which means any child, stepchild, parent, stepparent, spouse, sibling, mother-in-law, father-in-law, son-in-law, daughter-in-law, brother-in-law, sister-in-law or any person (other than a tenant or employee) sharing the house-hold of the executive officer, director, nominee or more than 5% owner, and any entity which is owned or controlled by any of the foregoing persons or in which one of the

foregoing persons has a substantial ownership interest or control of such entity.

Under the Related Person Policy, proposed related person transactions must be reported to the Chairperson of the Audit Committee. The Chairperson will assess, with the assistance of counsel, if appropriate, whether the proposed transaction would be a related person transaction and, if so, unless the transaction is subject to a pre-approved exemption, the proposed related person transaction shall be submitted to the Audit Committee for consideration. The Audit Committee will then conduct a reasonable prior review and oversight of the related person transaction for potential conflicts of interest. In determining whether to approve or ratify a proposed related person transaction, the Audit Committee will consider, among other things, whether the related person transaction is in, or is not inconsistent with, the best interests of the Company and its shareholders, and, where applicable, whether the terms of such transaction are comparable to those that could be obtained in arms-length dealings with an unrelated third party. The Audit Committee will prohibit a related person transaction if it determines such transaction to be inconsistent with the interests of the Company and its shareholders. The Audit Committee notifies the related person of its determination.

No director who is a related person with respect to a transaction under review may participate in any discussion or approval, except that the director shall provide all material information concerning the transaction to the Audit Committee.

We do not have any related person transactions to report under relevant SEC rules and regulations or our Related Person Policy.

PROPOSAL THREE

RATIFICATION OF THE SELECTION OF THE COMPANY'S AUDITORS

The Audit Committee has selected the firm of BDO USA, PC ("BDO") as independent certified public accountants to audit the consolidated financial statements of the Company for the fiscal year ending December 31, 2024. BDO has audited the financial statements of the Company since 2005, including for the fiscal year ended December 31, 2023.

The Audit Committee is directly responsible for the appointment, compensation, retention and oversight of the work of BDO as the Company's independent auditor. The Audit Committee is aware that a long-tenured auditor may be believed by some to pose an independence risk. To address these concerns, the Audit Committee:

- reviews all non-audit services and engagements provided by BDO, if any, specifically with regard to the impact on the firm's independence;
- conducts an annual assessment of BDO's service quality, and its working relationship with our management;
- conducts periodic private meetings separately with each of BDO and our management;
- approves the selection of BDO's new lead engagement partner with each rotation;
- at least annually obtains and reviews a report from BDO describing all relationships between the independent auditor and the Company; and
- periodically considers whether there should be regular rotation of the independent auditor.

Based on the above, the members of the Audit Committee and the Board believe that continued retention of BDO to serve as the Company's independent auditor is in the best interests of the Company and its shareholders.

Although ratification is not required, the Board is submitting the selection of BDO to our shareholders for ratification because we value our shareholders' views on the Company's independent certified public accountants, and as a matter of good governance practice. In the event that shareholders do not ratify the selection of BDO, the Audit Committee will consider making a change in auditors for the Company for the fiscal year ending December 31, 2024.

Representatives of BDO are expected to attend the Annual Meeting, will have an opportunity to make a statement, if they desire to do so, and are expected to be available to respond to appropriate questions from shareholders.

THE BOARD RECOMMENDS THAT THE SHAREHOLDERS VOTE "FOR" THE RATIFICATION OF THE SELECTION OF BDO USA, PC, AS INDEPENDENT CERTIFIED PUBLIC ACCOUNTANTS, AS AUDITORS FOR THE 2024 FISCAL YEAR ENDING DECEMBER 31, 2024.

AUDIT INFORMATION

PRINCIPAL ACCOUNTANT FEES

The following information is furnished with respect to fees billed for professional services rendered to the Company by BDO for the audit of the Company's annual financial statements for the fiscal years ended December 31, 2023 and 2022, respectively, and fees billed for other services

rendered by BDO during those periods. Information related to audit fees for 2023 includes amounts billed through December 31, 2023, and additional amounts estimated to be billed for the 2023 period for audit services rendered.

| | For Fiscal Year Ended December 31, | |
|---------------------------|---------------------------------------|------------|
| | 2023 | 2022 |
| Audit Fees ⁽¹⁾ | \$ 660,378 | \$ 596,547 |
| Audit-Related Fees | — | — |
| Tax Fees | — | — |
| All Other Fees | — | — |
| Total | \$ 660,378 | \$ 596,547 |

(1) Audit Fees include: (i) the audit of the Company's consolidated financial statements included in its Annual Report on Form 10-K and services attendant to, or required by, statute or regulation; (ii) reviews of the interim consolidated financial statements included in the Company's quarterly reports on Form 10-Q and (iii) comfort letters, consents and other services normally provided related to SEC and other regulatory filings.

AUDIT COMMITTEE PRE-APPROVAL POLICY

In accordance with the Audit Committee Charter, all audit (including audit-related) and non-audit services performed by BDO, as described above, were pre-approved by the Audit Committee, which concluded that the provision of such services by the Company's independent registered public accounting firm was compatible with the maintenance of that firm's independence in the conduct of its auditing functions. The charter authorizes the Audit Committee to delegate to one or more of its members pre-approval authority with respect to permitted services. The decisions of any Audit Committee member to whom pre-approval authority is delegated must be presented to the full Audit Committee at its next scheduled meeting.

AUDIT COMMITTEE REPORT

The following Audit Committee Report shall not be deemed to be soliciting material or to be incorporated by reference by any general statement incorporating by reference this proxy statement into any filing under the Securities Act of 1933, as amended (the "Securities Act"), or the Exchange Act (together with the Securities Act, the "Acts"), except to the extent the Company specifically incorporates this Report therein and shall not otherwise be deemed filed under such Acts.

The Audit Committee, among other responsibilities, engages the independent public accountants, reviews with the independent public accountants the plans and results of any audits, reviews other professional services provided by the independent public accountants, reviews the independence of the independent public accountants, considers the range of audit and non-audit fees and reviews the adequacy of internal accounting controls. The Audit Committee is comprised of three directors, each of whom is independent for audit committee purposes, as defined by the regulations of the SEC and the NYSE listing standards.

The Audit Committee has reviewed and discussed with management and the independent accountants the Company's audited financial statements and the results of their examination

and evaluation of the Company's internal controls for fiscal year 2023. The Audit Committee also discussed with management and the independent accountants the quality and adequacy of the Company's internal controls and the internal audit functions, organization, responsibilities, budget and staffing. The Audit Committee reviewed with both the independent accountants and the internal auditors their audit plans, audit scope and identification of audit risks. In addition, the Audit Committee has discussed with the independent accountants the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board (the "PCAOB") and the SEC.

The Audit Committee has received from the independent accountants written disclosures and a letter regarding BDO's communications with the Audit Committee concerning independence, as required by the applicable requirements of the PCAOB. These disclosures have been reviewed by the Audit Committee, and the Audit Committee has discussed with the independent accountants the independent accountants' independence.

Based on these reviews and discussions, the Audit Committee recommended to the Board that the audited financial statements be included in the Company's Annual Report on Form 10-K for fiscal year 2023 for filing with the SEC.

Audit Committee
Joy D. Palmer, Chairperson
Alexander I. Crawford
Andrew I. Gray

DEADLINES FOR SUBMISSION OF SHAREHOLDER PROPOSALS

SHAREHOLDER PROPOSALS

Any shareholder proposal to be considered for inclusion in the Company's proxy materials for the 2025 annual meeting of shareholders must comply with Rule 14a-8 under the Exchange Act and must be received by the Company's Secretary, at the Company's principal executive office address set forth at the beginning of this Proxy Statement on or before November 28, 2024. If any shareholder desires to present a proposal to be acted upon at the 2025 annual meeting of shareholders (including a nomination for director), but not for inclusion in the Company's proxy materials, written notice of such proposal must be received, in proper form, by the Company's Secretary at the Company's principal executive office address set forth at the beginning of this Proxy Statement no earlier than September 29, 2024 and no later than December 28, 2024. The proxy solicited by the Board for the 2025 annual meeting of shareholders will confer discretionary authority to vote on any shareholder proposal presented at the meeting if the Company has not received notice of such proposal within this time period, in writing delivered to the Company's Secretary. Shareholder proposals must be submitted by a shareholder of record and must set forth the information required by the Company's Bylaws. If you are a beneficial owner of shares held in street name, you can contact the organization that holds your shares for information about how to register your shares directly in your name as a shareholder of record.

ANNUAL REPORT ON FORM 10-K

A copy of the Company's Annual Report on Form 10-K for fiscal year 2023 and a list of all its exhibits will be supplied without charge to any shareholder upon written request sent to the Company's principal executive offices: Dynex Capital, Inc., Attention: Investor Relations, 4991 Lake Brook Drive, Suite 100, Glen Allen, Virginia 23060. Exhibits to the Form 10-K are available for a reasonable fee. You may also view the Company's Annual Report on Form 10-K and its exhibits online at the SEC website at www.sec.gov or on the Company's website at www.dynexcapital.com under "Investor Center - SEC Filings - Documents."

By Order of the Board of Directors



Robert S. Colligan

Executive Vice President, Chief Financial Officer and Secretary

March 28, 2024

Dynex Capital, Inc.



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MR A SAMPLE
DESIGNATION (IF ANY)
ADD 1
ADD 2
ADD 3
ADD 4
ADD 5
ADD 6

Using a **black ink** pen, mark your votes with an **X** as shown in this example.
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Your vote matters – here's how to vote!

You may vote online or by phone instead of mailing this card.



**For shares held in the Dynex Capital, Inc.
401(k) plan, vote by 5:00 p.m. EDT on
May 15, 2024.**



Online
Go to www.envisionreports.com/DYNX or
scan the QR code – login details are
located in the shaded bar below.



Phone
Call toll free 1-800-652-VOTE (8683) within
the USA, US territories and Canada



Save paper, time and money!
Sign up for electronic delivery at
www.envisionreports.com/DYNX

Annual Meeting Proxy Card

1234 5678 9012 345

▼ IF VOTING BY MAIL, SIGN, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ▼

A Proposals – The Board of Directors recommends a vote FOR each director listed in Proposal 1 and FOR Proposals 2 and 3.

1. To elect six (6) directors of the Company, to hold office until the next annual meeting and until their successors are elected and duly qualified;

| | For | Against | Abstain | | For | Against | Abstain | | For | Against | Abstain |
|-----------------------------------|--------------------------|--------------------------|--------------------------|--|--------------------------|--------------------------|--------------------------|----------------------------|--------------------------|--------------------------|--------------------------|
| 01 - Byron L. Boston, Chairman | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 02 - Julia L. Coronado, Lead Independent Director | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 03 - Alexander I. Crawford | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |
| 04 - Andrew I. Gray | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 05 - Joy D. Palmer | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> | 06 - Smriti L. Popenoe | <input type="checkbox"/> | <input type="checkbox"/> | <input type="checkbox"/> |

2. To approve, in an advisory and non-binding vote, the
compensation of the Company's named executive officers as
disclosed in the accompanying Proxy Statement;

For Against Abstain
☐ ☐ ☐

3. To ratify the selection of BDO USA, PC, independent certified
public accountants, as auditors for the Company for the 2024
fiscal year;

For Against Abstain
☐ ☐ ☐

4. To transact such other business as may properly come before
the meeting or any adjournment thereof.

B Authorized Signatures – This section must be completed for your vote to count. Please date and sign below.

NOTE: Please sign as name appears hereon. Joint owners should each sign. When signing as attorney, executor, administrator, trustee or guardian, please give full title as such. If a corporation or partnership, please sign in full corporate or partnership name by authorized officer.

Date (mm/dd/yyyy) – Please print date below.

Signature 1 – Please keep signature within the box.

Signature 2 – Please keep signature within the box.



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JNT

1 P C F

6 1 2 1 4 7

MR A SAMPLE (THIS AREA IS SET UP TO ACCOMMODATE
140 CHARACTERS) MR A SAMPLE AND MR A SAMPLE AND
MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND
MR A SAMPLE AND MR A SAMPLE AND MR A SAMPLE AND

The 2024 Annual Meeting of Shareholders of Dynex Capital, Inc. (the "Company") will be held on Friday, May 17, 2024 at 9:00 a.m. ET, virtually at meetnow.global/MG5CAWF.

To attend, vote and submit questions during the virtual Annual Meeting, you must have the information that is printed in the shaded bar located on the other side of this form. Even if you plan on attending the virtual Annual Meeting, we encourage you to vote your shares in advance using one of the methods described on this proxy card.

Important notice regarding the Internet availability of proxy materials for the Annual Meeting of Shareholders To Be Held on May 17, 2024:
The material is available at: www.envisionreports.com/DYNX



▼ IF VOTING BY MAIL, SIGN, DETACH AND RETURN THE BOTTOM PORTION IN THE ENCLOSED ENVELOPE. ▼

Proxy – Dynex Capital, Inc.



Annual Meeting of Shareholders – May 17, 2024

THIS PROXY IS SOLICITED BY THE BOARD OF DIRECTORS OF THE COMPANY

The undersigned hereby appoints Robert S. Colligan and Alison G. Griffin, and each of them, with power to act without the other and with power of substitution, as proxies and attorneys-in-fact and hereby authorizes them to represent and vote, as provided on the other side, all the shares of Dynex Capital, Inc. common stock which the undersigned is entitled to vote, and, in their discretion, to vote upon such other business as may properly come before the Annual Meeting of Shareholders of the Company to be held May 17, 2024 or at any adjournment thereof, with all powers which the undersigned would possess if present at the meeting.

THIS PROXY WILL BE VOTED AS DIRECTED, OR IF NO DIRECTION IS INDICATED, WILL BE VOTED "FOR" each director listed in Proposal 1 and "FOR" Proposals 2 and 3.

(Continued and to be marked, dated and signed, on the other side)

C Non-Voting Items

Change of Address – Please print new address below.

Comments – Please print your comments below.

