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

**SCHEDULE 14A**

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

**XENCOR, INC.**

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(Name of Registrant as Specified in its Charter)

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(Name of Person(s) Filing Proxy Statement, if Other Than the Registrant)

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
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Fellow stockholder,

Xencor applies cutting-edge XmAb® protein engineering technologies to develop better biologic medicines and improve the lives of patients with cancer and other serious diseases. The plug-and-play nature of our XmAb Fc domains and our protein engineering expertise have enabled a broad clinical-stage portfolio of antibody-based drug candidates. We seek to address challenging areas of biology with our drug candidates, testing them in clinical trials to determine which to advance toward registrational studies and which to either partner or terminate. Our future growth is rooted in our commitment to scientific excellence and exploration of therapeutic mechanisms through our exceptional protein engineering expertise.

We are focused on advancing a pipeline of targeted T-cell engaging bispecific antibodies, which we believe hold great potential for the treatment of patients with solid tumors. Recent clinical data updates from T-cell engager programs across multiple tumor types have been highly encouraging and provide rapidly growing validation that they may drive deep and durable clinical responses. In the third quarter of 2023, we began aligning our portfolio to prioritize our T-cell engager programs, which include XmAb819 (ENPP3 x CD3), XmAb808 (B7-H3 x CD28) and XmAb541 (CLDN6 x CD3). We have also narrowed the clinical development plan for our dual checkpoint inhibitor, vudalimab (PD-1 x CTLA-4), in treating patients with advanced prostate and non-small lung cell cancers. We recently presented early Phase 2 data indicating that vudalimab monotherapy has been associated with clinical response in 5 of 12 evaluable patients with an advanced form of prostate cancer, and its safety profile has been consistent with other checkpoint inhibitor therapies. Finally, in the first half of 2024, we plan to conclude Phase 1 studies evaluating our XmAb564 and XmAb662 engineered cytokines and pause further development of both programs, pending review of data emerging from competitive programs.

The inherent modular nature of XmAb technologies and our many collaborations and licensing agreements expand our reach. Several partners are developing their own XmAb drug candidates, which generate revenue streams that have enabled our strong financial foundation. Along with our partners, more than 20 XmAb drug candidates are in clinical testing, and multiple XmAb medicines are marketed by partners. In November 2023, we monetized portions of financial interests on sales of two marketed XmAb medicines for \$215.0 million. Proceeds from the monetization provide us near-term flexibility to focus resources on what we believe to be our biggest value drivers and enhance our pipeline with novel XmAb drug candidates.

We appreciate your perspective. You are invited and most welcome to join us at our 2024 Annual Meeting of Stockholders on Thursday, June 13, 2024 at 1:30 p.m. PT at our laboratories and headquarters in Pasadena, California. As always, please reach out to our investor relations personnel to help increase your understanding of our business strategy and corporate governance practices.

Bassil I. Dahiyat, Ph.D.  
President, Chief Executive Officer and Director

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**XENCOR, INC.**  
465 North Halstead Street, Suite 200  
Pasadena, CA 91107

**NOTICE OF ANNUAL MEETING OF STOCKHOLDERS**  
**To Be Held On June 13, 2024**

Dear Stockholder:

You are cordially invited to attend the 2024 Annual Meeting of Stockholders of Xencor, Inc., a Delaware corporation (the "Company") to be held on Thursday, June 13, 2024 at 1:30 p.m. Pacific Time at the Company's headquarters, 465 North Halstead Street, Suite 200, Pasadena, California 91107. We are holding the meeting for the following purposes:

1. To elect the eight nominees to the Board of Directors named in the accompanying Proxy Statement to serve until the next annual meeting and until their successors are duly elected and qualified;
2. To ratify the selection by the Audit Committee of the Board of Directors of RSM US LLP as the independent registered public accounting firm of the Company for its fiscal year ending December 31, 2024;
3. To approve, by non-binding advisory vote, the compensation of the Company's named executive officers, as disclosed in the accompanying Proxy Statement; and
4. To conduct any other business properly brought before the meeting or any adjournments or postponements thereof.

These items of business are more fully described in the Proxy Statement accompanying this Notice (the "Proxy Statement").

The record date for the annual meeting is April 15, 2024. Only stockholders of record at the close of business on that date may vote at the meeting or any adjournment thereof.

Our Board of Directors recommends that you vote FOR the election of each of the director nominees and FOR Proposals 2 and 3.

If we decide to make any change in the date, time or location, or to hold the annual meeting virtually by remote communication, an announcement of such changes will be made through a press release that will also be filed with the Securities and Exchange Commission as additional proxy materials and we will post details on our website at <https://investors.xencor.com>. Please check our website in advance of the date of the annual meeting if you are planning to attend in person. If we elect to hold a virtual meeting, this will not have any impact on your ability to vote by proxy using the enclosed proxy card, vote by proxy on the internet or vote by proxy over the telephone, each as explained in this Proxy Statement. As always, we encourage you to vote your shares prior to the annual meeting.

By Order of the Board of Directors



Celia E. Eckert  
Secretary

Pasadena, California

April 24, 2024

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**You are cordially invited to attend the annual meeting. Whether or not you expect to attend the meeting, please complete, date, sign and return the proxy mailed to you as promptly as possible in order to ensure your representation at the meeting. Even if you have voted by proxy, you may still vote if you attend the meeting. Please note, however, that if your shares are held of record by a broker, bank or other nominee and you wish to vote at the meeting, you must obtain a proxy issued in your name from that record holder.**

**Important Notice Regarding the Availability of Proxy Materials for the Stockholders Meeting to Be Held on June 13, 2024:** Our Notice of Annual Meeting of Stockholders, Proxy Statement and Annual Report on Form 10-K for the fiscal year ended December 31, 2023 will be available at [www.proxydocs.com/XNCR](http://www.proxydocs.com/XNCR).

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## TABLE OF CONTENTS

<a href="#">Questions and Answers About These Proxy Materials and Voting</a>	3
<a href="#">Proposal 1 Election of Directors</a>	8
<a href="#">Proposal 2 Ratification of Selection of Independent Registered Accounting Firm</a>	13
<a href="#">Proposal 3 Advisory Vote on Executive Compensation</a>	15
<a href="#">Corporate Governance</a>	16
<a href="#">Report of the Audit Committee of the Board of Directors</a>	20
<a href="#">Director Compensation</a>	23
<a href="#">Transactions with Related Persons</a>	26
<a href="#">Executive Officers</a>	28
<a href="#">Executive Compensation Discussion and Analysis</a>	30
<a href="#">Report of the Human Capital Management &amp; Compensation Committee of the Board of Directors</a>	42
<a href="#">Ratio of Annual Compensation for the CEO to Our Median Employee</a>	52
<a href="#">Security Ownership of Certain Beneficial Owners and Management</a>	53
<a href="#">Pay versus Performance</a>	55
<a href="#">Delinquent Section 16(a) Reports</a>	58
<a href="#">Householding of Proxy Materials</a>	59
<a href="#">Other Matters</a>	60

**XENCOR, INC.**  
465 North Halstead, Suite 200  
Pasadena, CA 91107

**PROXY STATEMENT  
FOR THE 2024 ANNUAL MEETING OF STOCKHOLDERS  
To be held on June 13, 2024**

**QUESTIONS AND ANSWERS ABOUT THESE PROXY MATERIALS AND VOTING**

**Why did I receive a notice regarding the availability of proxy materials on the internet?**

Pursuant to rules adopted by the Securities and Exchange Commission (the “SEC”), we have elected to provide access to our proxy materials over the internet. Accordingly, we have sent you a Notice of Internet Availability of Proxy Materials (the “Notice”) because the Board of Directors (sometimes referred to as “our Board” or “the Board”) of Xencor, Inc. (“Xencor” or the “Company”) is soliciting your proxy to vote at the 2024 Annual Meeting of Stockholders, including at any adjournments or postponements of the meeting. All stockholders will have the ability to access the proxy materials on the website referred to in the Notice or request to receive a printed set of the proxy materials. Instructions on how to access the proxy materials over the internet or to request a printed copy may be found in the Notice.

We intend to mail the Notice on or about May 1, 2024 to all stockholders of record entitled to vote at the annual meeting.

**Will I receive any other proxy materials by mail?**

We may send you a proxy card, along with a second Notice, on or after May 1, 2024.

**How can I attend the annual meeting?**

The meeting will be held on Thursday, June 13, 2024 at 1:30 p.m. local time at the Company’s headquarters, 465 North Halstead Street, Suite 200, Pasadena, California 91107. Directions to the annual meeting may be found on our website at: [www.xencor.com](http://www.xencor.com). Information on how to vote in person at the annual meeting is discussed below.

If we decide to make any change in the date, time or location, or to hold the annual meeting virtually by remote communication, an announcement of such changes will be made through a press release that will also be filed with the SEC as additional proxy materials and we will post details on our website at <https://investors.xencor.com>. Please check our website in advance of the date of the annual meeting if you are planning to attend in person.

**Who can vote at the annual meeting?**

Only stockholders of record at the close of business on April 15, 2024 will be entitled to vote at the annual meeting. On this record date, there were 61,647,493 shares of common stock outstanding and entitled to vote.

*Stockholder of Record: Shares Registered in Your Name*

If on April 15, 2024 your shares were registered directly in your name with the Company’s transfer agent, Computershare, then you are a stockholder of record. As a stockholder of record, you may vote in person at the meeting, or vote by proxy. Whether or not you plan to attend the meeting, we urge you to vote by proxy ahead of the meeting to ensure your vote is counted.

*Beneficial Owner: Shares Registered in the Name of a Broker or Bank*

If on April 15, 2024 your shares were held not in your name, but rather in an account at a brokerage firm, bank, dealer or other similar organization, then you are the beneficial owner of shares held in “street name”. The Notice is being forwarded to you by that organization. The organization holding your account is considered to be the stockholder of record for purposes of voting at the annual meeting. As a beneficial owner, you have the right to direct your broker, bank, or other agent regarding how to vote the shares in your account. You are also invited to attend the annual meeting. However, since

you are not the stockholder of record, you may not vote your shares in person at the meeting unless you request and obtain a valid proxy from your broker, bank, or other agent.

### **What matters will be voted on at the annual meeting?**

There are three matters scheduled for a vote at the annual meeting:

- Proposal 1: Election of the eight nominees to the Board named in this Proxy Statement to serve until the next annual meeting and until their successors are duly elected and qualified;
- Proposal 2: Ratification of selection by the Audit Committee of the Board of RSM US LLP as independent registered public accounting firm of the Company for its fiscal year ending December 31, 2024; and
- Proposal 3: To approve, by non-binding advisory vote, the compensation of the Company's named executive officers, as disclosed in this Proxy Statement.

No cumulative voting rights are authorized, and dissenters' rights are not applicable to these matters.

### **What if another matter is properly brought before the meeting?**

The Board knows of no other matters that will be presented for consideration at the annual meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the accompanying proxy to vote on those matters in accordance with their best judgment.

### **How do I vote?**

For Proposal 1, you may either vote "For" all the nominees to the Board or you may "Withhold" your vote for any nominee you specify. For Proposals 2 and 3, you may vote "For" or "Against" or abstain from voting.

The procedures for voting are as follows:

#### *Stockholder of Record: Shares Registered in Your Name*

If you are a stockholder of record, you may vote at the annual meeting or vote by proxy. Proxy votes may be cast either over the telephone, through the internet, or by using a proxy card that you may request or that we may elect to deliver at a later time. Whether or not you plan to attend the meeting, we urge you to vote by proxy to ensure your vote is counted. You may still attend the meeting and vote even if you have already voted by proxy.

- To vote via the internet, please follow the instructions in the Notice or proxy card.
- To vote by telephone, please follow the instructions in the Notice or proxy card.
- To vote by mail, please complete, sign and date the proxy card and return it promptly in the envelope provided. If you return your signed proxy card to us before the annual meeting, we will vote your shares as you direct.
- To vote in person, please come to the annual meeting and we will give you a ballot when you arrive.

#### *Beneficial Owner: Shares Registered in the Name of Broker or Bank*

If you are a beneficial owner of shares registered in the name of your broker, bank, other agent, or nominee you should have received a Notice containing voting instructions from that organization rather than from Xencor. Simply follow the voting instructions in the Notice to ensure that your vote is counted. To vote in-person at the annual meeting, you must obtain a valid proxy from your broker, bank, or other agent. Follow the instructions from your broker, bank, or other agent included with these proxy materials or contact your broker, bank, or other agent to request a proxy form.

**Internet proxy voting will be provided to allow you to vote your shares online, with procedures designed to ensure the authenticity and correctness of your proxy vote instructions. However, please be aware that you must**

**bear any costs associated with your internet access, such as usage charges from internet access providers and telephone companies.**

**How many votes do I have?**

On each matter to be voted upon, you have one vote for each share of common stock you owned as of April 15, 2024.

**What happens if I do not vote?**

*Stockholder of Record: Shares Registered in Your Name*

If you are a stockholder of record and do not vote by completing your proxy card, by telephone, through the internet or in-person at the annual meeting, your shares will not be voted.

*Beneficial Owner: Shares Registered in the Name of Broker or Bank*

If you are a beneficial owner of shares held in “street name” and do not instruct your broker, bank, other agent or nominee how to vote your shares, the question of whether your broker, bank, or other agent will still be able to vote your shares depends on whether the applicable stock exchange deems the particular proposal to be a “routine” matter. Brokers, banks, other agents and nominees can use their discretion to vote “uninstructed” shares with respect to matters that are considered to be “routine,” but not with respect to “non-routine” matters. Under the rules and interpretations of the applicable stock exchange, “non-routine” matters are matters that may substantially affect the rights or privileges of stockholders, such as mergers, stockholder proposals, elections of directors (even if not contested), executive compensation (including any advisory stockholder votes on executive compensation), and certain corporate governance proposals, even if management-supported. Accordingly, your broker, bank, other agent or nominee may not vote your shares on Proposals 1 or 3 without your instructions but may vote your shares on Proposal 2.

**Do I have dissenters’ rights of appraisal?**

Our stockholders do not have appraisal rights under Delaware law or under our governing documents with respect to the matters to be voted upon at the annual meeting.

**What if I return a proxy card or otherwise vote but do not make specific choices?**

If you return a signed and dated proxy card or otherwise vote without marking voting selections, your shares will be voted, as applicable: “For” the election of all eight nominees for director, “For” the ratification of selection by the Audit Committee of the Board of RSM US LLP as independent registered public accounting firm of the Company for its fiscal year ending December 31, 2024, and “For” the approval, by non-binding advisory vote, of the compensation of our named executive officers, as disclosed in this Proxy Statement. If any other matter is properly presented at the meeting, your proxy holder (one of the individuals named on your proxy card) will vote your shares using his or her best judgment.

**Who is paying for this proxy solicitation?**

We will pay for the entire cost of soliciting proxies. In addition to these proxy materials, our directors and employees may also solicit proxies in person, by telephone or by other means of communication. Directors and employees will not be paid any additional compensation for soliciting proxies, but if we engage a proxy solicitor, it will be paid its customary fee of approximately \$12,500, plus out-of-pocket expenses. We may also reimburse brokerage firms, banks and other agents for the cost of forwarding proxy materials to beneficial owners.

**What does it mean if I receive more than one Notice?**

If you receive more than one Notice, your shares may be registered in more than one name or in different accounts. Please follow the voting instructions on each of the Notices to ensure that all of your shares are voted.



## **Can I change my vote after submitting my proxy?**

### *Stockholder of Record: Shares Registered in Your Name*

Yes. You can revoke your proxy at any time before the final vote at the meeting. If you are the record holder of your shares, you may revoke your proxy in any one of the following ways:

- You may submit another properly completed proxy card with a later date.
- You may grant a subsequent proxy by telephone or through the internet.
- You may send a timely written notice that you are revoking your proxy to Xencor, Inc.'s Secretary at 465 North Halstead Street, Suite 200, Pasadena, California 91107.
- You may attend the annual meeting and vote at the meeting. Simply attending the meeting will not, by itself, revoke your proxy.

Your most current proxy card or telephone or internet proxy is the one that will be counted.

### *Beneficial Owner: Shares Registered in the Name of Broker or Bank*

If your shares are held in "street name" by your broker, bank, or other agent, you should follow the instructions provided by your broker, bank, or other agent.

## **When are stockholder proposals and director nominations due for next year's annual meeting?**

Under Rule 14a-8 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), to be considered for inclusion in next year's proxy materials, your proposal must be submitted in writing by December 25, 2024 and must otherwise comply with Rule 14a-8 under the Exchange Act. Any proposal received after December 25, 2024 will be considered untimely, and will not be included in next year's proxy materials.

In addition, stockholders interested in submitting a proposal outside of Rule 14a-8 under the Exchange Act must properly submit a proposal in accordance with the Company's second amended and restated bylaws (the "Bylaws"). Pursuant to the Bylaws, if you wish to submit a proposal (including a director nomination) at the meeting that is not to be included in next year's proxy materials, your written request must be received by the Secretary for Xencor, Inc. between February 13, 2025 and March 16, 2025. However, if our 2025 Annual Meeting of Stockholders is not held between May 14, 2025 and July 13, 2025, under the Bylaws, this notice must be received not later than the close of business on the later of the 90th day prior to our 2025 Annual Meeting of Stockholders or the 10th day following the date on which public announcement of the date of our 2025 Annual Meeting of Stockholders is first made. You are also advised to review the Bylaws, which contain additional requirements about advance notice of stockholder proposals and director nominations. In addition, to comply with the SEC's universal proxy rules, stockholders who intend to solicit proxies in support of director nominees other than our nominees must provide notice that sets forth the information required by Rule 14a-19 under the Exchange Act no later than April 14, 2025. All notices should be directed to the attention of the Secretary of Xencor, Inc. at 465 North Halstead Street, Suite 200, Pasadena, California 91107.

While our Board will consider proper stockholder proposals that are properly brought before the 2025 Annual Meeting of Stockholders, we reserve the right to omit from next year's proxy materials stockholder proposals that we are not required to include under the Exchange Act, including Rule 14a-8 thereunder.

## **How are votes counted?**

Votes will be counted by the inspector of election appointed for the meeting, who will separately count, for the Proposal 1, votes "For," "Withhold" and broker non-votes; and, with respect to Proposals 2 and 3, votes "For" and "Against," abstentions and, if applicable, broker non-votes. The Bylaws provide that an action of our stockholders (other than the election of directors) is approved if a majority of the shares present at the meeting and entitled to vote are in favor of such action, and the directors are elected by a plurality of the votes of the shares present at the meeting and entitled to vote generally on the election of directors. Therefore, abstentions are not relevant to Proposal 1 and will have the same effect as "Against" votes with respect to Proposals 2 and 3.

Abstentions and broker non-votes will be counted for purposes of calculating whether a quorum is present at the annual meeting. A broker non-vote will make a quorum more readily attainable but will not otherwise affect the outcome of the vote on any proposal.

### **What are “broker non-votes”?**

As discussed above, when a beneficial owner of shares held in “street name” does not give instructions to the broker or nominee holding the shares as to how to vote on matters deemed by the applicable stock exchange to be “non-routine,” the broker or nominee cannot vote the shares. These unvoted shares are counted as “broker non-votes.”

### **How many votes are needed to approve each proposal?**

- For Proposal 1, the election of directors, the eight nominees receiving the most “For” votes from the holders of shares voting in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote on the election of directors will be elected. Only votes “For” or “Withheld” will affect the outcome.
- To be approved, Proposal 2, ratifying the selection by the Audit Committee of the Board of RSM US LLP as the independent registered public accounting firm of the Company for its fiscal year ending December 31, 2024, we must receive “For” votes from the holders of a majority of shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote. If you mark your proxy to “Abstain” from voting, it will have the same effect as an “Against” vote. Because Proposal 2 is considered to be “routine”, we do not expect any broker non-votes on Proposal 2.
- To be approved, Proposal 3, approving, by a non-binding advisory vote, the compensation of the Company’s named executive officers, as disclosed in this Proxy Statement, we must receive “For” votes from the holders of a majority of shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote. If you mark your proxy to “Abstain” from voting, it will have the same effect as an “Against” vote. Because Proposal 3 is considered to be “non-routine”, broker non-votes will have no effect.

### **What is the quorum requirement?**

A quorum of stockholders is necessary to hold a valid meeting. A quorum will be present if stockholders holding at least a majority of the outstanding shares entitled to vote are present at the meeting in person or represented by proxy. On the record date, there were 61,647,493 shares outstanding and entitled to vote. Thus, the holders of 30,823,747 shares must be present or represented by proxy at the meeting to have a quorum.

Your shares will be counted towards the quorum only if you submit a valid proxy (or one is submitted on your behalf by your broker, bank, or other agent or nominee) or if you vote at the meeting. Abstentions and broker non-votes will be counted towards the quorum requirement. If there is no quorum, the holders of a majority of shares present at the meeting or represented by proxy may adjourn the meeting to another date.

### **How can I find out the results of the voting at the annual meeting?**

Preliminary voting results will be announced at the annual meeting. In addition, final voting results will be published in a current report on Form 8-K that we expect to file within four business days after the annual meeting. If final voting results are not available to us in time to file a Form 8-K within four business days after the meeting, we intend to file a Form 8-K to publish preliminary results, and within four business days after the final results are known to us, file an additional Form 8-K to publish the final results.

### **Do the Company’s officers and directors have an interest in any of the matters to be acted upon at the annual meeting?**

Each of the eight director nominees set forth herein has an interest in Proposal 1 as each of them is either a nominee for director and is currently a member of the Board. Members of the Board and our executive officers do not have any interest in Proposal 2, the ratification of the appointment of our independent registered accounting firm. Members of our Board and our executive officers have an interest in Proposal 3, the approval of the compensation of the named executive officers, as executive officer compensation is subject to this non-binding advisory vote.

## PROPOSAL 1

### ELECTION OF DIRECTORS

#### BOARD SELECTION AND REFRESHMENT

Our Board has delegated responsibility for the review and recommendation of director nominees to the Nominating and Corporate Governance Committee. Upon the recommendation of the Company's Nominating and Corporate Governance Committee (our "Nominating Committee"), a slate of directors is nominated by the Board and submitted to a stockholder vote annually. The Nominating Committee also reviews and recommends candidates for the Board as vacancies or newly created positions occur.

#### CONSIDERATIONS

The Nominating Committee identifies a diverse pool of potential director candidates for nomination using sources such as independent search firms and director recommendations. Potential candidates are comprehensively reviewed and interviewed by members of the Nominating Committee and other Board members, including our lead independent director. During these interviews, directors assess candidates on the basis of their skills and experience, their personal attributes and their expected contribution to the current mix of competencies and diversity of the Board. At the same time, we conduct due diligence and solicit feedback from other external sources.

Our Board consists of eight directors, and there are eight nominees for director this year. Each director to be elected and qualified will hold office until the next annual meeting of stockholders and until his or her successor is duly elected and qualified, or, if sooner, until the director's death, resignation or removal. Except for Dr. Klencke (who was appointed as a director of the Company in September of 2023), each of the nominees listed below is currently a director of the Company and was previously elected by the stockholders. It is our policy to invite nominees for Board membership to attend the annual meeting. Five directors attended our 2023 Annual Meeting of Stockholders.

Directors are elected by a plurality of the votes of the holders of shares present at the annual meeting or represented by proxy and entitled to vote on the election of directors. The eight nominees receiving the highest number of affirmative votes will be elected. Although the Bylaws provide that all elections of directors shall be determined by a plurality of the votes of the shares present in person, by remote communication, if applicable, or represented by proxy at the meeting and entitled to vote generally on the election of directors, it is the policy of the Company that any nominee for director in an uncontested election that does not receive a majority of the votes cast (i.e., receives a greater number of votes "withheld" from his or her election than votes "for" his or her election) shall submit their offer of resignation for consideration by the Nominating Committee. The Nominating Committee will consider all of the relevant facts and circumstances and recommend to the Board the action to be taken with respect to such offer of resignation.

#### NOMINEES

The following is a brief biography of each nominee for director and a discussion of the specific experience, qualifications, attributes or skills of each nominee that led the Nominating Committee to recommend that person as a nominee for director, as of the date of this Proxy Statement.

The Nominating Committee seeks to assemble a diverse Board that, as a whole, possesses the appropriate balance of professional and industry knowledge, financial expertise and high-level management experience necessary to oversee and direct the Company's business. To that end, the Nominating Committee has identified and evaluated nominees in the broader context of the Board's overall composition, with the goal of recruiting members that bring diverse perspectives to complement and strengthen the skills of other members and also exhibit integrity, collegiality, sound business judgment and other qualities that the Nominating Committee views as critical to effective functioning of the Board. The brief biographies below include information, as of the date of this Proxy Statement, regarding the specific and particular experience, qualifications, attributes or skills of each director or nominee that led the Nominating Committee to recommend that person as a nominee. However, each of the members of the Nominating Committee may have a variety of reasons why he or she believes a particular person would be an appropriate nominee for the Board, and these views may differ from the views of other members.

Each of the nominees has consented to serve if elected. If any of them becomes unavailable to serve as a director, our Board may designate a substitute nominee. In that case, the proxy holders will vote for the substitute nominee designated

by our Board. Our Board has no reason to believe that any of the nominees will be unable to serve. There are no agreements or understandings pursuant to which any of the directors was selected to serve as a director. There are no family relationships between any director or director nominee and any other director or director nominee or any executive officer. There are no legal proceedings related to any of the directors or director nominees which must be disclosed pursuant to Item 103 or 401(f) of Regulation S-K.

Name	Age	Position Held with the Company
Dr. Bassil I. Dahiyat	53	Director, President and Chief Executive Officer
Dr. Ellen G. Feigal	69	Director
Dr. Kevin C. Gorman	66	Director
Mr. Kurt A. Gustafson	56	Director
Dr. Barbara Klencke	66	Director
Dr. A. Bruce Montgomery	70	Director
Mr. Richard J. Ranieri	71	Director
Ms. Dagmar Rosa-Bjorkeson	60	Director

**Bassil I. Dahiyat, Ph.D.** has served as our President and Chief Executive Officer since February 2005 and as a member of our Board since August 1997. He has led the Company in creating a diverse clinical-stage portfolio of engineered antibodies for the treatment of cancer and serious diseases, and has established alliances with leading biopharmaceutical companies that have resulted in three marketed drugs. Dr. Dahiyat has more than 25 years of experience in the biotechnology business, having co-founded Xencor in 1997. From 1997 to 2003, he served as our Chief Executive Officer, and from 2003 to 2005, served as our Chief Scientific Officer. Dr. Dahiyat currently serves on the board of directors of Kodiak Sciences Inc., a publicly traded biopharmaceutical company, and Terray Therapeutics, Inc., a privately held biotechnology company. In 2017, Dr. Dahiyat was awarded the Ernst & Young Entrepreneur of the Year in Technology for the Los Angeles Region and in 2005 was recognized as a technology pioneer by the World Economic Forum. Additionally, Dr. Dahiyat was named one of 2003's Top 100 Young Innovators by MIT's Technology Review magazine for his work on protein design and its development for therapeutic applications and has received awards from the American Chemical Society, the Controlled Release Society and the California Institute of Technology. Dr. Dahiyat holds a Ph.D. in chemistry from the California Institute of Technology and B.S. and M.S.E. degrees in biomedical engineering from Johns Hopkins University. We believe that Dr. Dahiyat's experience in the pharmaceutical industry and as one of our founders qualifies him to serve on our Board.

**Ellen G. Feigal, M.D.** joined our Board in November 2018. Dr. Feigal has more than 30 years of drug development and healthcare regulatory experience. Dr. Feigal has served as a partner at NDA Partners, a strategy consulting firm, since November 2014, where she leads efforts in designing and executing product development and regulatory strategies in the areas of cell therapies, medical imaging, hematology and oncology. She also currently serves as a member of the board of directors of NextCure, Inc., a publicly traded biopharmaceutical company, which she joined in October 2021. Dr. Feigal is also adjunct faculty at the Sandra Day O'Connor College of Law, Arizona State University, a position she has held since April 2015, where she teaches Food & Drug Administration drug law and medical research ethics and law. Dr. Feigal previously served as senior vice president of research and development at the California Institute for Regenerative Medicine from 2011 to 2014; executive medical director, global development, at Amgen, Inc. ("Amgen") from 2008 to 2011; and chief medical officer at Insys Therapeutics from 2007 to 2008. She was a founding director of the American Course on Drug Development and Regulatory Sciences at the University of California, San Francisco ("UCSF"), which she began in 2006 and directed through 2011. Dr. Feigal's positions also included director of medical devices and imaging at the Critical Path Institute from 2006 to 2007, and vice president of clinical sciences at the Translational Genomics Research Institute from 2004 to 2007. From 1992 to 2004, she held leadership roles at the National Cancer Institute, where she directed the Division of Cancer Treatment and Diagnosis after serving as deputy director of the division and as a senior investigator in the Cancer Therapy Evaluation Program. Dr. Feigal received her B.S. in biology and M.S. in molecular biology and biochemistry from University of California, Irvine, her M.D. from the University of California, Davis School of Medicine, completed an internal medicine residency at Stanford University and a hematology/oncology fellowship at UCSF. We believe that Dr. Feigal's leadership and experience in regulatory affairs and drug development and her educational background qualify her to serve on our Board.

**Kevin C. Gorman, Ph.D.** joined our Board in April 2017. He has more than 25 years of experience in the life science business including senior roles in finance, business development and operations. Dr. Gorman is a founder of Neurocrine

Biosciences, Inc., a publicly traded biotechnology company (“Neurocrine”). He was appointed President and Chief Executive Officer of Neurocrine in January 2008 after having served as Executive Vice President and Chief Operating Officer since September 2006 and prior to that, as Executive Vice President and Chief Business Officer and Senior Vice President of Business Development. He has served on the board of directors of Neurocrine since January 2008. From 1990 until 1993, Dr. Gorman was a principal of Avalon Medical Partners, L.P., where he was responsible for the early-stage founding of the company and several other biotechnology companies such as Onyx Pharmaceuticals, Inc., Metra Biosystems, Inc., Idun Pharmaceuticals, Inc. and ARIAD Pharmaceuticals, Inc. Dr. Gorman received his Ph.D. in immunology and M.B.A. in finance from the University of California, Los Angeles and did further post-doctoral training at The Rockefeller University. We believe that Dr. Gorman’s experience in biotechnology company leadership roles and his educational background qualify him to serve on our Board.

**Kurt A. Gustafson** joined our Board in July 2014. Mr. Gustafson has more than 25 years of diverse experience in corporate finance, with 20 years in senior management roles leading the finance departments of multi-faceted, dynamic and growth-oriented biopharmaceutical industry organizations. Mr. Gustafson has served as Chief Financial Officer of OmniAb Inc., a publicly traded biopharmaceutical company, since March 2022. From June 2013 to March 2022, he served as Executive Vice President and Chief Financial Officer of Spectrum Pharmaceuticals, Inc., a publicly traded biopharmaceutical company, and from April 2009 to June 2013, he served as Chief Financial Officer at Halozyme Therapeutics, Inc. (“Halozyme”), a publicly traded biopharmaceutical company. Before Halozyme, Mr. Gustafson worked at Amgen for over 18 years holding various positions in finance including Treasurer, Vice President, Finance and Chief Financial Officer of Amgen International based in Switzerland. Mr. Gustafson holds a Bachelor of Arts degree in accounting from North Park University in Chicago and an M.B.A. from University of California, Los Angeles. We believe Mr. Gustafson’s experience in biotechnology company leadership and finance and his educational background qualify him to serve on our Board.

**Barbara J. Klencke, M.D.** joined our Board in September 2023. Dr. Klencke has more than 20 years of biopharmaceutical product development experience. She currently serves on the boards of directors of eFFECTOR Therapeutics, Inc., a publicly traded biopharmaceutical company, which she joined in October 2021, TScan Therapeutics, Inc., a publicly traded biopharmaceutical company, which she joined in April 2023, and Immune-Onc, Inc., a privately held biopharmaceutical company, which she joined in September 2022. Dr. Klencke previously served as the Chief Medical Officer and Chief Development Officer of Sierra Oncology, Inc. (“Sierra”), a publicly traded clinical-stage biopharmaceutical company from June 2015 to December 2023, where she built a highly effective clinical development organization and led its strategy and execution, culminating in the approval of OJJAARA® for myelofibrosis after Sierra’s acquisition by GSK. While at Sierra, she concurrently served as a member of the board of directors of Lexent Bio, Inc., a publicly traded biopharmaceutical company, from October 2017 to June 2020. From 2011 to 2015, Dr. Klencke served as senior vice president of global development at Onyx Pharmaceuticals, where she led development and execution for Onyx’s pipeline programs, including the approval of KYPROLIS® for multiple myeloma, through the company’s acquisition by Amgen Inc. in 2013. Between 2003 and 2011, she served as a group medical director at Genentech, where she led product development strategies for several early- and late-stage oncology programs, including KADCYLA®, AVASTIN® and TARCEVA®. Dr. Klencke completed Internal Medicine and Hematology/Oncology training at the University of California, San Francisco and remained there as an Assistant Professor of Medicine in Oncology focusing on clinical research from 1995 to 2002. She holds a B.S. from Indiana University and an M.D. from the University of California, Davis. We believe that Dr. Klencke’s significant scientific expertise in drug development and biotechnology and her educational background qualify her to serve on our Board.

**A. Bruce Montgomery, M.D.** joined our Board in March 2015. Dr. Montgomery has more than 30 years of drug development, operations and financing experience, including positions at Genentech, Inc., Pathogenesis Corporation, Corus Pharma and Gilead Sciences, Inc. (“Gilead”). From February 2017 to October 2022, he served as Chief Executive Officer and a member of the board of directors of Avalyn Pharma Inc. (formerly Genoa Pharmaceuticals Inc.), a private biotechnology company. From April 2011 to December 2016, he was Chief Executive Officer and a member of the board of directors of Cardeas Pharma Corporation, a private biotechnology company that he founded in 2010. From August 2006 to May 2011, Dr. Montgomery served as Senior Vice President of Gilead and prior to that, served for six years as Chief Executive Officer of Corus Pharma, Inc., a specialized biotechnology company that he founded, which was acquired by Gilead in 2006. While at Gilead, Dr. Montgomery successfully led the development of CAYSTON® as a treatment for cystic fibrosis patients. Dr. Montgomery also served as Executive Vice President of Research and Development at PathoGenesis Corporation until its acquisition by Chiron Corporation in 2000. Dr. Montgomery previously served as a board member for the following publicly traded companies: ZymoGenetics, Inc. (acquired by Bristol-Myers Squibb Company in 2010), Alder BioPharmaceuticals, Inc. (acquired by Lundbeck A/S in 2019) and Cytodyn, Inc. Dr. Montgomery is a board-certified internist and pulmonologist. Dr. Montgomery received his B.S. in chemistry (magna cum

laude, Outstanding Chemistry Major (Merck Award)), and M.D. (Alpha Omega Alpha Honor Medical Society) from the University of Washington, Seattle. We believe that Dr. Montgomery's executive leadership experience in pharmaceutical and biotechnology company drug development and his educational background qualify him to serve on our Board.

**Richard J. Ranieri** joined our Board in December 2017. Mr. Ranieri has more than 40 years of senior level biopharmaceutical human resource experience. He has served as a senior advisor to BioMarin Pharmaceutical Inc. ("BioMarin") since January 2019, and from September 2013 through December 2018, he served as executive vice president of human resources and corporate affairs at BioMarin. Previously Mr. Ranieri served as executive vice president, human resources at Dendreon Pharmaceuticals from 2010 to 2013, and as executive vice president, human resources and administration at Sepracor, Inc. from 2008 to 2010. Earlier in his career, Mr. Ranieri served in executive positions at Neurocrine, Genencor International, and SmithKline Beecham. He received a B.A. in social science and accounting from Villanova University, and an M.A. in organizational development from Rider University. We believe that Mr. Ranieri's leadership experience in human resources with biotechnology organizations qualifies him to serve on our Board.

**Dagmar Rosa-Bjorkeson** joined our Board in December 2019. Ms. Rosa-Bjorkeson has more than 25 years of global experience in the pharmaceutical industry, including executive leadership in corporate and product strategy, market development and operational execution. From June 2020 to November 2023, Ms. Rosa-Bjorkeson served as Chief Operating Officer of Mesoblast Limited, a publicly traded cell therapy company. She currently serves on the board of directors of Intercept Pharmaceuticals, Inc., a publicly traded biopharmaceutical company, which she joined in February 2021. From April 2018 to January 2020, she was executive vice president and chief strategy and development officer at Mallinckrodt Pharmaceuticals ("Mallinckrodt"), where she was responsible for corporate and therapeutic area strategy, business development and new product commercialization. She joined Mallinckrodt in May 2017 as senior vice president of new product commercialization, in which she was responsible for shaping the company's pipeline programs for optimal patient benefit and access. From November 2014 to June 2016, Ms. Rosa-Bjorkeson was executive vice president and president of biosimilars at Baxalta Incorporated, a role in which she developed the biosimilars strategy, managed post spin-off efforts from Baxter and oversaw a fully integrated unit including program management, research, clinical development, manufacturing, commercialization and business development. From 1997 to 2014, she held various roles of increasing responsibility at Novartis Pharmaceuticals Inc., including vice president and head of its multiple sclerosis business unit, USA; vice president, business development and licensing, U.S.; vice president, respiratory, U.S.; and country head and president for Novartis Sweden. Ms. Rosa-Bjorkeson's experience spanned sales, marketing, general management and country operations, and she led multiple launches including the successful launch of GILENYA®. Ms. Rosa-Bjorkeson earned an M.B.A., an M.S. in chemistry and a B.S. in chemistry from the University of Texas, Austin. We believe that Ms. Rosa-Bjorkeson's experience in pharmaceutical industry leadership and her background in product strategy, market development and operational execution qualify her to serve on our Board.

Board Diversity Matrix (as of April 24, 2024)								
	Dahiyat	Feigal	Gorman	Gustafson	Klencke	Montgomery	Ranieri	Rosa-Bjorkeson
<b>Skills and Experience</b>								
Financial Expertise	•		•	•	•	•		•
Biotechnology	•	•	•	•	•	•	•	•
Public Company Board	•		•	•	•	•		
Regulatory		•			•	•		
Research & Development	•	•	•		•	•		
Senior Management	•		•	•	•	•	•	•
Business Development	•		•	•	•	•		•
Human Capital Management	•		•	•	•	•	•	•
Governance/Business Ethics	•	•	•	•	•	•	•	•
<b>Tenure and Independence</b>								
Tenure (years)	26	5	7	9	1	9	6	4
Independence		•	•	•	•	•	•	•
<b>Demographics</b>								
Age	53	69	66	56	66	70	71	60
Gender Identity	M	F	M	M	F	M	M	F
Hispanic or Latina								•
White	•	•	•	•	•	•	•	•
Two or More Races or Ethnicities								•

Directors who identify as Middle Eastern: 1

**THE BOARD UNANIMOUSLY RECOMMENDS  
A VOTE IN FAVOR OF EACH NAMED NOMINEE.**

## **PROPOSAL 2**

### **RATIFICATION OF SELECTION OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

The Audit Committee has selected RSM US LLP as the Company's independent registered public accounting firm for the fiscal year ending December 31, 2024 and has further directed that management submit the selection of independent registered public accounting firm for ratification by the stockholders at the annual meeting. RSM US LLP has audited the Company's financial statements since 2015. Representatives of RSM US LLP are expected to be present at the annual meeting. They will have an opportunity to make a statement if they so desire and will be available to respond to appropriate questions.

Neither the Company's Bylaws nor other governing documents or law require stockholder ratification of the selection of RSM US LLP as the Company's independent registered public accounting firm. However, the Audit Committee is submitting the selection of RSM US LLP to the stockholders for ratification as a matter of good corporate practice. If the stockholders fail to ratify the selection, the Audit Committee will reconsider whether or not to retain that firm. Even if the selection is ratified, the Audit Committee in its discretion may direct the appointment of different independent auditors at any time during the year if it determines that such a change would be in the best interest of the Company and its stockholders.

The affirmative vote of the holders of a majority of the shares present or represented by proxy and entitled to vote at the annual meeting will be required to ratify the selection of RSM US LLP. Abstentions will be counted toward the tabulation of votes on proposals presented to the stockholders and will have the same effect as negative votes.

**THE BOARD UNANIMOUSLY RECOMMENDS  
A VOTE IN FAVOR OF PROPOSAL 2.**



## PRINCIPAL ACCOUNTANT FEES AND SERVICES

The following table represents aggregate fees billed to the Company for the fiscal years ended December 31, 2023 and December 31, 2022, by RSM US LLP, the Company's current principal accountant. All fees described below were pre-approved by the Audit Committee.

	Fiscal Year Ended	
	2023	2022
	(in thousands)	
Audit Fees (1)	\$ 946	\$ 502
Audit-Related Fees	169	17
Tax Fees	63	27
Total	<u>\$ 1,178</u>	<u>\$ 546</u>

<sup>(1)</sup> Audit fees for 2023 and 2022 were for professional services rendered for the audits of our integrated financial statements and reviews of quarterly financial statements.

During the fiscal year ended December 31, 2023, none of the total hours expended on the Company's financial audit by RSM US LLP were provided by persons other than full-time permanent employees of RSM US LLP.

## PRE-APPROVAL POLICIES AND PROCEDURES.

The Audit Committee pre-approves all audit and non-audit services rendered by the Company's independent registered public accounting firm. This policy is set forth in the charter of the Audit Committee and is available on the Corporate Governance section of our website.

## **PROPOSAL 3**

### **ADVISORY VOTE ON EXECUTIVE COMPENSATION**

Our Compensation Discussion and Analysis, which appears later in this Proxy Statement, describes our executive compensation program and the compensation decisions that the Human Capital Management & Compensation Committee and our Board made in 2023 with respect to the compensation of our named executive officers (listed in the section below captioned “Executive Officers”). In 2023, our stockholders voted, on an advisory basis, to hold an annual advisory vote on the compensation of our named executive officers. As required pursuant to Section 14A of the Exchange Act, our Board is recommending that stockholders cast a non-binding advisory vote FOR the following resolution:

“RESOLVED, that the compensation paid to the Company’s named executive officers, as disclosed pursuant to Item 402 of Regulation S-K, including the Compensation Discussion and Analysis, executive compensation tables and narrative discussion, is hereby APPROVED.”

As we describe in our Compensation Discussion and Analysis beginning on page 30, our executive compensation program embodies a pay-for-performance philosophy that supports our business strategy and aligns the interests of our executives with our stockholders. In particular, our compensation program rewards financial, strategic and operational performance, and the goals set for each performance category are intended to support our long-range plans.

You are urged to read the Compensation Discussion and Analysis section of this Proxy Statement, which discusses in detail how our compensation policies and procedures implement our compensation philosophy. Although the vote you are being asked to cast is non-binding, we value the views of our stockholders, and the Human Capital Management & Compensation Committee and our Board will consider the outcome of the vote when making future compensation decisions for our named executive officers. The next non-binding advisory vote on executive compensation will occur in our 2025 Annual Meeting of Stockholders.

**THE BOARD UNANIMOUSLY RECOMMENDS A VOTE IN FAVOR OF PROPOSAL 3.**

## CORPORATE GOVERNANCE

### OVERVIEW

Our Board sets high standards for our employees, officers and directors, and it is the duty of the Board to serve as a prudent fiduciary for shareholders and other stakeholders, including the patients we seek to serve, and to oversee the management of the Company's business. We are committed to maintaining sound corporate governance practices, which are important to ensure that Xencor is managed for the long-term benefit of its stockholders. We periodically review our corporate governance policies and practices. The Board has adopted Corporate Governance Guidelines which describe our corporate governance practices and address corporate governance issues such as Board composition, responsibilities and director qualifications.

We believe that our strong corporate governance practices empower our independent directors to exercise effective oversight of our business generally and our management team specifically, including the performance of our Chief Executive Officer.

We also believe it is our responsibility and duty to patients to utilize and expand our protein engineering capabilities and to create a broad portfolio of drug candidates, which we advance, partner or terminate based on the data we generate. Strong governance, acting with integrity and increasing our transparency into social and environmental factors will support our positive impact on society and the value we bring to stakeholders, including our people, partners, patients and stockholders. We publish a report with further information in our Corporate Responsibility Statement.

Information about our corporate governance policies and practices, including our committee charters, Corporate Governance Guidelines, Code of Business Conduct and Ethics and most recent Corporate Responsibility Statement, can be found on our website, [www.xencor.com](http://www.xencor.com). The information posted on or accessible through our website is not incorporated into this Proxy Statement or our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

### INDEPENDENCE OF THE BOARD OF DIRECTORS

As required under the Nasdaq Stock Market ("Nasdaq") listing rules, a majority of the members of a listed company's board of directors must qualify as "independent," as that term is defined by Nasdaq Listing Rule 5605(a)(2), as affirmatively determined by the board of directors. The Board consults with the Company's counsel to ensure that the Board's determinations are consistent with relevant securities and other laws and regulations regarding the definition of "independent," including those set forth in pertinent listing rules of Nasdaq, as in effect from time to time.

Consistent with these considerations, after review of all relevant identified transactions or relationships between each director, or any of his or her family members, and the Company, its senior management and its independent auditors, the Board has affirmatively determined that the following directors are independent directors within the meaning of the applicable Nasdaq listing rules: Dr. Feigal, Dr. Gorman, Mr. Gustafson, Dr. Klencke, Dr. Montgomery, Mr. Ranieri, Ms. Rosa-Bjorkeson, and, for her director service from January 1, 2023 to April 24, 2023, Dr. Valente. In making this determination, the Board found that none of these directors or nominees for director had a material or other disqualifying relationship with the Company.

### BOARD LEADERSHIP STRUCTURE

Our Board has a Lead Independent Board Member, Dr. Montgomery, who has authority, among other things, to call and preside over Board meetings. As a general policy, the Board believes that separation of the position of Lead Independent Board Member and Chief Executive Officer reinforces the independence of the Board from management, creates an environment that encourages objective oversight of management's performance and enhances the effectiveness of the Board as a whole. We also have a separate chair for each Board committee. The chairs of each committee are expected to report regularly to the Board on the activities of their committee in fulfilling their responsibilities, as detailed in their respective charters, or specify any shortcomings should that be the case.

### ROLE OF THE BOARD IN RISK OVERSIGHT

The Audit Committee of the Board is primarily responsible for overseeing our risk management processes on behalf of the Board. In its regular meetings, the Audit Committee receives information from management regarding our assessment of the areas of potential material risks, including operational risks, such as cybersecurity, data loss risk, information

security and privacy, along with financial, legal, regulatory, compliance, strategic and reputational risks. In addition, the Audit Committee reports regularly to the Board, which also considers our risk profile. The Audit Committee and the Board focus on the most significant risks we face and our general risk management strategies. While the Board oversees our management of risk, management is responsible for day-to-day risk management processes. Our Board expects management to consider risk and risk management in each business decision, to proactively develop and monitor risk management strategies and processes for day-to-day activities and to effectively implement risk management strategies adopted by the Audit Committee and the Board. We believe this division of responsibilities is the most effective approach for addressing the risks we face and that our Board's leadership structure, which also emphasizes the independence of the Board in its oversight of its business and affairs, supports this approach.

#### **BOARD SELF-ASSESSMENT**

The Nominating Committee ensures that the Board and each of its committees are annually assessed with an aim toward enhancing effectiveness. Directors complete an evaluation in order to provide performance feedback and suggestions for improved effectiveness or contributions. The assessments are done by way of a questionnaire conducted by our General Counsel. The assessments are given on a confidential basis, with the results tallied on an anonymous basis for review. The results of the evaluation are analyzed by the Board in executive session to decide whether any changes are needed to the Board's processes, procedures, composition or committee structure. The evaluation carried out in 2023 indicated that the Board and its committees were effectively fulfilling their responsibilities.

#### **BOARD EDUCATION**

The Board recognizes the importance of ongoing director education. In order to facilitate directors' educational development, the members of the Board regularly meet with management and are given periodic presentations on our business and recent business developments. Members of the Board also attend dinners on the evening before regularly scheduled in-person Board meetings. Generally, at these dinners the Board meets with other senior decision-makers within the Company in order to enhance the Board's understanding of our business and operations. We also make available to our Board members, if requested, access to outside director continuing education programs sponsored by an independent not-for-profit organization.

#### **MEETINGS OF THE BOARD OF DIRECTORS**

The Board met five times during the fiscal year ended December 31, 2023, with all of these meetings including an executive session. All Board members attended at least seventy-five percent all of the meetings of the Board and of the committees on which they served, held during the portion of the last fiscal year for which they were directors or committee members, respectively.

#### **CODE OF BUSINESS CONDUCT AND ETHICS**

The Company has adopted the Xencor, Inc. Code of Business Conduct and Ethics that applies to all officers, directors and employees. The Code of Business Conduct and Ethics is available on the Company's website at [www.xencor.com](http://www.xencor.com). If the Company makes any substantive amendments to the Code of Business Conduct and Ethics or grants any waiver from a provision of the Code to any executive officer or director, the Company will promptly disclose the nature of the amendment or waiver on its website. The information on our website is not incorporated by reference into this Proxy Statement or our Annual Report on Form 10-K for the fiscal year ended December 31, 2023.

#### **HUMAN CAPITAL MANAGEMENT**

Our Board has a key role in the oversight of our culture, holding management accountable for maintaining high ethical standards. The Board believes that human capital management is important to our success. We conduct staff member engagement surveys on a regular basis, and the results of these surveys are discussed with the Board. We also regularly hold town hall-style meetings for all employees, and provide opportunities for our employees to ask questions of our senior management team. We place significant value on fostering and enabling growth for staff, both personally and professionally, and we are committed to providing a safe, healthy, innovative, and diverse work environment for our staff.

## SHAREHOLDER OUTREACH

Maintaining interactive relationships with our stockholders is important to us, and we conduct ongoing, proactive outreach. The information we collect from these engagements is highly valued. Our stockholder engagement team has consisted of certain independent directors and our legal and investor relations personnel. During 2023, we engaged with our stockholders to solicit feedback on a variety of topics, including our governance practices and proposed 2023 Equity Incentive Plan. We contacted stockholders representing 78% of outstanding stock as of March 31, 2023 and spoke with all stockholders that wanted to engage and provide feedback, representing 27% of outstanding stock. We will continue to engage with our stockholders to ensure alignment with stockholders' interests.

Our CEO, other members of our executive team and investor relations personnel actively engage with investors, prospective investors and investment analysts to remain well-informed regarding their perspectives and concerns and to help increase their understanding of our business and strategy.

## STOCKHOLDER COMMUNICATIONS WITH THE BOARD OF DIRECTORS

The Company's Board has adopted a formal process by which stockholders may communicate with the Board or any of its directors. Stockholders who wish to communicate with the Board may do so by sending written communications addressed to the Secretary of Xencor, Inc. at 465 North Halstead Street, Suite 200, Pasadena, California 91107, Attn: Secretary. Each communication must set forth: (a) the name and address of the Company stockholder on whose behalf the communication is sent; and (b) the number of Company shares that are owned beneficially by such stockholder as of the date of the communication. Each communication will be reviewed by the Company's Secretary to determine whether it is appropriate for presentation to the Board or such director. Communications determined by the Company's Secretary to be appropriate for presentation to the Board or such director will be submitted to the Board or such director on a periodic basis.

## INFORMATION REGARDING COMMITTEES OF THE BOARD OF DIRECTORS

Name	Audit	Human Capital Management & Compensation	Nominating & Corporate Governance	Research & Development
Ellen G. Feigal			X	X*
Kevin C. Gorman		X		X
Kurt A. Gustafson**	X*			
Barbara J. Klencke <sup>(1)</sup>				X
A. Bruce Montgomery <sup>(2)</sup>	X	X		X
Richard J. Ranieri		X*	X	
Dagmar Rosa-Bjorkeson <sup>(3)</sup>	X		X*	
Total meetings in fiscal 2023	4	6	6	3

\* Current Committee Chairperson

\*\* Financial Expert

<sup>(1)</sup> Dr. Klencke was appointed to the Board and the Research and Development Committee on September 15, 2023.

<sup>(2)</sup> Dr. Montgomery was appointed to the Audit Committee on September 8, 2022 and served as Chair of the Nominating and Governance Committee through February 16, 2023. Dr. Montgomery has served as a member of the Research and Development Committee since June 14, 2023.

<sup>(3)</sup> Ms. Rosa-Bjorkeson was appointed as Chair of the Nominating and Governance Committee on February 16, 2023.

## Board Committees

Below is a description of each committee of the Board. Each of these committees operates under a written charter setting forth the functions and responsibilities of the committee, which is available on our website at [www.xencor.com](http://www.xencor.com). The information posted on or accessible through our website is not incorporated into this Proxy Statement or our Annual Report on Form 10-K for the fiscal year ended December 31, 2023. Each committee reviews the adequacy of its own performance

and the adequacy of its charter on a periodic basis. With the exception of the Research & Development Committee, each of the committees has authority to engage legal counsel or other experts or consultants, as it deems appropriate to carry out its responsibilities.

We believe that the composition and functioning of each committee complies with all applicable requirements of the Sarbanes-Oxley Act of 2002, and all applicable SEC and Nasdaq rules and regulations. The Board reviews the Nasdaq definition of “independence” on an annual basis and has determined that each member of each committee meets the applicable Nasdaq rules and regulations regarding independence and that each member is free of any relationship that would impair his or her individual exercise of independent judgment with regard to the Company. We intend to comply with future requirements to the extent they become applicable to us.

#### *Audit Committee*

The Audit Committee was established by the Board to oversee the Company’s corporate accounting and financial reporting processes, systems of internal control over financial reporting and audits of financial statements, as well as the quality and integrity of the Company’s financial statements and reports and the qualifications, independence and performance of the registered public accounting firm or firms engaged as the Company’s independent outside auditors for the purpose of preparing or issuing an audit report or performing other audit, review or attest services. For this purpose, the Audit Committee performs several functions, including the following:

- determining and approving the engagement of the independent auditors, assessing their qualifications and evaluating their performance;
- determining whether to retain or terminate the existing independent auditors or to appoint and engage new independent auditors;
- reviewing and approving the retention of the independent auditors to perform any proposed permissible non-audit services;
- monitoring the rotation of partners of the independent auditors on our audit engagement team as required by law;
- prior to engagement of any independent auditor, and at least annually thereafter, reviewing relationships that may reasonably be thought to bear on their independence, and assessing and otherwise taking the appropriate action to oversee the independence of our independent auditor;
- reviewing and approving or rejecting transactions between the Company and any related persons in accordance with our related party transaction policy and reviewing and monitoring compliance with legal and regulatory responsibilities, including our Code of Business Conduct and Ethics;
- reviewing with management and the independent auditors significant issues that arise regarding accounting principles and financial statement presentation and matters concerning the scope, adequacy and effectiveness of internal controls over financial reporting;
- establishing procedures, as required under applicable law, for the receipt, retention and treatment of complaints received by the Company regarding accounting, internal accounting controls or auditing matters and the confidential and anonymous submission by employees of concerns regarding questionable accounting or auditing matters;
- reviewing with management and our auditors any earnings announcements and other public announcements regarding material developments;
- preparing the report that the SEC requires in our annual proxy statement;
- reviewing on a periodic basis our investment policy, and overseeing management’s efforts to monitor compliance with the investment policy and with applicable legal and regulatory requirements;
- reviewing our major financial risk exposures and risk exposures related to information technology system security; and

- reviewing the Company’s annual audited financial statements and quarterly financial statements with management and the independent auditor, including a review of the Company’s disclosures under “Management’s Discussion and Analysis of Financial Condition and Results of Operations.”

The Audit Committee is currently composed of three directors: Mr. Gustafson, Dr. Montgomery and Ms. Rosa-Bjorkeson, with Mr. Gustafson acting as chair. The Audit Committee met four times during the fiscal year ended December 31, 2023.

The Board has determined that Mr. Gustafson qualifies as an “audit committee financial expert,” as defined in applicable SEC rules. The Board made a qualitative assessment of Mr. Gustafson’s level of knowledge and experience based on a number of factors, including his formal education and experience as a chief financial officer at other publicly traded biopharmaceutical companies.

#### **Report of the Audit Committee of the Board of Directors\***

The Audit Committee has reviewed and discussed the audited financial statements for the fiscal year ended December 31, 2023 with management of the Company. The Audit Committee has discussed with the independent registered public accounting firm the matters required to be discussed by the applicable requirements of the Public Company Accounting Oversight Board (“PCAOB”) and the SEC. The Audit Committee has also received the written disclosures and the letter from the independent registered public accounting firm required by applicable requirements of the PCAOB regarding the independent accountants’ communications with the audit committee concerning independence and has discussed with the independent registered public accounting firm the accounting firm’s 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 the fiscal year ended December 31, 2023.

Mr. Kurt A. Gustafson, Committee Chair  
Dr. A. Bruce Montgomery  
Ms. Dagmar Rosa-Bjorkeson

\*The material in this report is not “soliciting material,” is not deemed “filed” with the SEC and is not to be incorporated by reference in any filing of the Company under the Securities Act of 1933, as amended (the “Securities Act”), or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

#### ***Human Capital Management & Compensation Committee***

Our Board believes that our human capital management initiatives are vital to the success of the Company and is actively engaged in overseeing these practices. The Human Capital Management & Compensation Committee was established by the Board to ensure our human capital management and compensation are aligned with the Company’s strategy, values and mission. This committee also oversees the Company’s culture, talent development, succession planning, compensation policies, plans and programs. For this purpose, the Human Capital Management & Compensation Committee performs several functions, including the following:

- reviewing the Company’s strategies, initiatives and programs with respect to its culture, talent recruitment, employee development, retention and engagement, and succession planning;
- reviewing and approving (or making recommendations to the full Board for approval) corporate performance goals and objectives, which shall support and reinforce the Company’s long-term strategic goals, relevant to the compensation of the Company’s executive officers;
- reviewing, modifying and approving (or if it deems appropriate, making recommendations to the full Board regarding) our overall compensation strategy and policies;
- reviewing and approving (or, if it deems appropriate, making recommendations to the full Board regarding) the compensation and other terms of employment of our executive officers;

- reviewing, approving (or if it deems it appropriate, making recommendations to the full Board regarding), and administering the equity incentive plans, compensation plans and similar programs advisable for us, as well as modifying, amending or terminating existing plans and programs;
- evaluating risks associated with our compensation policies and practices and assessing whether risks arising from our compensation policies and practices for our employees are reasonably likely to have a material adverse effect on us;
- reviewing and approving (or, if it deems appropriate, making recommendations to the full Board regarding) the type and amount of compensation to be paid or awarded to our non-employee Board members;
- establishing policies with respect to votes by our stockholders to approve executive compensation to the extent required by Section 14A of the Exchange Act, and to the extent applicable, determining our recommendations regarding the frequency of advisory votes on executive compensation;
- reviewing and assessing the independence of compensation consultants, legal counsel and other advisors as required by Section 10C of the Exchange Act, as well as applicable Nasdaq rules and regulations;
- establishing policies with respect to equity compensation arrangements;
- reviewing and approving (or, if it deems appropriate, making recommendations to the full Board regarding) the terms of any employment agreements, severance arrangements, change in control protections and any other compensatory arrangements for our executive officers;
- to the extent applicable, reviewing with management and approving our disclosures under the caption “Compensation Discussion and Analysis” in our periodic reports or proxy statements to be filed with the SEC; and
- preparing the report that the SEC requires in our annual proxy statements.

The Human Capital Management & Compensation Committee is currently composed of three directors: Mr. Ranieri, Dr. Montgomery and Dr. Gorman, with Mr. Ranieri acting as chair. The Human Capital Management & Compensation Committee met six times during the fiscal year ended December 31, 2023.

#### *Human Capital Management & Compensation Committee Interlocks and Insider Participation*

No member of the Human Capital Management & Compensation Committee has ever been an officer or employee of the Company. None of our executive officers currently serve, or has served during the last completed fiscal year, on the compensation committee or board of directors of any other entity that has one or more executive officers serving as a member of our Board or Human Capital Management & Compensation Committee.

#### *Nominating Committee*

The Nominating Committee was established by the Board to oversee all aspects of the Company’s corporate governance functions. For this purpose, the Nominating Committee performs several functions, including the following:

- identifying, reviewing and evaluating candidates to serve as directors of the Company (consistent with criteria approved by the Board);
- reviewing and evaluating incumbent directors;
- recommending to the Board candidates for election to the Board;
- making recommendations to the Board regarding the membership of the committees of the Board;
- considering and assessing the independence of members of the Board;
- assessing the performance of the Board; and



- monitoring the Company's adherence to its Code of Business Conduct and Ethics.

The Nominating Committee is currently composed of three directors: Ms. Rosa-Bjorkeson, Mr. Ranieri and Dr. Feigal, with Ms. Rosa-Bjorkeson acting as committee chair. Dr. Valente served on the Nominating Committee from January 1, 2023 to her resignation on April 24, 2023. The Nominating Committee met six times during the fiscal year ended December 31, 2023.

The Nominating Committee believes that candidates for director, both individually and collectively, can and do provide the integrity, experience, judgment, commitment (including having sufficient time to devote to the Company and level of participation), skills, diversity and expertise appropriate for the Company. In assessing the candidates, both individually and collectively, the Nominating Committee may consider the current needs of the Board and the Company to maintain a balance of knowledge, experience and capability in various areas. However, the Nominating Committee retains the right to modify these qualifications from time to time. Candidates for director nominees are reviewed in the context of the current composition of the Board, the operating requirements of the Company and the long-term interests of stockholders. In conducting this assessment, the Nominating Committee typically considers diversity, age, skills and such other factors as it deems appropriate given the current needs of the Board and the Company, to maintain a balance of knowledge, experience and capability.

In the case of incumbent directors whose terms of office are set to expire, the Nominating Committee reviews these directors' overall service to the Company during their terms, including the number of meetings attended, level of participation, quality of performance and any other relationships and transactions that might impair the directors' independence. In the case of new director candidates, the Nominating Committee also determines whether the nominee is independent for Nasdaq purposes, which determination is based upon applicable Nasdaq listing standards, applicable SEC rules and regulations and the advice of counsel, if necessary. The Nominating Committee then uses its network of contacts to compile a list of potential candidates, but may also engage, if it deems appropriate, a professional search firm. The Nominating Committee conducts any appropriate and necessary inquiries into the backgrounds and qualifications of possible candidates after considering the function and needs of the Board. The Nominating Committee meets to discuss and consider the candidates' qualifications and then selects a nominee for recommendations to the Board by majority vote.

The Nominating Committee will consider director candidates recommended by stockholders. The Nominating Committee does not intend to alter the manner in which it evaluates candidates, including the minimum criteria set forth above, based on whether or not the candidate was recommended by a stockholder. Stockholders who wish to recommend individuals for consideration by the Nominating Committee to become nominees for election to the Board may do so by delivering a written recommendation to the Nominating Committee at the following address: 465 North Halstead Street, Suite 200, Pasadena, California 91107, Attn: Secretary, no later than the close of business on the 90th day and no earlier than the close of business on the 120th day prior to the one year anniversary of the preceding year's annual meeting. Submissions must include (1) the name and address of the Company stockholder on whose behalf the submission is made; (2) number of Company shares that are owned beneficially by such stockholder as of the date of the submission; (3) the full name of the proposed candidate; and (4) any other information required by the Bylaws. The Company may require any proposed nominee to furnish such other information as it may reasonably require to determine the eligibility of such proposed nominee to serve as an independent director of the Company or that could be material to a reasonable stockholder's understanding of the independence, or lack thereof, of such proposed nominee.

#### ***Research and Development Committee***

The Research and Development Committee was established by the Board, effective as of July 1, 2020, to assist in its oversight of the Company's research and development activities, initiatives, strategic direction and portfolio prioritization. For this purpose, the Research and Development Committee performs several functions, including the following:

- reviewing the Company's research and development programs and progress in achieving goals and objectives;
- advising the Board on the scientific and research and development aspects of corporate strategy, business development and product development;
- overseeing management's assessment and management of risks associated with the Company's research and development activities and clinical development; and
- performing such other functions as are consistent with its purpose or as may be requested by the Board.

The Research and Development Committee is currently composed of four directors: Dr. Feigal, Dr. Klencke, Dr. Montgomery and Dr. Gorman with Dr. Feigal acting as chair. Dr. Valente served on the Research and Development Committee from January 1, 2023 until her resignation on April 24, 2023. The Research and Development Committee met three times during the fiscal year ended December 31, 2023.

## Director Compensation

### Overview

The Company believes that having quality non-employee directors is critical to our success. Non-employee directors represent the interests of our stockholders, and they contribute their experience and wisdom to guide our Company, our strategy and our management. The Board believes that compensation for directors should reflect the work required in both their ongoing oversight and governance role, and their continuous focus on driving long-term performance and stockholder value.

### Review Process

The Human Capital Management and Compensation Committee consists solely of independent directors and has the primary responsibility for reviewing director compensation and the consideration of any changes in how we compensate our directors. The full Board reviews the Human Capital Management and Compensation Committee's recommendations and determines the amount of director compensation. The Human Capital Management and Compensation Committee is empowered to engage outside advisors, experts, and others to assist it. The Human Capital Management and Compensation Committee periodically reviews assessments prepared by outside consultants that it has engaged in order to gain an understanding of current market levels of compensation being paid for board service and to gauge current practices with respect to the forms of director compensation currently in use.

Our Board compensation was established as a result of a process commenced in late 2022 under which the Human Capital Management and Compensation Committee engaged Aon's Talent Solutions practice, a division of Aon plc ("Aon"), to conduct a director compensation assessment based on peer companies. The assessment, which was grounded in the practices of a group of peer companies developed contemporaneously, analyzed peer company director compensation levels and practices, evaluated the competitiveness of the Company's director compensation program from multiple perspectives relative to the peer group, and described recent market trends in director compensation. Considering this peer group assessment and exercising its judgment, the Human Capital Management and Compensation Committee determined to amend and restate our director compensation policy.

Under the amended and restated policy, our non-employee directors receive an annual retainer of \$50,000, with our lead director receiving an additional \$30,000 for a total annual retainer of \$80,000, and each retainer to be pro rata if a director serves less than a full year. In addition, all non-employee directors that serve on one or more committees are eligible to receive the following committee fees:

Committee	Member Annual Retainer	Chair Annual Retainer
Audit Committee	\$ 10,000	\$ 20,000
Human Capital Management & Compensation Committee	\$ 8,500	\$ 17,000
Nominating & Corporate Governance Committee	\$ 6,500	\$ 13,000
Research & Development Committee	\$ 7,500	\$ 15,000

Board fees are paid quarterly in arrears. We also have reimbursed and will continue to reimburse all of our non-employee directors for their travel, lodging and other reasonable expenses incurred in attending meetings of our Board and committees of our Board.

In addition, non-employee directors are entitled to receive an option to purchase shares of our common stock upon initial election or appointment to the Board (the "Initial Grant") and an equal mix of stock options and restricted stock units annually thereafter (the "Annual Grant"). This policy reflects a change in the Annual Grant vehicle mix approved by the full Board and implemented in 2023, as the Annual Grant was previously only options. Under the amended and restated compensation policy, the Initial Grant to eligible directors has a fixed fair value of \$550,000 and the Annual Grant to

eligible directors has a fixed fair value of \$300,000. The equity fair values are based on the Black Scholes valuation model using a 60-trading day trailing average closing price of our common stock. The Initial Grant vests one-third on the first anniversary of the grant and the remainder monthly over the next 24 months thereafter. The Annual Grant options vest monthly over 12 months from the date of grant and the restricted stock units vest in full after 12 months from the date of grant. The Initial Grant and Annual Grant fair value amounts were not changed in the amended and restated compensation policy adopted in September 2023.

The Human Capital Management and Compensation Committee intends to benchmark and, if needed, recommend adjusting non-employee director compensation on a periodic basis going forward.

The following table sets forth information concerning the compensation that we paid or awarded during the year ended December 31, 2023 to each of our non-employee directors:

Name(1)	Fees Earned or Paid in Cash (\$)	Option Awards (\$)(2)	Stock Awards (\$)	Total (\$)
Ellen G. Feigal	71,500	145,369	131,133	348,002
Kevin C. Gorman	66,000	145,369	131,133	342,502
Kurt A. Gustafson	70,000	145,369	131,133	346,502
Barbara Klencke(3)	16,745	450,600	—	467,345
A. Bruce Montgomery	107,684	145,369	131,133	384,186
Richard J. Ranieri	70,518	145,369	131,133	347,020
Dagmar Rosa-Bjorkeson	69,750	145,369	131,133	346,252

(1) Dr. Valente resigned from the Board effective April 24, 2023 and subsequently joined the Company as Executive Vice President and Chief Development Officer. In accordance with SEC guidance, the amounts payable to Dr. Valente for her services as a director as reported in the “All Other Compensation” column of the Summary Compensation Table.

(2) In accordance with SEC rules, this column reflects the aggregate grant date fair value of the option awards granted during the year ended December 31, 2023 computed in accordance with FASB Accounting Standards Codification (ASC) Topic 718, *Compensation—Stock Compensation*. Assumptions used in the calculation of these amounts are included in Note 7 to our financial statements included in our Annual Report on Form 10-K for the year ended December 31, 2023.

(3) Dr. Klencke received an Initial Grant effective September 15, 2023 upon appointment to the Board.

The following table sets forth the aggregate number of shares subject to outstanding stock options held by non-employee directors as of December 31, 2023:

Name	2023 Options Awards	Total Shares Subject to Options at 12/31/2023	2023 Stock Awards	Total Stock Awards Outstanding at 12/31/2023
Ellen G. Feigal	10,013	82,874	5,007	5,007
Kevin C. Gorman	10,013	97,837	5,007	5,007
Kurt A. Gustafson	10,013	112,837	5,007	5,007
Barbara Klencke	40,070	40,070	—	—
A. Bruce Montgomery	10,013	112,837	5,007	5,007
Richard J. Ranieri	10,013	90,337	5,007	5,007
Dagmar Rosa-Bjorkeson	10,013	70,634	5,007	5,007

Each of the option and stock grants described above will vest and become exercisable subject to the director's continuous service to us, provided that each equity award will vest in full upon a change of control as defined under the

2023 Equity Incentive Plan (the "2023 Plan"). The term of each option is 10 years. The equity awards were granted under the 2023 Plan, certain information of which is described under "—Equity Compensation Plan Information."

## TRANSACTIONS WITH RELATED PERSONS

### RELATED-PERSON TRANSACTIONS POLICY AND PROCEDURES

In 2013, the Company adopted a written Related-Person Transactions Policy that sets forth the Company's policies and procedures regarding the identification, review, consideration and approval or ratification of "related-persons transactions." For purposes of the Company's policy only, a "related-person transaction" is a transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which the Company and any "related person" are participants involving an amount that exceeds \$120,000. Transactions involving compensation for services provided to the Company as an employee, director, consultant or similar capacity by a related person are not covered by this policy. A related person is any executive officer, director, or more than 5% shareholder of the Company, including any of their immediate family members, and any entity owned or controlled by such persons.

Under the policy, where a transaction has been identified as a related-person transaction, management must present information regarding the proposed related-person transaction to the Audit Committee (or, where Audit Committee approval would be inappropriate, to another independent body of the Board) for consideration and approval or ratification. The presentation must include a description of, among other things, the material facts, the interests, direct and indirect, of the related persons, the benefits to the Company of the transaction and whether any alternative transactions were available. To identify related-person transactions in advance, the Company relies on information supplied by its executive officers, directors and certain significant stockholders.

In considering related-person transactions, the Audit Committee takes into account the relevant available facts and circumstances including, but not limited to:

- (a) the risks, costs and benefits to the Company;
- (b) the impact on a director's independence in the event the related person is a director, immediate family member of a director or an entity with which a director is affiliated;
- (c) the terms of the transaction;
- (d) the availability of other sources for comparable services or products; and
- (e) the terms available to or from, as the case may be, unrelated third parties or to or from employees generally.

In the event a director has an interest in the proposed transaction, the director must recuse himself or herself from the deliberations and approval. The policy requires that, in determining whether to approve, ratify or reject a related-person transaction, the Audit Committee considers, in light of known circumstances, whether the transaction is in, or is not inconsistent with, the best interest of the Company and its stockholders, as the Audit Committee determines in the good faith exercise of its discretion.

### CERTAIN RELATED-PERSON TRANSACTIONS

Pursuant to SEC rules, a "transaction" with a related person includes any transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which the Company was or is a participant in which the related person had or will have a direct or indirect material interest where the amount involved exceeds \$120,000. Since January 1, 2023, there has not been, nor is there currently proposed, any transaction, arrangement or relationship (or any series of similar transactions, arrangements or relationships) in which we and any "related person" are, were or will be participants in which the amount involved exceeds \$120,000 other than compensation arrangements described under the caption "Executive Compensation" and the transaction described below.

## **Indemnification Agreements**

We have entered into separate indemnification agreements with our directors and executive officers, in addition to the indemnification provided for in the Bylaws. These agreements, among other things, require us to indemnify our directors and executive officers for certain expenses, including attorneys' fees, judgments, fines and settlement amounts incurred by a director or executive officer in any action or proceeding arising out of his or her services as one of our directors or executive officers or any other company or enterprise to which the person provides services at our request. We believe that these indemnification agreements, together with the provisions in the Bylaws, are necessary to attract and retain qualified persons as directors and officers.

## EXECUTIVE OFFICERS

The following table sets forth certain information regarding executive officers as of April 22, 2024:

Name	Age	Position
Bassil I. Dahiyat, Ph.D.	53	President, Chief Executive Officer and Director
John R. Desjarlais, Ph.D.	59	Executive Vice President, Research and Chief Scientific Officer
Celia E. Eckert	52	Senior Vice President, General Counsel and Corporate Secretary
Nancy K. Valente, M.D. <sup>(1)</sup>	65	Executive Vice President and Chief Development Officer
Bart Jan Cornelissen <sup>(2)</sup>	46	Senior Vice President, Chief Financial Officer

<sup>(1)</sup> Dr. Valente joined the Company on May 1, 2023.

<sup>(2)</sup> Mr. Cornelissen joined the Company on April 9, 2024.

Dr. Dahiyat's biographical information is set forth above under Proposal 1.

**John R. Desjarlais, Ph.D.** has served as our Executive Vice President, Research since April 2023. Dr. Desjarlais previously served as our Senior Vice President, Research since March 2016, as our Chief Scientific Officer since July 2014 and as our Vice President, Research from October 2006 to July 2014. He joined the Company in July 2001, initially serving as our Director of Protein Engineering. Dr. Desjarlais oversees all aspects of discovery and research for the Company, including technology development, protein and antibody engineering and generation of product candidates. Prior to joining us, Dr. Desjarlais was an Assistant Professor of Chemistry at The Pennsylvania State University from 1997 to 2001. Dr. Desjarlais received a B.S. in physics from the University of Massachusetts and holds a Ph.D. in biophysics from Johns Hopkins University. He then conducted postdoctoral research at the University of California, Berkeley. Dr. Desjarlais has driven the Company's technology development and engineering efforts for over 10 years and participated in the development of the Company's business and intellectual property strategies.

**Nancy K. Valente, M.D.**, has served as our Executive Vice President and Chief Development Officer since May 1, 2023. Dr. Valente is responsible for leading the Company's clinical and medical strategy and execution. Prior to becoming an executive officer, Dr. Valente served as a member of our Board of Directors from September 8, 2022 to April 24, 2023. Prior to joining the Company, she most recently served as a senior vice president at Genentech, a member of the Roche Group, and as its global head and co-lead of global product development of its oncology and hematology therapeutic area. In this role at Genentech, Dr. Valente was responsible for strategic planning, clinical development and collaboration activities in the areas of oncology and hematology product development, playing a critical role in the development and approvals of new therapies for patients with serious illnesses, including GAZYVA®, VENCLEXTA®, POLIVY® and HEMLIBRA®. Dr. Valente has held various positions with increasing responsibilities at Genentech and then at Roche after Genentech was acquired by Roche, including vice president for global product development for oncology, hematology franchise and senior group medical director, leader for hematology development. Before Genentech, she served in senior-level positions at Anosys, Inc. and Coulter Pharmaceutical, Inc., and earlier in her career, she held academic positions at the University of California, San Francisco (UCSF). Dr. Valente received her M.D. from the University of Missouri and completed her internal medicine training at Oregon Health & Science University, followed by fellowships in hematology at Stanford University and oncology at UCSF.

**Celia E. Eckert** has served as our Senior Vice President, General Counsel and Corporate Secretary since April 2022 and as our Vice President, General Counsel and Corporate Secretary since September 2019. Ms. Eckert oversees all legal and compliance matters for the Company, including transactions, corporate governance and intellectual property. From October 2016 to August 2019, she held roles at Synthetic Genomics, Inc., including vice president, corporate legal, where she was responsible for licensing and financial transactions, managed litigation and supported corporate legal matters. Prior to Synthetic Genomics, Inc., Ms. Eckert served as associate general counsel at Sequenom, Inc. from 2014 to October 2016 and as senior director, legal affairs at Prometheus Laboratories, Inc. ("Prometheus"), from 2007 to 2014. At Prometheus, she structured transactions, managed substantial patent litigation and supported the growth of the company's commercial organization. Earlier in her career, she was an associate at Pillsbury Winthrop Shaw Pittman LLP and at Jones Day. Ms. Eckert received a B.A. in political science from the University of California, Los Angeles and a J.D. from the University of California, Hastings School of Law.

**Bart Jan Cornelissen** joined the Company as our Senior Vice President and Chief Financial Officer on April 9, 2024. From September 2019 to March 2024, Mr. Cornelissen served as vice president, corporate finance at Seagen Inc. (“Seagen”), where he built and scaled the corporate finance organization to support revenue growth and dealmaking activity, including multiple licensing transactions and the company’s \$43 billion acquisition by Pfizer in 2023. Before Seagen, from November 2018 to September 2019, Mr. Cornelissen served as vice president, finance for the END Fund while at the Bill & Melinda Gates Foundation, where he enhanced the fund’s financial analysis and strategic decision-making capabilities. At the Gates Foundation, from September 2015 to October 2018, he was the finance lead for malaria and neglected tropical disease initiatives, where he guided new investments for major drug and vaccine development partnerships. Earlier in his career, Mr. Cornelissen provided leadership to multiple finance teams in Austria, Germany and Switzerland, at DSM Nutritional Products, a former division of Roche. He began his career within the life sciences and global health sectors at Novartis, in roles of increasing responsibility within global financial planning and analysis. Mr. Cornelissen received his M.Sc. in business administration from the Rotterdam School of Management at Erasmus University.

There are no agreements or understandings pursuant to which any of the executive officers was selected to serve as an executive officer. There are no family relationships between any executive officer and any director or director nominee. There are no legal proceedings related to any of the executive officers which require disclosure pursuant to Items 103 or 401(f) of Regulation S-K.



**EXECUTIVE COMPENSATION**  
**COMPENSATION DISCUSSION AND ANALYSIS**

**Overview**

The following Compensation Discussion and Analysis provides information about our 2023 named executive officers (the "NEOs"): the individuals who served as our principal executive officer, principal financial officer and three other most highly compensated executive officers. Our NEOs for fiscal year 2023 are:

<b>Named Executive Officer</b>	<b>Position(s)</b>
Bassil I. Dahiyat, Ph.D.	President, Chief Executive Officer and Director
John R. Desjarlais, Ph.D.	Executive Vice President, Research and Chief Scientific Officer
Celia E. Eckert	Senior Vice President, General Counsel and Corporate Secretary
John J. Kuch <sup>(1)</sup>	Former Senior Vice President and Chief Financial Officer
Nancy K. Valente, M.D. <sup>(2)</sup>	Executive Vice President and Chief Development Officer
Allen S. Yang, M.D., Ph.D. <sup>(3)</sup>	Former Senior Vice President and Chief Medical Officer

<sup>(1)</sup> Mr. Kuch stepped down as the Company's Senior Vice President and Chief Financial Officer on April 9, 2024 and retired on April 19, 2024.

<sup>(2)</sup> Dr. Valente joined the Company as Executive Vice President and Chief Development Officer on May 1, 2023.

<sup>(3)</sup> Dr. Yang departed the Company on June 30, 2023.

**Our Corporate Goal and 2023 Business Highlights**

Our goal is to become a leading biopharmaceutical company focused on developing and commercializing engineered biologic medicines to treat patients with severe and life-threatening diseases with unmet medical needs. Key elements of our strategy are to:

1. Advance the clinical development of our XmAb bispecific antibody drug candidates;
2. Build and manage a large and diversified portfolio of XmAb drug candidates;
3. Leverage our protein engineering capabilities, XmAb Fc domains, and XmAb drug candidates with partnerships, collaborations, and licenses to generate revenue streams, create new drug candidates and combination treatments, and identify new indications for our pipeline of drug candidates;
4. Broaden the functionality of our XmAb Fc technology platforms; and
5. Continue to expand our patent portfolio protecting our Fc technologies and XmAb drug candidates.

*Key Accomplishments and Highlights in 2023*

In 2023, we continued to execute across multiple Phase 1 and Phase 2 clinical studies of XmAb drug candidates in oncology and autoimmune diseases, and we focused our clinical development on novel T-cell engaging bispecific antibodies and narrowed our development plans for vudalimab, a T-cell selective dual checkpoint inhibitor.

*T Cell Engagers (CD3 & CD28)*

- **XmAb819 (ENPP3 x CD3)** and **XmAb808 (B7-H3 x CD28)**: We continued to enroll patients into the Phase 1 dose-escalation studies of XmAb819 in advanced clear cell renal cell carcinoma and XmAb808 in combination with pembrolizumab in patients with advanced solid tumors.
- **XmAb541 (CLDN6 x CD3)**: We submitted an investigational new drug application to the U.S. Food and Drug Administration in the fourth quarter of 2023. We initiated a Phase 1 study in patients with ovarian cancer and other solid tumor types in early 2024.

- We presented preclinical data on novel XmAb CD28 bispecific antibody programs at the American Association for Cancer Research Annual Meeting.

#### *T-Cell Selective, Dual Checkpoint Inhibitors*

- **Vudalimab (PD-1 x CTLA-4):** We initiated a Phase 1b/2 study evaluating vudalimab as a first-line treatment in patients with locally advanced or metastatic non-small cell lung cancer (NSCLC), and we dosed the first patient of the study in the fourth quarter of the year. We also closed the gynecologic tumor cohorts in a Phase 2 monotherapy study of vudalimab due to the rapidly changing competitive environment in these indications. We continued to conduct two Phase 2 clinical studies of vudalimab in patients with metastatic castration resistant prostate cancer—a study of vudalimab as a monotherapy in the clinically defined high-risk patient population and a study of vudalimab in combination with chemotherapy, in the aggressive variant patient population. In the Phase 2 monotherapy study, vudalimab has been generally well tolerated and associated with response to treatment in multiple patients who have visceral or lymph node metastases.
- We stopped internal development of the XmAb104 (PD-1 x ICOS) program. Emerging data from Phase 1 expansion cohorts did not meet efficacy criteria for advancement.

#### *Engineered Cytokines*

- **Efbalropendekin alfa (XmAb306, IL15/IL15R $\alpha$ -Fc Cytokine):** We agreed with our co-development partner to convert our current development cost and profit-sharing arrangement into a royalty and milestone payment-based arrangement, effective June 1, 2024. Our partner will assume sole responsibility over all clinical, regulatory and commercial activities, and we will be eligible for milestones and tiered royalties on approved products.
- **XmAb662 (IL12-Fc):** We initiated a Phase 1 study in patients with solid tumors. We have subsequently decided to conclude the study and pause further development, pending review of data emerging from competitive programs.
- **XmAb564 (IL2-Fc for autoimmune disease):** We continued enrolling patients in a Phase 1b, multiple-ascending dose study in patients with atopic dermatitis and psoriasis. We have subsequently decided to conclude the study and pause further development, pending review of data emerging from competitive programs.

In 2023, we maintained our strong balance sheet, stayed on budget and exceeded our anticipated year-end cash position, completing the year with \$697.4 million in cash, cash equivalents, restricted cash, and marketable debt securities, which we anticipate will provide runway to fund operations into 2027.

#### **Executive Summary**

Highlights of our executive compensation program include the following:

- **We tie pay to performance.** We structure a significant portion of our NEOs' compensation to be variable and at risk. For 2023, 91% of our Chief Executive Officer's target total compensation, and an average of 81% of our other NEOs' target total compensation, was variable and at risk, consisting of the target annual performance bonus and long term equity incentives.
- **Our executive bonuses are dependent on meeting corporate objectives.** Our annual performance-based bonus opportunities for all of our NEOs are dependent on our achievement of annual corporate objectives established each year and, in the case of our NEOs other than our Chief Executive Officer, the individual officer's contributions towards such corporate objectives. In February 2024, the Human Capital Management & Compensation Committee approved a corporate goal achievement level of 85% based on the Company's performance in 2023, as described below. Each of our NEOs received a performance bonus payout based on such achievement.
- **We emphasize long-term equity incentives.** Equity awards are an integral part of our executive compensation program, and comprise the primary "at-risk" portion of our NEO compensation package. We grant equity awards in the form of stock options and restricted stock units ("RSUs"), which is variable and at-risk because their value is tied to the market price of our stock and vesting depends on the executive officer's continued employment.

These awards strongly align our executive officers' interests with those of our stockholders by providing a continuing financial incentive to maximize long-term value for our stockholders and by encouraging our executive officers to remain in our long-term employ.

- **Our Human Capital Management & Compensation Committee (“HCMCC”) has retained an independent third-party compensation consultant for guidance in making compensation decisions.** The compensation consultant advises the HCMCC on market practices, including identifying a peer group of companies and their compensation practices, so that our HCMCC can regularly assess the Company's individual and total compensation programs against these peer companies, the general marketplace and other industry data points. Xencor continued to engage the services of Aon as its independent compensation consultant.

Additional important executive pay practices are in the table below:

What we do	What we don't do
✓ Tie a significant portion of executive pay to Company performance through our annual and long-term incentive compensation	X No single-trigger change-in-control cash payments or equity vesting
✓ Balance among short- and long-term incentives, cash and equity and fixed and variable pay	X No change-in-control excise tax gross up
✓ Compare executive compensation and Company performance to relevant peer group companies	X No hedging or pledging of Company stock by employees or directors
✓ Retain an independent third-party compensation consultant for guidance in making compensation decisions	X No repricing of underwater stock options
✓ Give stockholders an advisory vote on executive compensation each year	X No executive excessive perquisites, such as car allowances or personal security
✓ Assess the risk associated with our compensation policies and practices annually to ensure they are not reasonably likely to have a material adverse effect on the Company	X No supplemental executive retirement plans

## Overview of our Executive Compensation Program

### *Objectives and Philosophy*

Our HCMCC oversees our compensation program that aims to achieve the following main objectives:

- attract, retain and reward highly qualified executives;
- provide incentives that motivate and reward executives for achievement of our key performance goals that increase stockholder value over the long term;
- align our executives' interests with the Company's strategy and the interests of our stockholders;
- link pay to Company performance; and
- offer pay packages that remain competitive within the biopharmaceutical market in which we compete to recruit and retain top talent, while maintaining a reasonable cost and dilution to our stockholders.

## Elements of Executive Compensation

Our executive compensation program generally consists of, and is intended to strike a balance among, the following three principal components: base salary, annual performance-based bonuses and long-term incentive compensation. We also provide our executive officers with severance and change-in-control benefits, as well as other benefits available to all our employees, including participation in the Company’s 2013 Employee Stock Purchase Plan (“ESPP”), retirement benefits under the Company’s 401(k) plan and participation in employee benefit plans. The following chart summarizes the three main elements of compensation, their objectives and key features.

Element of Compensation	Objectives	Key Features
Base Salary ( <b>fixed cash</b> )	Provides financial stability and security through a fixed amount of cash for performing job responsibilities.	<ul style="list-style-type: none"> <li>Reviewed annually at the beginning of the year or at the time of a new hire</li> <li>Determined based on a number of factors (including individual performance, internal equity, retention, criticality of the role, and the overall performance of our Company) and by reference to market data provided by our independent compensation consultant</li> </ul>
Performance Bonus ( <b>at-risk cash</b> )	Motivates and rewards attainment of key annual corporate performance goals that relate to our key business objectives.	<ul style="list-style-type: none"> <li>Target amounts calculated as a percentage of base salary</li> <li>Reviewed and determined annually at the beginning of the year or at the time of a new hire</li> <li>Determined based on positions that have similar impact on the organization and competitive bonus opportunities in our market</li> <li>Opportunities depend on achieving specific corporate performance objectives consistent with our long-term strategic plan</li> <li>Actual amounts earned are determined after the end of the year, taking into account corporate and, where applicable, individual performance objectives</li> </ul>
Long-Term Incentive ( <b>at-risk equity</b> )	<p>Motivates and rewards long-term Company and individual performance; aligns executives’ interests with stockholder interests and changes in stockholder value.</p> <p>Attracts highly qualified executives and encourages their continued employment over the long term.</p>	<ul style="list-style-type: none"> <li>Reviewed annually</li> <li>May be granted at the beginning of the year or as appropriate during the year for new hires, promotions, or other special circumstances, such as to encourage retention, or as a reward for significant achievement</li> <li>Amount of individual awards is based on a number of factors, including current corporate and individual performance, outstanding equity holdings and their retention value and total ownership, historical value of our stock, internal equity amongst executives and market data provided by our independent compensation consultant</li> <li>Equity grants provided primarily in the form of stock options and RSUs that typically vest over four and three years, respectively</li> </ul>

We focus on providing a competitive compensation package to our executive officers, which provides significant short- and long-term incentives for the achievement of measurable corporate objectives. We believe that this approach provides an appropriate blend of short- and long-term incentives to maximize stockholder value.

We do not have any formal policies for allocating compensation among salary, performance bonus awards and equity grants, short- and long-term compensation or among cash and non-cash compensation. Instead, the HCMCC and the Board exercise judgment to establish a total compensation program for each NEO that is a mix of current, short- and long-term incentive compensation, and cash and non-cash compensation, that the HCMCC and Board believe is appropriate to achieve the goals of our executive compensation program and our corporate objectives. Historically we have structured a significant portion of the NEO target total compensation so that it is comprised of performance-based bonus opportunities and long-term equity awards, to align the executive officers’ incentives with our corporate goals and the interests of our stockholders.

In making executive compensation decisions, the HCMCC generally considers each executive officer’s total direct compensation, which consists of base salary and target bonus opportunity, which together we refer to as target total cash compensation, and long-term equity awards (which are valued based on an approximation of grant date fair value).

### *Say on Pay*

At the 2023 Annual Meeting of Stockholders, approximately 97% of the votes cast approved our advisory vote on executive compensation (“say on pay”). The Company considered this result and other feedback from stockholders and, given the significant level of stockholder support, concluded that our compensation program continues to provide a competitive pay-for-performance package that effectively incentivizes our NEOs and encourages long-term retention. Accordingly, the HCMCC determined not to make significant changes to our executive compensation policies or decisions as a result of the vote. We will continue to consider the outcome of our say on pay votes and our stockholders’ views when making future compensation decisions for NEOs.

## **How We Determine Executive Compensation**

### *Use of Competitive Market Compensation Data*

The HCMCC believes that it is important when making compensation decisions to be informed as to the current practices of comparable public companies with which we compete for top talent. To this end, the HCMCC directed Aon to develop a proposed list of our peer group companies to be used in connection with assessing the compensation practices of the publicly traded companies with whom we compete.

To make 2023 pay decisions, Aon proposed, and the HCMCC approved, a group of companies that would be appropriate peers based on our Company’s industry focus, stage of clinical development and size (based on employee headcount, revenues and market capitalization). Specifically, based on input from the HCMCC, Aon compiled a list of biotechnology companies with an emphasis on similarly sized companies engaged in research and development of clinical stage drug programs. The peer data is referred to in this Proxy Statement as market data. Aon reviewed those components of the market data that were most closely comparable to each of our executive officers’ position. The following 18 companies were approved in September 2022 as our peers for use in 2023 compensation decisions:

Agenus, Inc.	Deciphera Pharmaceuticals, Inc.
Alector, Inc.	Denali Therapeutics Inc.
Allogene Therapeutics, Inc.	ImmunoGen, Inc.
Apellis Pharmaceuticals, Inc.	Iovance Biotherapeutics, Inc.
Arcus Biosciences, Inc.	Kura Oncology, Inc.
Arvinas, Inc.	Mersana Therapeutics, Inc.
Blueprint Medicines Corporation	Mirati Therapeutics, Inc.
Coherus BioSciences, Inc.	Revolution Medicines, Inc.
Corcept Therapeutics Incorporated	Sangamo Therapeutics, Inc.

At the time of approval of these peer companies, the Company fell in the 46th percentile of the peer group in terms of market capitalization, the 80th percentile of the peer group in terms of revenues and the 32nd percentile of the peer group in terms of total employee headcount, as set forth in the following table:

	Revenue (in millions)	Market Capitalization (in millions)	Number of Employees (#)
75th Percentile	\$265	\$2,922	405
Median	\$103	\$1,935	314
25th Percentile	\$40	\$951	216
<b>Xencor</b>	<b>\$289</b>	<b>\$1,766</b>	<b>254</b>
Percentile Rank	80%	46%	32%

Market data is only one of the factors that the HCMCC and Board consider as a reference point in making compensation decisions. The HCMCC and Board consider other factors as described below under “Factors Used in Determining Executive Compensation.”

***Factors Used in Determining Executive Compensation***

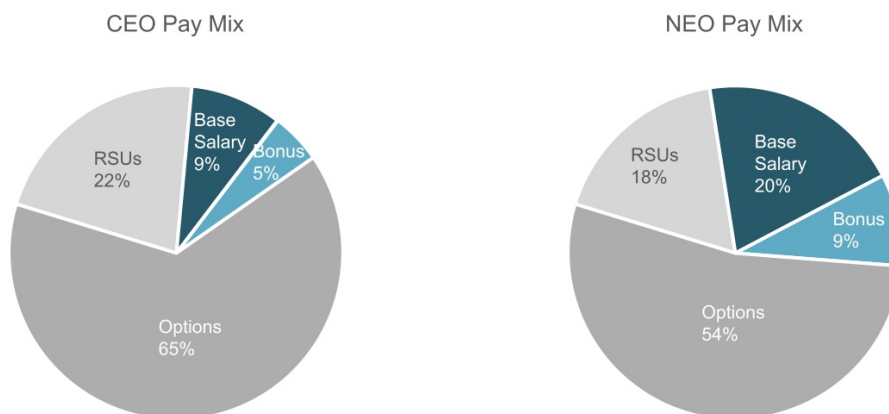
Our HCMCC and Board set the compensation of our executive officers at levels they determine to be competitive and appropriate for each named executive officer, using their professional experience and judgment. Executive pay is not targeted to a specific market percentile. Pay decisions are not made by use of a formulaic approach or benchmark; the HCMCC and the Board believe that executive pay decisions require consideration of a multitude of relevant factors that may vary from year to year. In making executive compensation decisions, the HCMCC and Board generally take into consideration the factors listed below.

- Company performance and existing business needs;
- each NEO’s individual performance, scope of job function and the criticality of the skill set of the NEO to our future performance;
- internal pay equity among NEOs and positions;
- the need to attract new talent to our executive team and retain existing talent in a highly competitive industry;
- a range of market data reference points including review of compensation practices of companies within our peer group, as described above under “Use of Competitive Market Compensation Data”;
- the total compensation cost and stockholder dilution from executive compensation actions;
- independent compensation consultant’s recommendations on compensation policy determinations for the executive officer group;
- a review of an NEO’s total targeted and historical compensation and equity ownership; and
- our Chief Executive Officer’s recommendations, based on his direct knowledge of the performance by each NEO.

## 2023 Executive Compensation Program

### Mix of Elements of Compensation

The three principal components of our executive compensation program for our named executive officers in 2023 were base salary, annual cash performance bonuses and long-term incentive equity compensation. We structured a significant portion of our named executive officers' 2023 compensation to be variable, at risk and tied directly to our measurable performance in the form of performance-based bonuses and equity incentive awards comprised of 75% stock options and 25% RSUs. For 2023, 91% of our Chief Executive Officer's target total compensation and an average of 81% of our other NEOs<sup>1</sup> total compensation were variable and at-risk, consisting of the target annual performance bonus and equity incentives awarded.



The percentages for the target pay mix in the graphics above do not sum to 100% due to rounding.

#### **Base Salary**

The HCMCC's philosophy is to provide base salaries at a competitive level sufficient to recruit and retain individuals possessing the requisite skill and capabilities necessary to achieve the Company's long-term goals. The HCMCC provides an annual salary to each NEO that reflects that individual's level of responsibility, expertise, experience and knowledge. When determining base salaries, the HCMCC considers the input of its independent compensation consultant, peer group data described above, each NEO's performance against the individual's prior year's performance goals, increased responsibilities (including responsibilities resulting from executive promotions), and their role in achievement of Company goals. The HCMCC and the Board approved increases to most of the NEOs' base salaries for 2023 in amounts ranging from 4% to 7% based on such assessment and to bring base salary into alignment with a market competitive range.

<sup>1</sup> Compensation mix reflects the three NEOs who were with the Company for the full calendar year

The NEOs' 2023 base salaries, which were effective January 1, 2023, and their base salaries in effect as of the end of 2022, as applicable, were as follows:

Executive	Base Salary		
	2023	2022	% Change
Bassil I. Dahiyat, Ph.D.	\$ 700,200	\$ 670,000	5 %
John R. Desjarlais Ph.D.	\$ 518,900	\$ 485,000	7 %
Celia E. Eckert	\$ 457,600	\$ 440,000	4 %
John J. Kuch	\$ 468,000	\$ 450,000	4 %
Nancy K. Valente, M.D. (1)	\$ 540,000	\$ —	— %
Allen S. Yang, M.D., Ph.D. (2)	\$ 520,000	\$ 500,000	4 %

(1) Dr. Valente's base salary went into effect on her hire date of May 1, 2023.

(2) Dr. Yang separated from service to the Company on June 30, 2023.

### **Annual Performance Bonus**

Under the 2023 annual performance bonus program, each NEO was eligible to be considered for a performance bonus based on (1) the individual's target bonus, as a percentage of base salary and (2) the percentage attainment of the 2023 corporate goals established by the Board, after recommendation by the HCMCC. The actual performance-based bonus paid, if any, is calculated by multiplying the executive's base salary by the target bonus percentage, and then by the percentage attainment of the corporate goals as determined by the HCMCC.

### **Target Bonuses**

Each NEO's target bonus is set as a percentage of the NEO's earned base salary, with the percentage being evaluated in the context of market data. For 2023, the Board determined that Dr. Desjarlais' bonus target would increase by 5% from 45% to 50% in order to bring the target opportunity into alignment with the competitive market.

The HCMCC believes that the executive officers should have a target bonus that is based on the achievement of the Company's goals. The HCMCC approved a total bonus pool for 2023 that was based on the achievement of corporate performance goals, set forth in the table below. The HCMCC retains discretion to make adjustments up or down to the calculated bonuses, considering factors such as unexpected or unplanned events, the overall financial condition of the Company, extraordinary individual performance and other aspects of leadership, talent development and efforts to foster a corporate culture of inclusion and diversity.

Executive	Annual Performance Bonus Award Opportunity (as a % of Base Salary)
Bassil I. Dahiyat, Ph.D.	60%
John R. Desjarlais Ph.D.	50%
Celia E. Eckert	45%
John J. Kuch	45%
Nancy K. Valente, M.D.	50%
Allen S. Yang, M.D., Ph.D.	45%

### **Performance Goals**

In early 2023, our Board, upon recommendation by the HCMCC with input and recommendations from management, reviewed and approved the 2023 corporate goals. At the end of the year, the HCMCC subsequently evaluated the



Company's performance against those goals. In setting the 2023 goals, the Board sought to create targets for management that the HCMCC believed balanced the Company's short- and long-term plans and best aligned the goals with the interests of stockholders.

The 2023 goals were divided into four categories that the board believed advanced the Company's overall corporate strategy:

## 2023 Corporate Performance Goals

### *Clinical and development goals:*

- Execute and refine development plans for our clinical programs to create high-impact therapeutics for patients
- Advance early-stage clinical portfolio toward proof-of-concept (go/no-go) decisions

### *Research and early-stage development goals:*

- Extend XmAb platform to maintain competitive advantage in drug discovery and expand development pipeline

### *Operational goals:*

- Develop staff leadership skills and communication skills to drive scientific and operational excellence

### *Financial goals:*

- Maintain strong cash position and stay on budget

### *Performance Achievement*

The HCMCC considered the following specific achievements with regard to our corporate performance goals in determining the overall achievement:

- a. Clinical and development goals: Initiated a Phase 1b/2 clinical study of vudalimab (PD-1 x CTLA-4) in advanced non-small cell lung cancer and stopped enrolling certain cohorts in vudalimab studies; began dosing subcutaneous formulation of XmAb819 (ENPP3 x CD3) in ongoing Phase 1 study; initiated a Phase 1 study of XmAb662 (IL12-Fc); terminated XmAb104 development. Delays in clinical trials for key programs limited full achievement of the clinical and development goals in 2023.
- b. Research and early-stage development goals: Completed investigational new drug (IND)-enabling activities and submitted IND application for XmAb541 (CLDN6 x CD3); submitted IND application for XmAb662 (IL12-Fc); advanced CD28 T-cell engager candidates for potential clinical development; created lead CD3 T-cell engager against novel solid tumor target under collaboration; explored novel platforms and programs for future pipeline expansion.
- c. Operational goals: Enhanced procedures to integrate active knowledge sharing for program teams, with broad participation across the company; conducted a comprehensive company-wide engagement survey and took measures to address key areas for improvement; continued a formal 1x1 mentorship program and popular peer-led learning opportunities.
- d. Financial goals: Stayed on budget and exceeded anticipated year-end cash position, completing 2023 with \$697.4 million in cash, cash equivalents, restricted cash, and marketable debt securities, and earning \$49.5 million in royalty revenue from net sales of medicines commercialized by partners.

At the end of 2023, the HCMCC considered the progress of our clinical programs, improvements in operations, and overall financial position, and determined to fund the bonus pool at 85% of target.

For 2023, each NEO's target bonus, total performance achievement for those targets consistent with company performance and the resulting bonus amount paid in early 2024 were as follows:

Executive	Performance Achievement for 2023 (%)	Target Bonus Amount (\$)	Bonus Amount Paid (\$)
Bassil I. Dahiyat, Ph.D.	85 %	\$ 420,120	\$ 357,100
John R. Desjarlais, Ph.D.	85 %	259,450	220,500
Celia E. Eckert	85 %	205,920	175,000
John J. Kuch	85 %	210,600	179,000
Nancy K. Valente, M.D. (1)	85 %	180,000	153,000
Allen S. Yang, M.D., Ph.D. (2)	N/A	234,000	—

(1) Dr. Valente's target bonus is pro-rated based on her hire date.

(2) Dr. Yang was not eligible to receive a bonus following his June 30, 2023 separation.

### Equity Awards

Our executive officers are eligible to receive equity compensation in the form of stock options and RSUs. In early 2023, the Board and HCMCC awarded to the NEOs stock options and RSUs. The Board and HCMCC believe that stock options and RSUs are a key tool in serving to align the interests of our executive officers and our stockholders. Stock options and RSUs are variable and at-risk compensation that automatically links executive pay to stockholder return, as the value realized is dependent upon, and directly proportionate to, the performance of the stock price. Stock options do not have downside protection, and the awards will not provide value to the holder when the stock price is below the grant price. RSUs provide the executive with a value determined by the stock price and the portion of RSU that vests annually. This provides incentive for the executive to continue to create shareholder value over time and with the downside protection that the RSU will retain some value. It also provides an incentive for executives to continue providing services to the Company through the vesting periods.

In 2023, equity incentive awards granted to all of our NEOs were based on a competitive market value. For all NEOs, 75% of the value was distributed as stock options and 25% as RSUs. We weigh the mix more heavily with stock options because to receive value from these grants, the price of the stock must increase above the price at date of grant and be above the grant price after the award vests to have value when exercised, which focuses our executives on long-term shareholder value creation.

In February 2023, the Board, upon recommendation by the HCMCC, approved the following stock option and RSU values for our NEOs. The calculation for determining the number of shares to be issued is determined by the Company using a methodology under the Company's internal equity grant guidelines. Each stock option vests as to 25% of the total number of option shares granted on the first anniversary of the date of grant and thereafter in equal monthly installments for 36 months. Each RSU vests as to one third of the total number of shares granted on the first, second and third anniversaries of the date of grant. The vesting of stock options and RSUs is subject to the officer's continued services to our Company. Vesting of awards may accelerate under certain termination and change in control events as described below under "Overview of Employment and Change in Control Agreements—Severance and Change in Control Benefits".

Executive	Stock Option Grant (# shares)	Stock Option Grant (\$)	RSU Grant (# shares)	RSU Grant (\$)
Bassil I. Dahiyat, Ph.D.	315,126	5,250,000	52,521	1,750,000
John R. Desjarlais, Ph.D.	112,545	1,875,000	18,758	625,000
Celia E. Eckert	63,025	1,050,000	10,504	350,000
John J. Kuch	72,029	1,200,000	12,005	400,000
Allen S. Yang, M.D., Ph.D. (1)	90,036	1,500,000	15,006	500,000

(1) Upon Dr. Yang's separation from service on June 30, 2023, these grants were forfeited

The annual stock option and RSU grants to our NEOs are evaluated by the HCMCC and approved by the Board in the context of each NEO's total compensation and take into account the market data provided by Aon in addition to the individual officer's responsibilities, criticality, performance and total equity ownership. The HCMCC and Board also take into account the recommendations of the Chief Executive Officer with regards to appropriate grants and any particular individual circumstances.

In determining the annual grants for our NEOs, the HCMCC considered that such awards were closely aligned with the long-term efforts of the senior management team to increase stockholder value. The HCMCC determined the size of the grants based on its subjective assessment of the appropriate incentives necessary for our NEOs, considering the market data provided as well as the proposed annual grant and total options held by each named officer, as a percentage of total ownership in our Company, the fair value of each officer's proposed grant in connection with his or her overall total target compensation (total target cash compensation plus long-term incentive compensation), and each officer's individual role and performance.

### **Leadership Transitions**

Effective May 1, 2023, we appointed Dr. Valente as Executive Vice President and Chief Development Officer. Dr. Valente had served on our Board of Directors from September 2022 until April 2023. In this executive role, Dr. Valente is responsible for development of the Company's clinical pipeline to deliver high-impact therapeutics. Under her offer letter, Dr. Valente will receive an annual base salary of \$540,000 and a performance-based target annual cash incentive opportunity equal to 50% of her annual base salary, as well as long-term equity incentives in the form of: (i) stock options with a value of approximately \$3.9 million, one-fourth of which shares will vest on May 1, 2024 and the balance of the option shares shall vest at the rate of 1/48<sup>th</sup> on the final date of each month thereafter, subject to Dr. Valente's continuous service through each such vesting date; and (ii) an RSU award with a grant date fair value of approximately \$1.3 million, which will vest in three equal installments on the first, second and third anniversaries of the grant date, subject to her continued employment through the applicable vesting dates.

On June 30, 2023 we entered into a separation agreement with Dr. Yang, who had served as Senior Vice President and Chief Medical Officer. In connection with this involuntary separation, subject to his execution of a release of claims, Dr. Yang was eligible to receive: lump sum cash severance of \$520,000 and a lump sum bonus payment of \$117,000, based on base salary and target bonus percentage, prorated for number of days worked; and payments of COBRA insurance premiums for up to 12 months. The above amounts were determined in accordance with Dr. Yang's offer letter and in previous public filings. Under his separation agreement, Dr. Yang agreed not to disparage the Company in any manner likely to be harmful to the business and was required to release the Company from any and all prior claims.

### **Other Benefits**

Our NEOs are eligible to participate in our employee benefit plans, including our medical, dental, vision, group life, disability and accidental death and dismemberment insurance plans, in each case on the same basis as all of our other employees. We provide a 401(k) plan with a matching feature to our employees, including our NEOs. We do not provide perquisites or personal benefits to our NEOs that are not available to all of our other employees. We also pay the premiums for term life insurance and disability insurance for all of our employees, including our NEOs. We provide limited temporary living or relocation benefits to NEOs upon hire, including limited tax gross-ups for such business relocation expenses.

### **Tax and Accounting Implications**

Under Financial Accounting Standards Board ASC Topic 718, or ASC 718, the Company is required to estimate and record an expense for each award of equity compensation over the vesting period of the award. We record share-based compensation expense on an ongoing basis according to ASC 718.

Section 162(m) of the Internal Revenue Code of 1986, as amended, or the Code, limits companies to a deduction for federal income tax purposes of not more than \$1 million of compensation paid to certain executive officers in a calendar year. The HCMCC intends to continue to evaluate the effects of the compensation limits of Section 162(m) on any compensation it proposes to grant, and the HCMCC intends to continue to provide future compensation in a manner consistent with the best interests of the Company and its stockholders.

## **Compensation Risk Assessment**

The HCMCC has reviewed the Company's compensation policies and practices, in consultation with its independent compensation consultant, to assess whether they encourage employees to take inappropriate risks. After reviewing and assessing the Company's compensation philosophy, terms and practices, including the mix of fixed and variable, short- and long-term incentives and overall pay, incentive plan structures, and the checks and balances built into, and oversight of, each plan and practice, the HCMCC determined that any risks arising from our compensation policies and practices for our employees are not reasonably likely to have a material adverse effect on our Company as a whole. The HCMCC believes that the mix and design of the elements of executive compensation do not encourage management to assume excessive risks; the mix of short-term compensation (in the form of salary and annual bonus, if any, which is based on a variety of performance factors), and long-term compensation prevents undue focus on short-term results and helps align the interests of the Company's executive officers with the interests of our stockholders. In addition, the Company's insider trading policy and prohibition against hedging and pledging in Company stock protects against short-term decision making.

## **Compensation Recovery Policy**

In September 2023, we adopted a compensation recovery policy. The policy establishes the circumstances and procedures under which the Company shall recover erroneously awarded compensation from current and former executive officers of the Company in accordance with rules issued under the Exchange Act. In the event the Company is required to restate our financial results due to our material noncompliance with financial reporting requirements under federal securities laws as a result of misconduct, the Company will promptly recover all erroneously awarded compensation with respect to such restatement. During the fiscal year ended December 31, 2023, the Company was not required to restate its financial results, and therefore no compensation recovery resulted pursuant to our compensation recovery policy.

## **Anti-Hedging and Anti-Pledging Policies**

Our insider trading policy prohibits all employees and directors from engaging in hedging or similar transactions in our stock, such as prepaid variable forwards, equity swaps, collars, puts, calls and short sales. In addition, our insider trading policy prohibits ownership of Company securities in a margin account or otherwise pledging Company securities as collateral for a loan.

## **Employment, Severance and Change in Control Agreements**

The Company has offer letters or employment agreements with certain NEOs, including Dr. Dahiyat, Dr. Valente, and Ms. Eckert, that provide for the basic terms of their employment, including base salary, performance bonus opportunity and equity grants, as well as certain severance and change in control benefits. All of the NEOs are "at-will" employees.

We have severance agreements with Dr. Dahiyat, Dr. Desjarlais and Mr. Kuch that provide for severance benefits (cash payments, payments for COBRA premiums and equity acceleration) upon a termination without cause or, for a resignation for good reason, either alone or within one month prior to or 12 months following a change in control transaction. We do not provide any excise tax gross ups in connection with severance paid upon termination without cause or relating to a change in control transaction. Our HCMCC reviewed, and our Board approved, the NEO severance benefits, after a review of market data provided by our compensation consultant, to ensure that the benefits remain appropriately structured and at reasonable levels. All change in control payments are structured to be on a "double-trigger" basis, requiring an involuntary termination in connection with the change in control transaction. The Board and HCMCC believes that these severance protection benefits are necessary to provide stability among our executive officers, serve to focus our executive officers on our business operations, and avoid distractions in connection with a potential change in control transaction or period of uncertainty. See "Overview of Employment and Change in Control Agreements" below for more information regarding the agreements we have with each of our NEOs.

## Compensation Governance

### *Role of our HCMCC, Management and the Board*

The HCMCC is appointed by the Board to assist the Board with its responsibilities related to the Company's culture, talent development, succession planning, compensation policies, plans and programs, to review and determine, as appropriate, the compensation to be paid to the Company's executive officers and directors and to review, discuss with management and approve the Company's disclosures contained in the Compensation Discussion & Analysis for use in our Annual Report on Form 10-K, registration statements, proxy statements or information statements. The HCMCC is also responsible for preparing and reviewing its report on executive compensation included in this Proxy Statement. For details on the HCMCC's oversight of the executive compensation program, see the section titled "Information Regarding Committees of the Board of Directors—Board Committees—Human Capital Management & Compensation Committee" beginning on page 20 of this Proxy Statement. Our HCMCC consists solely of independent members of the Board.

The HCMCC reviews and makes recommendations to the Board with respect to all compensation paid to our executive officers, including our NEOs. The Chief Executive Officer evaluates and provides to the HCMCC performance assessments and compensation recommendations. In making his recommendations, the Chief Executive Officer reviews various third-party compensation surveys and compensation data provided by the independent compensation consultant to the HCMCC, as described below. While the Chief Executive Officer discusses his recommendations with the HCMCC and the Board, he does not participate in the deliberations concerning, or the determination of, his own compensation. From time to time, various other members of management and other employees as well as outside advisors or consultants may be invited by the HCMCC or the Board to make presentations, provide financial or other background information or advice or otherwise participate in the HCMCC or Board meetings. The HCMCC meets periodically throughout the year to manage and evaluate our executive compensation program, and generally determines, subject to final Board approval, the principal components of compensation (base salary, performance bonus and equity awards) for our executive officers on an annual basis, typically at the beginning of each fiscal year; however, decisions may occur during the year for new hires, promotions or other special circumstances as our HCMCC determines appropriate. Neither the Board nor the HCMCC is authorized to delegate authority to approve executive officer compensation.

The HCMCC does not maintain a formal policy for recommending to the Board the timing of equity awards to our executive officers; awards are generally approved at a meeting of the HCMCC and the Board in the first quarter of each year. Under our equity incentive plans, the exercise price of a stock option cannot be less than the 100% of the fair market value of the Company's common stock at the time of grant.

### *Role of Compensation Consultant*

The HCMCC has the authority to retain independent compensation consultants to assist in its evaluation of executive compensation, including the authority to approve the consultant's reasonable fees and other retention terms. The HCMCC retained Aon as its compensation consultant to develop a group of peer companies to use as a reference in making executive compensation decisions, evaluating current executive pay practices and considering different compensation programs to aid making executive pay decisions for 2023.

Aon reported directly to the HCMCC. The HCMCC assessed the independence of Aon pursuant to SEC and Nasdaq rules and concluded that there were no conflicts of interest and that Aon was independent.

### **Report of the HCMCC of the Board of Directors\***

The HCMCC has reviewed and discussed with management the Compensation Discussion and Analysis contained in this Proxy Statement. Based on this review and discussion, the HCMCC has recommended to the Board that the Compensation Discussion and Analysis be included in this Proxy Statement and incorporated into the Company's Annual Report on Form 10-K for the year ended December 31, 2023.

Mr. Richard J. Ranieri, Committee Chair  
Dr. A. Bruce Montgomery  
Dr. Kevin C. Gorman

\*The material in this report is not “soliciting material,” is not deemed “filed” with the SEC and is not to be incorporated by reference in any filings of the Company under the Securities Act or the Exchange Act, whether made before or after the date hereof and irrespective of any general incorporation language in any such filing.

### Summary Compensation Table

The following table shows the total compensation earned by the NEOs in 2023, 2022 and 2021, as applicable.

Name and Principal Position	Year	Salary (\$)	Stock Awards (\$) <sup>(1)</sup>	Option Awards (\$) <sup>(2)</sup>	Non-Equity Incentive Plan Compensation (\$) <sup>(3)</sup>	All Other Compensation (\$) <sup>(4)</sup>	Total (\$)
Bassil I. Dahiyat, Ph.D. <i>President, Chief Executive Officer and Director</i>	2023	700,200	1,650,735	5,249,673	357,100	8,247	7,965,955
	2022	670,000	1,493,825	5,132,880	402,000	7,247	7,705,952
	2021	625,000	945,957	3,340,406	450,000	8,932	5,370,295
John R. Desjarlais, Ph.D. <i>Chief Scientific Officer</i>	2023	518,900	589,564	1,874,883	220,500	9,247	3,213,094
	2022	485,000	1,075,557	1,168,043	218,200	8,247	2,955,047
	2021	465,000	448,103	1,452,190	251,100	8,932	2,625,325
Celia E. Eckert <i>General Counsel</i>	2023	457,600	330,141	1,049,931	175,000	9,247	2,021,919
	2022	440,000	597,518	648,915	198,000	8,247	1,892,680
	2021	400,000	258,903	839,034	192,000	8,932	1,698,869
John J. Kuch <i>Chief Financial Officer</i>	2023	468,000	377,317	1,199,929	179,000	9,247	2,233,493
	2022	450,000	697,124	757,070	202,500	8,247	2,114,941
	2021	415,000	258,903	839,034	224,100	8,932	1,745,969
Nancy K. Valente, M.D. (5) <i>Chief Development Officer</i>	2023	360,000	1,063,743	3,487,442	153,000	104,677	5,168,862
Allen S. Yang, M.D., Ph.D. (6) <i>Former Chief Medical Officer</i>	2023	260,000	471,639	1,499,907	—	712,818	2,944,364
	2022	500,000	995,883	1,081,519	225,000	8,247	2,810,649
	2021	480,000	398,309	1,290,835	259,200	8,932	2,437,276

<sup>(1)</sup> In accordance with SEC rules, this column reflects the aggregate grant date fair value of the stock awards granted during the respective year, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 for stock-based compensation transactions (ASC 718). Assumptions used in the calculation of these amounts are included in Note 7 to the Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2023. These amounts do not reflect the actual economic value that will be realized by the NEO upon the vesting of the RSUs or the sale of the common stock received.

<sup>(2)</sup> In accordance with SEC rules, this column reflects the aggregate grant date fair value of the option awards granted during the respective year, computed in accordance with Financial Accounting Standards Board Accounting Standards Codification Topic 718 for stock-based compensation transactions (ASC 718). Assumptions used in the calculation of these amounts are included in Note 7 to the Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2023. These amounts do not reflect the actual economic value that will be realized by the NEO upon the vesting of the stock options, the exercise of the stock options, or the sale of the common stock underlying such stock options.

- (3) Amounts in this column represent annual performance-based bonuses earned for the respective fiscal year. Each performance-based bonus shown above was paid in cash to the respective executive in the first quarter of the following year. For more information, see above under “Compensation Discussion and Analysis—2023 Executive Compensation Program—Annual Performance Bonus.”
- (4) Amounts in this column represent term life and disability insurance premiums paid by us on behalf of the NEOs as well as matching of contributions made under 401(k) plan. All of these benefits are provided to the NEOs on the same terms as provided to all of our regular full-time employees. For more information regarding these benefits, see below under “Description of Compensation Arrangements—Other Benefits.”
- (5) Dr. Valente's employment with the Company started on May 1, 2023 and therefore her salary and bonus payment reflect pro-rated amounts based on her hire date. The amount reported for Dr. Valente in the "All Other Compensation" column for 2023 includes \$79,553 in relocation expenses, of which \$39,768 is tax gross-up, that were reimbursed by the Company.
- (6) Dr. Yang's employment ended with the Company in June 2023 and therefore his salary reflects pro-rated amount based on his termination date. Pursuant to the terms of the Dr. Yang's separation agreement, the amounts shown in the "All Other Compensation" column also includes severance payment in the amount of \$637,000 (equal to 12 months of his base salary and a bonus payment prorated for his employment through his separation date) and a one-time payout of accrued Paid Personal Leave of \$66,695.

### Grants of Plan-Based Awards

The following table sets forth information relating to grants of plan-based incentive awards to the NEOs in 2023.

Name	Award Type	Grant Date(2)	Estimated Possible Payouts Under Non-Equity Incentive Plan Awards Target (1) (\$)	All Other Stock Awards: Number of Securities Underlying Units (#)	All Other Option Awards: Number of Securities Underlying Options (#)	Exercise or Base Price of Option Awards (\$/Sh)	Grant Date Fair Value of Stock and Option Awards (\$)(3)
Bassil I. Dahiyat, Ph.D.	Annual Stock Award	3/2/23		52,521			1,650,735
	Annual Stock Option	3/2/23			315,126	31.43	5,249,673
	Performance Bonus		420,120				
John R. Desjarlais, Ph.D.	Annual Stock Award	3/2/23		18,758			589,564
	Annual Stock Option	3/2/23			112,545	31.43	1,874,883
	Performance Bonus		259,450				
Celia E. Eckert	Annual Stock Award	3/2/23		10,504			330,141
	Annual Stock Option	3/2/23			63,025	31.43	1,049,931
	Performance Bonus		205,920				
John J. Kuch	Annual Stock Award	3/2/23		12,005			377,317
	Annual Stock Option	3/2/23			72,029	31.43	1,199,929
	Performance Bonus		210,600				
Nancy K. Valente, M.D.	Employment Stock Award	5/1/23		39,296			1,063,743
	Employment Stock Option	5/1/23			235,778	27.07	3,487,442
	Performance Bonus		180,000				
Allen S. Yang, M.D., Ph.D.	Annual Stock Award	3/2/23		15,006			471,639
	Annual Stock Option	3/2/23			90,036	31.43	1,499,907
	Performance Bonus		234,000				

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- (1) Amounts in this column represent the target performance-based bonus opportunity for each NEO for 2023. There were no threshold or maximum payout levels for these awards. For a description of the 2023 performance bonus program, see “Compensation Discussion and Analysis—2023 Executive Compensation Program—Annual Performance Bonus” above. The amount actually earned by each NEO is reported in the “Summary Compensation Table” above.
- (2) All options were granted under the terms of our 2013 Equity Incentive Plan (the “2013 Plan”), with an exercise price per share equal to the closing price of our common stock on the grant date, and vest over a four-year period. All RSUs were granted under the terms of our 2013 Plan, and vest over a three-year period. For certain information concerning our 2013 Plan, see “— Equity Compensation Plan Information” below.
- (3) Amounts in this column reflect the aggregate grant date fair value of the option and RSU awards granted during 2023, computed in accordance with ASC 718. Assumptions used in the calculation of these amounts are included in Note 7 to the Financial Statements in our Annual Report on Form 10-K for the year ended December 31, 2023. These amounts do not reflect the actual economic value that will be realized by the NEO upon the vesting of the stock options or RSUs, the exercise of the stock options, or the sale of the common stock underlying such stock options or RSUs.



## Outstanding Equity Awards at Fiscal Year-End

The following table sets forth certain information regarding outstanding equity awards granted to each NEO that remain outstanding as of December 31, 2023.

Name	Grant Date	Option Awards (1)				Stock Awards (2)	
		Number of Securities Underlying Unexercised Options (#) Exercisable	Number of Securities Underlying Unexercised Options (#) Unexercisable	Option Exercise Price (\$) <sup>(3)</sup>	Option Expiration Date	Number of Shares or Units of Stock that Have Not Vested (#)	Market Value of Shares or Units of Stock that Have Not Vested (\$)
Bassil I. Dahiyat, Ph.D.	2/12/2015	75,000	—	\$ 15.69	2/12/2025		
	1/26/2016	125,001	—	12.51	1/26/2026		
	1/30/2017	125,002	—	22.55	1/30/2027		
	1/24/2018	107,501	—	23.40	1/24/2028		
	2/12/2019	138,655	—	36.31	2/12/2029		
	3/2/2020	132,776	8,852	32.28	3/2/2030		
	3/8/2021	90,745	41,248	43.00	3/8/2031	7,333	155,680
	3/3/2022	130,623	167,944	30.02	3/3/2032	33,174	704,284
	3/2/2023	—	315,126	31.43	3/2/2033	52,521	1,115,021
John R. Desjarlais, Ph.D.	2/21/2014	80,000	—	11.05	2/21/2024		
	7/14/2014	50,000	—	10.73	7/14/2024		
	2/12/2015	85,000	—	15.69	2/12/2025		
	1/26/2016	85,000	—	12.51	1/26/2026		
	1/30/2017	85,000	—	22.55	1/30/2027		
	1/24/2018	80,000	—	23.40	1/24/2028		
	2/12/2019	63,025	—	36.31	2/12/2029		
	3/2/2020	51,143	3,410	32.28	3/2/2030		
	3/8/2021	42,984	19,539	43.00	3/8/2031	3,474	73,753
	3/3/2022	31,349	40,307	30.02	3/3/2032	23,886	507,100
3/2/2023	—	112,545	31.43	3/2/2033	18,758	398,232	
Celia E. Eckert	9/3/2019	91,292	—	35.58	9/3/2029		
	3/2/2020	17,703	1,181	32.28	3/2/2030		
	3/8/2021	24,835	11,289	43.00	3/8/2031	2,007	42,609
	3/3/2022	17,416	22,393	30.02	3/3/2032	13,270	281,722
	3/2/2023	—	63,025	31.43	3/2/2033	10,504	223,000
John J. Kuch	2/12/2015	62,764	—	15.69	2/12/2025		
	1/26/2016	70,000	—	12.51	1/26/2026		
	1/30/2017	85,000	—	22.55	1/30/2027		
	1/24/2018	68,000	—	23.40	1/24/2028		
	5/15/2018	10,000	—	33.11	5/15/2028		
	2/12/2019	50,420	—	36.31	2/12/2029		
	3/2/2020	38,121	2,542	32.28	3/2/2030		
	3/8/2021	24,835	11,289	43.00	3/8/2031	2,007	42,609
	3/3/2022	20,319	26,125	30.02	3/3/2032	15,482	328,683
3/2/2023	—	72,029	31.43	3/2/2033	12,005	254,866	
Nancy K. Valente, M.D.	9/8/2022	14,597	20,685	25.32	9/8/2032		
	5/1/2023	—	235,778	27.07	5/1/2033	39,296	834,254

- (1) All of the outstanding option awards granted on and after January 1, 2014 were granted under and subject to the terms of the 2013 Plan. Except as otherwise indicated, each option award becomes exercisable as it becomes vested and all vesting is subject to the executive's continuous service with us through the vesting dates and the potential vesting acceleration described below under "— Potential Payments upon Termination or Change in Control." All of the outstanding options are subject to our standard option vesting schedule such that 25% of the shares subject to the option vest on the one-year anniversary of the grant date and 1/48th of the shares vest monthly thereafter, such that the options are fully vested on the four-year anniversary of the date of grant.
- (2) All of the outstanding RSU awards were granted under and subject to the terms of the 2013 Plan. Except as otherwise indicated, each RSU award vests as to one-third of the total number of shares granted on the first, second and third anniversaries of the date of grant subject to the executive's continuous service with us through the vesting dates and the potential vesting acceleration described below under "—Potential Payments upon Termination or Change in Control."
- (3) All of the option awards were granted with a per share exercise price equal to the fair market value of one share of our common stock on the date of grant, as determined in good faith by our Board.
- (4) Dr. Yang's unvested stock options and RSU awards as of his termination date on June 30, 2023 were forfeited.

We did not engage in any repricing or other modifications or cancellations to any of our NEOs' outstanding equity awards during the year ended December 31, 2023.

### Option Exercises and Stock Vested

The following table provides information on stock options exercised, including the number of shares acquired upon exercise and stock awards vested, and the value realized, determined as described below, for the NEOs in the year ended December 31, 2023.

Name	Option Awards		Stock Awards	
	Number of Shares Acquired on Exercise (#)	Value Realized on Exercise (\$)(1)	Number of Shares Acquired on Vesting (#)	Value Realized on Vesting (\$)(2)
Bassil I. Dahiyat, Ph.D.	141,013	2,302,809	31,789	\$ 1,001,189
John R. Desjarlais, Ph.D.	—	—	18,445	582,744
Celia E. Eckert	—	—	9,690	306,168
John J. Kuch	—	—	12,006	379,513
Allen S. Yang, M.D., Ph.D.	—	—	14,146	447,513

- (1) The value realized on exercise is based on the difference between the closing price of our common stock on the date of exercise and the applicable exercise price of those options and does not represent actual amounts received by the NEOs as a result of the option exercises.
- (2) The value realized on vesting is based on the closing price of our common stock on the date of vesting.

### Pension Benefits, Nonqualified Defined Contribution and Other Nonqualified Deferred Compensation

No pension benefits were paid to any of our named executive officers during fiscal 2023. We do not currently sponsor any non-qualified defined contribution plans or non-qualified deferred compensation plans.

## Overview of Employment and Change in Control Agreements

### *Employment Agreements*

The Company has offer letters and employment agreements with certain of our NEOs, Dr. Dahiyat, Ms. Eckert and Dr. Valente, that provide for the basic terms of their employment, including base salary, performance bonus opportunity and equity grants, as well as certain severance and change in control benefits. Below are written descriptions of the employment agreements and offer letters we have with these NEOs. All of the NEOs are “at-will” employees.

*Dr. Dahiyat.* In September 2013, we entered into a Third Amended and Restated Executive Employment Agreement with Dr. Dahiyat that provided the basic terms of his employment along with certain severance and change in control benefits that are described below under “—Potential Payments upon a Termination or Change in Control.”

*Ms. Eckert.* In August 2019, we entered into a letter agreement with Ms. Eckert that provided the basic terms of her employment along with severance and change in control benefits that are described below under “—Potential Payments upon Termination or Change in Control.”

*Dr. Valente.* In May 2023, we entered into a letter agreement with Dr. Valente that entitled her to an annual base salary of \$540,000; annual target performance bonus of 50% of her base salary; reimbursement for certain reasonable temporary living costs as well as a tax gross up to the extent such amount were taxable to Dr. Valente; and 235,778 stock options and 39,296 restricted stock units along with severance and change in control benefits that are described below under “—Potential Payments upon Termination or Change in Control.”

### *Severance and Change in Control Benefits*

*Dr. Dahiyat.* In May 2016, we entered into a Severance Agreement with Dr. Dahiyat that superseded the Third Amended and Restated Executive Employment Agreement with respect to severance and change in control benefits. The terms of the May 2016 severance agreement are described below under “—Potential Payments upon Termination or Change in Control.”

*Dr. Desjarlais.* In September 2013, we entered into an Amended and Restated Severance Agreement with Dr. Desjarlais that entitled him to certain severance and change in control benefits. In May 2016, we entered into a Severance Agreement with Dr. Desjarlais that superseded his prior agreement in its entirety. The terms of the May 2016 severance agreement are described below under “—Potential Payments upon Termination or Change in Control.”

*Mr. Kuch.* In September 2013, we entered into an Amended and Restated Change in Control Agreement with Mr. Kuch that entitled him to certain severance and change in control benefits. In May 2016, we entered into a Severance Agreement with Mr. Kuch that superseded his 2013 agreement in its entirety. The terms of the May 2016 severance agreement are described below under “—Potential Payments upon Termination or Change in Control.”

The Company has written severance agreements with Dr. Dahiyat, Dr. Desjarlais and Mr. Kuch that supersede the terms of their severance and change in control terms set forth in their employment agreements, as applicable. A more detailed description of the NEO severance and change in control benefits is provided below under “—Potential Payments upon Termination or Change in Control.”

Each of our NEOs holds stock options under our equity incentive plans that were granted subject to our form of stock option agreements.

## Potential Payments upon Termination or Change in Control

### *Severance Agreements*

In May 2016, we entered into severance agreements with our NEOs Dr. Dahiyat, Dr. Desjarlais and Mr. Kuch. In August 2019 we entered into a letter agreement with Ms. Eckert, which was amended in October 2023. In April 2023 we entered into a letter agreement with Dr. Valente, which was amended in October 2023. The provisions regarding their severance are described below.

*Dr. Dahiyat.* Pursuant to the Severance Agreement with Dr. Dahiyat, if we terminate Dr. Dahiyat's employment without cause or if Dr. Dahiyat resigns for good reason, at any time, subject to his execution of an effective release and waiver of claims in favor of us, Dr. Dahiyat will receive (1) a lump sum severance payment equal to the sum of (a) his then-current annual base salary for 24 months and (b) an amount equal to Dr. Dahiyat's then-current target bonus percentage of his then-current annual base salary assuming achievement of 100% of corporate, and as applicable, personal goals established for such year, prorated for the number of days Dr. Dahiyat worked during the year of his termination; (2) vesting acceleration of all his outstanding stock options and equity awards subject to time-based vesting as if Dr. Dahiyat had completed an additional 24 months of service; and (3) payment of his COBRA insurance premiums for up to 12 months. Additionally, in the event that Dr. Dahiyat's termination without cause or resignation for good reason occurs within a "change in control period," defined as the period beginning one month prior to the execution of a definitive written agreement that if consummated would result in a change in control and ending on the earlier of the termination of such agreement or 12 months following the consummation of such change in control, subject to his execution of an effective release and waiver of claims in favor of us, Dr. Dahiyat will additionally receive vesting acceleration in full of all his outstanding time-based stock options and other equity awards.

*Mr. Kuch and Dr. Desjarlais.* Pursuant to Severance Agreements with each of Mr. Kuch and Dr. Desjarlais, if we terminate the officer's employment without cause or if the officer resigns for good reason, at any time, subject to his execution of an effective release and waiver of claims in favor of us, the officer will receive (1) a lump sum severance payment equal to the sum of (a) his then-current annual base salary for 12 months and (b) an amount equal to the executive's then-current target bonus percentage of his then-current annual base salary assuming achievement of 100% of corporate, and as applicable, personal goals established for such year, prorated for the number of days the officer worked during the year of his termination; (2) vesting acceleration of all his outstanding stock options and equity awards subject to time-based vesting as if the officer had completed an additional 12 months of service; and (3) payment of his COBRA insurance premiums for up to 12 months. Additionally, if the officer's termination without cause or resignation for good reason occurs within a "change in control period," defined as the period beginning one month prior to the execution of a definitive written agreement that if consummated would result in a change in control and ending on the earlier of the termination of such agreement or 12 months following the consummation of such change in control, subject to his execution of an effective release and waiver of claims in favor of us, the officer will additionally receive vesting acceleration in full of all his outstanding time-based stock options and other equity awards.

*Dr. Yang.* On June 30, 2023 we entered into a separation agreement with Dr. Yang which provided for Dr. Yang's separation from employment as Senior Vice President and Chief Medical Officer effective June 30, 2023 (the "Separation Date"). As of the Separation Date, upon Dr. Yang's execution of the agreement and release of claims, Dr. Yang was eligible to receive: lump sum severance payment equal to his current base salary for 12 months; lump sum bonus payment based on current bonus target percentage and base salary prorated for number of days worked, and payments of COBRA insurance premiums for up to 12 months.

*Dr. Valente and Ms. Eckert.* Pursuant to letter agreements with each of Dr. Valente and Ms. Eckert, and subsequent amendment, if we terminate the officer's employment without cause or if the officer resigns for good reason, subject to her execution of an effective release and waiver of claims in favor of us, the officer will receive (1) a lump sum severance payment equal to her then-current annual base salary for 12 months and (2) payment of her COBRA insurance premiums for up to 12 months. Additionally, if the officer's termination without cause occurs within 90 days prior to or 12 months after a change in control, the officer will receive (1) vesting acceleration of all his or her outstanding stock options and equity awards subject to time-based vesting as if the officer had completed an additional 12 months of service if the termination occurs prior to the one-year anniversary of the officer's commencement of employment or (2) vesting acceleration of all his or her outstanding stock options and equity awards if the termination occurs after the one-year anniversary of the officer's commencement of employment.

#### *Equity Incentive Plan Provisions*

Pursuant to the 2013 Plan and the 2023 Plan, the plan administrator may accelerate the vesting of stock awards granted under the applicable plan in connection with a corporate transaction. For more information, see below under "Equity Compensation Plan Information".

*Summary of Estimated Amounts Payable upon Termination or Change in Control*

The following table shows estimated payments that would be made to each NEO in the event of a termination of employment under various termination situations, assuming the applicable termination event occurred on December 31, 2023.

Name	Benefit	Termination Not in Connection with a Change in Control (\$)(1)	Termination in Connection with a Change in Control (\$)(2)	2013 Plan — Certain Corporate Transactions (\$)(3)
Bassil I. Dahiyat, Ph.D.	Lump Sum Cash Severance Payment	\$ 1,400,400	\$ 1,400,400	
	Lump Sum Target Bonus Payment	420,120	420,120	
	COBRA Payments	19,224	19,224	
	Vesting Acceleration(4)	3,108,820	3,480,493	3,480,493
	<b>Benefit Total</b>	<u>\$ 4,948,564</u>	<u>\$ 5,320,237</u>	<u>\$ 3,480,493</u>
John R. Desjarlais, Ph.D.	Lump Sum Cash Severance Payment	\$ 518,900	\$ 518,900	
	Lump Sum Target Bonus Payment	259,450	259,450	
	COBRA Payments	14,940	14,940	
	Vesting Acceleration(4)	3,011,533	3,530,585	3,530,585
	<b>Benefit Total</b>	<u>\$ 3,804,823</u>	<u>\$ 4,323,875</u>	<u>\$ 3,530,585</u>
Celia E. Eckert	Lump Sum Cash Severance Payment	\$ 457,600	\$ 457,600	
	COBRA Payments	11,358	11,358	
	Vesting Acceleration(4)	—	547,331	547,331
	<b>Benefit Total</b>	<u>\$ 468,958</u>	<u>\$ 1,016,289</u>	<u>\$ 547,331</u>
John J. Kuch	Lump Sum Cash Severance Payment	\$ 468,000	\$ 468,000	
	Lump Sum Target Bonus Payment	210,600	210,600	
	COBRA Payments	22,896	22,896	
	Vesting Acceleration(4)	1,250,004	1,584,270	1,584,270
	<b>Benefit Total</b>	<u>\$ 1,951,500</u>	<u>\$ 2,285,766</u>	<u>\$ 1,584,270</u>
Nancy K. Valente, M.D.	Lump Sum Cash Severance Payment	\$ 540,000	\$ 540,000	
	COBRA Payments	10,555	10,555	
	Vesting Acceleration(4)	—	278,071	278,071
	<b>Benefit Total</b>	<u>\$ 550,555</u>	<u>\$ 828,626</u>	<u>\$ 278,071</u>

(1) These benefits would be payable by the Company under each NEO's individual agreements if an officer is terminated without cause or if an officer resigns for good reason and such termination or resignation does not occur during the period before or after a change of control. For Dr. Dahiyat, Mr. Kuch and Dr. Desjarlais, such period is within one month prior to or 12 months following a change in control. For Dr. Valente and Ms. Eckert, such period is within 90 days prior to or 12 months after a change in control. Payments are subject, in each case, to the respective NEO's execution of an effective release and waiver of claims in favor of the Company.

(2) These benefits would be payable by the Company under each NEO's individual agreements if an officer is terminated without cause or if an officer resigns for good reason and such termination or resignation occurs during the period

before or after a change of control. For Dr. Dahiyat, Mr. Kuch and Dr. Desjarlais, such period is within one month prior to or 12 months following a change in control. For Dr. Valente and Ms. Eckert, such period is within 90 days prior to or 12 months after a change in control. Payments are subject, in each case, to the respective NEO's execution of an effective release and waiver of claims in favor of the Company.

- (3) These benefits would be payable by the Company under the 2013 Plan, as applicable, if, upon a corporate transaction event, the Board exercised its discretion to accelerate the vesting and exercisability of outstanding stock options.
- (4) The value of vesting acceleration consists of stock options based on the closing price of \$21.23 per share of common stock on December 31, 2023, minus the exercise price of the unvested stock option shares subject to acceleration, as well as the value of unvested restricted stock units based on the closing price of \$21.23 per share of common stock on December 31, 2023. Accordingly, the amounts reported in the table only reflect restricted stock units and option grants with an exercise price less than the closing price of \$21.23 per share of common stock on December 31, 2023.

### Equity Compensation Plan Information

The following table provides certain information, as of December 31, 2023, with respect to all of our equity compensation plans in effect on that date:

Plan Category	Number of Securities to be Issued upon Exercise of Outstanding Options, Warrants and Rights (a)	Weighted-Average Exercise Price of Outstanding Options, Warrants and Rights (b)	Number of Securities Remaining Available for Issuance under Equity Compensation Plans (Excluding Securities Reflected in Column (a)) (c)
<b>Equity compensation plans approved by security holders</b>			
2013 Equity Incentive Plan (1)	10,929,588	\$ 29.73	—
2023 Equity Incentive Plan (2)	213,398	22.96	6,801,945
2013 Employee Stock Purchase Plan (3)	—		1,041,340
<b>Equity compensation plans not approved by security holders</b>	<b>—</b>		<b>—</b>
<b>Total</b>	<b>11,142,986</b>		<b>7,843,285</b>

- (1) Consists of shares granted under our 2013 Equity Incentive Plan. The number of shares of our common stock reserved for issuance under our 2013 Plan automatically increased on January 1 of each year, continuing through and including January 1, 2023, by 4% of the total number of shares of our capital stock outstanding on December 31 of the preceding calendar year, or a lesser number of shares determined by our Board. The Company no longer grants awards from the 2013 Plan, which was superseded by the 2023 Plan.
- (2) The number of shares reflected in column (c) are those remaining available for issuance under the 2023 Equity Incentive Plan in the form of incentive stock options, non-statutory stock options, stock appreciation rights, restricted stock awards, restricted stock unit awards, performance-based stock awards, and other forms of awards.
- (3) Unless otherwise determined by our Board, beginning on January 1, 2014, and continuing until January 1, 2023, the total number shares of common stock available for issuance under the ESPP automatically increased annually on January 1 by the lesser of (i) 1% of the total number of issued and outstanding shares of common stock as of December 31 of the immediately preceding year, or (ii) 621,814 shares of common stock.

## RATIO OF ANNUAL COMPENSATION FOR THE CEO TO OUR MEDIAN EMPLOYEE

Under Section 953(b) of the Dodd-Frank Wall Street Reform and Consumer Protection Act and Item 402(u) of SEC Regulation S-K, we are required to disclose the ratio of the annual total compensation of our principal executive officer (PEO), Dr. Dahiyat, to our median employee's annual total compensation ("CEO Pay Ratio").

The pay ratio rules allow a company to identify its median employee once every three years provided that there has not been a change in its employee population or employee compensation arrangements that it reasonably believes would result in a significant change to its pay ratio. As we did not have any changes to our employee compensation arrangements or employee population in 2023, the median employee for the 2023 CEO Pay Ratio calculation is the same employee identified for the 2020 fiscal year CEO Pay Ratio.

In accordance with Item 402(u) of Regulation S-K, to determine our total population of employees as of October 1, 2023, we included full-time, part-time, seasonal and temporary employees, but excluded contractors or other non-employee workers in our employee population. We identified the median employee by (i) aggregating for each applicable employee (A) the amount of base salary as of October 1, 2023 for all full-time salaried employees, or hourly rate multiplied by actual work hours for hourly employees and (B) the amount of annual bonuses for 2023 performance; and (ii) ranking this compensation measure for our employees from lowest to highest. This calculation was performed for all employees, excluding Dr. Dahiyat, whether employed on a full-time, part-time, or seasonal basis.

For 2023, the median employee's annual total compensation, calculated in accordance with Item 402(c) of SEC Regulation S-K, was \$234,077 and our CEO's annual total compensation, as reported in the 2023 Summary Compensation Table in this Proxy Statement, was \$7,965,955. Based on this information, the ratio of annual total compensation of our CEO to the median of the annual total compensation of all employees (excluding Dr. Dahiyat) was 34.0 to 1.

Dr. Dahiyat's annual total compensation	\$	7,965,955
Median employee's annual total compensation	\$	234,077
Ratio of Dr. Dahiyat's annual total compensation to median employee's annual total compensation		34.0:1

The pay ratio reported above is a reasonable estimate calculated in a manner consistent with SEC rules based on our internal records and the methodology described above. Because 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 employee populations and compensation practices, the pay ratio reported by other companies may not be comparable to the pay ratio reported above, as other companies have different employee populations and compensation practices and may use different methodologies, exclusions, estimates and assumptions in calculating their own pay ratios.

**SECURITY OWNERSHIP OF  
CERTAIN BENEFICIAL OWNERS AND MANAGEMENT**

The following table sets forth certain information regarding the ownership of the Company's common stock as of February 29, 2024 by: (i) each director and nominee for director; (ii) each of the NEOs named in the Summary Compensation Table; (iii) all executive officers and directors of the Company as a group; and (iv) all those known by the Company to be beneficial owners of more than five percent of its common stock.

This table is based upon information supplied by officers, directors and principal stockholders and Schedules 13D and 13G filed with the SEC. Unless otherwise indicated in the footnotes to this table, and subject to community property laws where applicable, the Company believes that each of the stockholders named in this table has sole voting and investment power with respect to the shares indicated as beneficially owned. Applicable percentages are based on 61,135,535 shares outstanding on February 29, 2024, adjusted as required by rules promulgated by the SEC.

Shares of our common stock subject to options that are currently exercisable or exercisable within 60 days of February 29, 2024 are deemed to be outstanding and to be beneficially owned by the person holding the options but not deemed to be outstanding for purposes of computing the percentage ownership of any other person. Unless otherwise indicated, the address of each of the individuals and entities named below is c/o Xencor, Inc., 465 North Halstead Street, Suite 200, Pasadena, California 91107.

Name and Address of Beneficial Owner	Beneficial Ownership	
	Shares of Common Stock	Percentage of Shares Beneficially Owned
<b>Greater than 5% Stockholders</b>		
Blackrock, Inc. (1)	11,322,242	18.52 %
The Vanguard Group, Inc. (2)	6,767,249	11.07 %
PRIMECAP Management Company (3)	8,901,607	14.56 %
EcoRI Capital, LLC (4)	5,282,516	8.64 %
T. Rowe Price Associates, Inc. (5)	3,489,902	5.71 %
State Street Corporation (6)	3,326,856	5.44 %
<b>Executive Officers and Directors</b>		
Bassil I. Dahiyat, Ph.D. (7)	1,275,281	2.05 %
John R. Desjarlais, Ph.D. (8)	720,180	1.17 %
John J. Kuch (9)	556,305	*
Celia E. Eckert (10)	187,757	*
A. Bruce Montgomery, M.D. (11)	111,168	*
Kurt A. Gustafson (12)	111,168	*
Kevin C. Gorman (13)	96,168	*
Richard J. Ranieri (14)	88,668	*
Ellen G. Feigal, M.D. (15)	81,205	*
Dagmar Rosa-Bjorkeson (16)	68,965	*
Allen S. Yang, M.D. Ph.D. (17)	33,493	*
Nancy K. Valente, M.D. (18)	19,467	*
Barbara J. Klencke, M.D. (19)	0	*
All executive officers and directors during the 2023 fiscal year as a group (13 persons) (20)	3,349,825	5.23 %

\* Less than one percent.



- <sup>(1)</sup> Blackrock, Inc. has sole voting power over 11,096,099 shares of our common stock and sole dispositive power over 11,322,242 shares of our common stock. Number of shares based solely on information reported on Schedule 13G/A filed with the SEC on January 19, 2024, reporting beneficial ownership as of December 31, 2023 by Blackrock, Inc. The address for Blackrock Inc. is 50 Hudson Yard, New York, NY 10001.
- <sup>(2)</sup> The Vanguard Group, Inc. has shared voting power over 75,219 shares of our common stock, sole dispositive power over 6,631,739 shares of our common stock, and shared dispositive power over 135,510 shares of our common stock. Number of shares based solely on information reported on Schedule 13G filed with the SEC on February 13, 2024 reporting beneficial ownership as of December 31, 2023 by The Vanguard Group, Inc. The address for The Vanguard Group, Inc. is 100 Vanguard Blvd., Malvern, PA 19355.
- <sup>(3)</sup> Number of shares based solely on information reported on Schedule 13G filed with the SEC on February 12, 2024, reporting beneficial ownership as of December 31, 2023, by PRIMECAP Management Company. The address of PRIMECAP Management Company is 177 E. Colorado Blvd., 11th FL., Pasadena, CA 91105.
- <sup>(4)</sup> Number of shares based solely on information reported on Schedule 13G filed with the SEC on February 14, 2024, reporting beneficial ownership as of December 31, 2023 by EcoR1 Capital, LLC. The address for EcoR1 Capital, LLC is 357 Tehama Street #3, San Francisco, CA 94103.
- <sup>(5)</sup> T. Rowe Price Associates, Inc. has sole voting power over 755,490 shares of our common stock and sole dispositive power over 3,483,775 shares of our common stock. Number of shares based solely on information reported on Schedule 13G/A filed with the SEC on February 14, 2024, reporting beneficial ownership as of December 31, 2023 by T. Rowe Price Associates, Inc. The address for T. Rowe Price Associates, Inc. is 100 E. Pratt Street, Baltimore, MD 21202.
- <sup>(6)</sup> Number of shares based solely on information reported on Schedule 13G filed with the SEC on January 25, 2024, reporting beneficial ownership as of December 31, 2023 by State Street Corporation. The address for State Street Corporation is One Congress Street, Suite 1 Boston, MA 02114.
- <sup>(7)</sup> Includes 219,901 shares of common stock and 1,055,380 shares of common stock that Dr. Dahiyat has the right to acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(8)</sup> Includes 101,608 shares of common stock and 618,572 shares of common stock that Dr. Desjarlais has the right to acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(9)</sup> Includes 97,917 shares of common stock held and 458,388 shares of common stock that Mr. Kuch has the right to acquire from us within 60 days of February 29, 2024.
- <sup>(10)</sup> Includes 11,934 shares of common stock and 175,823 shares of common stock that Ms. Eckert has the right to acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(11)</sup> Includes 111,168 shares of common stock that Dr. Montgomery has the right to acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(12)</sup> Includes 111,168 shares of common stock that Mr. Gustafson has the right to acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(13)</sup> Includes 96,168 shares of common stock that Dr. Gorman has the right to acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(14)</sup> Includes 88,668 shares of common stock that Mr. Ranieri has the right to acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(15)</sup> Includes 81,205 shares of common stock that Dr. Feigal has the right to currently acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(16)</sup> Includes 68,965 shares of common stock that Ms. Rosa-Bjorkeson has the right to acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(17)</sup> Includes 33,493 shares of common stock as reported by Dr. Yang.
- <sup>(18)</sup> Includes 930 shares of common stock and 18,537 shares of common stock that Dr. Valente has the right to acquire from us within 60 days of February 29, 2024 pursuant to the exercise of stock options.
- <sup>(19)</sup> Dr. Klenke does not own any shares of common stock.
- <sup>(20)</sup> Includes the shares described in footnotes (7) through (19).

## PAY VERSUS PERFORMANCE

The following section has been prepared in accordance with the SEC's new pay versus performance ("PvP") disclosure rules. Under the PvP rules, the SEC has developed a new definition of pay, referred to as Compensation Actually Paid, ("CAP"), which we are required to calculate and then compare to certain specified performance measures. Under the PvP rules, CAP for the principal executive officer ("PEO") and the average CAP for the non-PEO NEOs is calculated by starting with the Summary Compensation Table ("SCT") values for the relevant years and then making the following adjustments (as are applicable):

- Subtracting: the grant date fair value of equity awards granted during the year; and the change in pension value for the year; and
- Adding: the year-end fair value of unvested equity awards granted during the year; for equity awards granted in prior years that are outstanding and unvested at the end of the year, the difference between the fair value at the end of the year as compared to the end of the immediately prior year; for equity awards granted in prior years that vested during the year, the difference between the fair value as of the vesting date as compared to the end of the immediately prior year; and the pension service cost for that year.

For the most recently completed fiscal year, we did not use any "financial performance measures" as defined in Item 402(v) of Regulation S-K to link compensation paid to the NEOs. Accordingly, we have omitted the tabular list of financial performance measures and the table below does not include a column for a "Company-Selected Measure" as defined in Item 402(v) of Regulation S-K.

Year	Summary Compensation Table Total for PEO (1)	Compensation Actually Paid to PEO (2)	Average Summary Compensation Table Total for non-PEO NEOs (3)	Average Compensation Actually Paid to non-PEO NEOs	Value of Initial Fixed \$100 Investment based on:		Net Income (Loss) (in thousands)
					TSR (4)	Peer Group TSR (5)	
2023	\$ 7,965,955	\$ 6,147,081	\$ 3,116,346	\$ 2,116,864	61.73 %	115.42 %	(126,087)
2022	\$ 7,705,953	\$ (770,559)	\$ 2,443,329	\$ 38,234	75.72 %	111.27 %	(55,181)
2021	\$ 5,370,295	\$ 317,342	\$ 2,126,860	\$ 668,412	116.66 %	124.89 %	82,631
2020	\$ 4,480,925	\$ 6,725,617	\$ 1,263,427	\$ 1,881,821	126.87 %	125.69 %	(69,333)

(1) For each year our PEO was Bassil Dahiyat.

(2) The following is a summary of the adjustments made to PEO compensation as reported in the SCT to determine PEO CAP. Certain numbers in this table may not foot due to rounding.

(3) For 2023, our non-PEO NEOs were John Desjarlais, John Kuch, Celia Eckert, Allen Yang, and Nancy Valente. For 2022, 2021 and 2020 our non-PEO NEOs were John Desjarlais, John Kuch, Celia Eckert and Allen Yang.

(4) Total Shareholder Return ("TSR").

(5) Peer Group TSR is Nasdaq Biotechnology Index ("NBI") TSR.

**Adjustment to Determine Compensation Actually Paid to PEO**

	<u>2023</u>
Total compensation from SCT	\$ 7,965,955
Deduction for amounts reported under stock awards in SCT	(1,650,735)
Deduction for amounts reported under option awards in SCT	(5,249,673)
Increase in fair value of awards granted during year that remain outstanding and unvested at year-end	6,364,696
Increase/deduction for change in fair value from prior year-end to current year-end of awards granted in prior year that were outstanding and unvested at year-end	(5,441,290)
Increase/deduction for change in fair value from prior year-end to vesting date of awards granted in prior year that vested during the year	4,158,128
Compensation actually paid	<u>\$ 6,147,081</u>

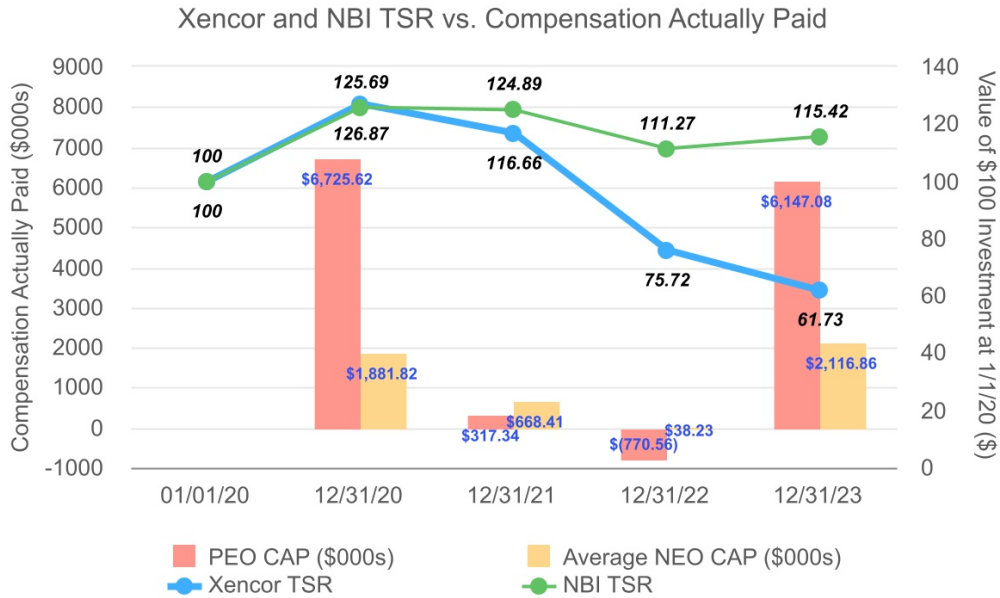
The following is a summary of the adjustments made to average non-PEO NEO compensation as reported in the SCT to determine average non-PEO NEO CAP. Certain numbers in the following table may not foot due to rounding.

**Adjustment to Determine Average Compensation Actually Paid to Non-PEO NEOs**

	<u>2023</u>
Average total compensation reported in SCT	\$ 3,1
Deduction for amounts reported under stock awards in SCT	(5)
Deduction for amounts reported under option awards in SCT	(1,9)
Increase in fair value of awards granted during the year that remain outstanding and unvested at year-end	2,3
Increase/deduction for change in fair value from prior year-end to current year-end of awards granted prior year that were outstanding and unvested at year-end	(1,9)
Increase/deduction for change in fair value from prior year-end to vesting date of awards granted prior year that vested during the year	1,0
Compensation actually paid	<u>\$ 2,1</u>

**Description of Relationship Between PEO and Non-PEO NEO Compensation Actually Paid and Company Total Shareholder Return**

The following chart sets forth the relationship between Compensation Actually Paid ("CAP") to our PEO, the average CAP to our non-PEO NEOs, and the Company's and the Company's peers' Total Shareholder Return ("TSR") over the four most recently completed fiscal years.



Under Item 402(v) of Regulation S-K, the information required in this "Pay Versus Performance" section is not be deemed to be incorporated by reference into any filing under the Securities Act or the Exchange Act, except to the extent that the registrant specifically incorporates it by reference.

## **DELINQUENT SECTION 16(A) REPORTS**

Section 16(a) of the Exchange Act requires our directors, executive officers and any persons who own more than 10% of our common stock to file initial reports of ownership and reports of changes in ownership with the SEC. Such persons are required by SEC regulation to furnish us with copies of all Section 16(a) forms that they file. Based solely on our review of the copies of such forms furnished to us and written representations from the directors and executive officers, we believe that all Section 16(a) filing requirements were timely met in the fiscal year ended December 31, 2023, with a single exception due to an inadvertent administrative error by the Company. The Annual Statement of Changes in Beneficial Ownership for John Kuch, Senior Vice President and CFO, was reported late on February 16, 2023.

## HOUSEHOLDING OF PROXY MATERIALS

The SEC has adopted rules that permit companies and intermediaries (e.g., brokers) to satisfy the delivery requirements for proxy statements and annual reports with respect to two or more stockholders sharing the same address by delivering a single Notice of Internet Availability of Proxy Materials to those stockholders. This process, which is commonly referred to as “householding,” potentially means extra convenience for stockholders and cost savings for companies.

This year, a number of brokers with account holders who are Xencor, Inc. stockholders will be “householding” the Company’s proxy materials. A single Notice of Internet Availability of Proxy Materials will be delivered to multiple stockholders sharing an address unless contrary instructions have been received from the affected stockholders. Once you have received notice from your broker that they will be “householding” communications to your address, “householding” will continue until you are notified otherwise or until you revoke your consent. If, at any time, you no longer wish to participate in “householding” and would prefer to receive a separate Notice of Internet Availability of Proxy Materials, please notify your broker or Xencor, Inc. Direct your written request to Xencor, Inc., Attn: Director of Investor Relations, 465 North Halstead Street, Suite 200, Pasadena, California 91107 or contact Celia Eckert at (858) 472-8365. Stockholders who currently receive multiple copies of the Notice of Internet Availability of Proxy Materials at their addresses and would like to request “householding” of their communications should contact their brokers.

## OTHER MATTERS

The Board of Directors knows of no other matters that will be presented for consideration at the Annual Meeting. If any other matters are properly brought before the meeting, it is the intention of the persons named in the accompanying proxy to vote on such matters in accordance with their best judgment.

By Order of the Board of Directors



Celia E. Eckert  
Secretary

April 24, 2024

**A copy of the Company's Annual Report on Form 10-K for the fiscal year ended December 31, 2023, including the financial statements, is available without charge upon written request to: Corporate Secretary, Xencor, Inc., 465 North Halstead Street, Suite 200, Pasadena, California 91107.**



P.O. BOX 8016, CARY, NC 27512-9903

# Your vote matters!



Have your ballot ready and please use one of the methods below for **easy voting**:

Your control number

Have the 12 digit control number located in the box above available when you access the website and follow the instructions.

Scan QR for digital voting

## Xencor, Inc.

### Annual Meeting of Stockholders

For Stockholders of record as of April 15, 2024

Thursday, June 13, 2024 1:30 PM, Pacific Time

465 North Halstead, Suite 200, Pasadena, California 91107

**YOUR VOTE IS IMPORTANT!**  
**PLEASE VOTE BY: 1:30 PM, Pacific Time, June 13, 2024.**



#### Internet:

[www.proxypush.com/XNCR](http://www.proxypush.com/XNCR)

- Cast your vote online
- **Have your Proxy Card ready**
- Follow the simple instructions to record your vote



#### Phone:

**1-866-859-2528**

- Use any touch-tone telephone
- **Have your Proxy Card ready**
- Follow the simple recorded instructions



#### Mail:

- Mark, sign and date your Proxy Card
- Fold and return your Proxy Card in the postage-paid envelope provided

#### This proxy is being solicited on behalf of the Board of Directors

The undersigned hereby appoints Bassil I. Dahiyat, John J. Kuch or Celia E. Eckert (the "Named Proxies"), and each or either of them, as the true and lawful attorneys of the undersigned, with full power of substitution and revocation, and authorizes them, and each of them, to vote all the shares of capital stock of Xencor, Inc. which the undersigned is entitled to vote at said meeting and any adjournment thereof upon the matters specified and upon such other matters as may be properly brought before the meeting or any adjournment thereof, conferring authority upon such true and lawful attorneys to vote in their discretion on such other matters as may properly come before the meeting and revoking any proxy heretofore given.

THE SHARES REPRESENTED BY THIS PROXY WILL BE VOTED AS DIRECTED OR, IF NO DIRECTION IS GIVEN, SHARES WILL BE VOTED IDENTICAL TO THE BOARD OF DIRECTORS RECOMMENDATION. This proxy, when properly executed, will be voted in the manner directed herein. In their discretion, the Named Proxies are authorized to vote upon such other matters that may properly come before the meeting or any adjournment or postponement thereof.

You are encouraged to specify your choice by marking the appropriate box (SEE REVERSE SIDE) but you need not mark any box if you wish to vote in accordance with the Board of Directors' recommendation. The Named Proxies cannot vote your shares unless you sign (on the reverse side) and return this card.

PLEASE BE SURE TO SIGN AND DATE THIS PROXY CARD AND MARK ON THE REVERSE SIDE


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Please make your marks like this:

**THE BOARD OF DIRECTORS RECOMMENDS A VOTE:**  
**FOR THE ELECTION OF EACH OF THE DIRECTOR NOMINEES, AND FOR PROPOSALS 2 AND 3.**

PROPOSAL	YOUR VOTE			BOARD OF DIRECTORS RECOMMENDS
1. To elect the eight nominees to the Board of Directors named in the accompanying Proxy Statement to serve until the next annual meeting and until their successors are duly elected and qualified:	FOR	WITHHOLD		 <b>FOR</b> <b>FOR</b> <b>FOR</b> <b>FOR</b> <b>FOR</b> <b>FOR</b> <b>FOR</b> <b>FOR</b>
1.01 Dr. Bassil I. Dahiyat	<input type="checkbox"/>	<input type="checkbox"/>		
1.02 Dr. Ellen G. Feigal	<input type="checkbox"/>	<input type="checkbox"/>		
1.03 Dr. Kevin C. Gorman	<input type="checkbox"/>	<input type="checkbox"/>		
1.04 Mr. Kurt A. Gustafson	<input type="checkbox"/>	<input type="checkbox"/>		
1.05 Dr. Barbara Klencke	<input type="checkbox"/>	<input type="checkbox"/>		
1.06 Dr. A. Bruce Montgomery	<input type="checkbox"/>	<input type="checkbox"/>		
1.07 Mr. Richard J. Ranieri	<input type="checkbox"/>	<input type="checkbox"/>		
1.08 Ms. Dagmar Rosa-Bjorkeson	<input type="checkbox"/>	<input type="checkbox"/>		
2. To ratify the selection by the Audit Committee of the Board of Directors of RSM US LLP as the independent registered public accounting firm of the Company for its fiscal year ending December 31, 2024;	FOR	AGAINST	ABSTAIN	<b>FOR</b>
3. To approve, by non-binding advisory vote, the compensation of the Company's named executive officers, as disclosed in the accompanying Proxy Statement; and  To conduct any other business properly brought before the meeting or any adjournments or postponements thereof.	<input type="checkbox"/>	<input type="checkbox"/>	<input type="checkbox"/>	<b>FOR</b>

Check here if you would like to attend the meeting in person.

Authorized Signatures - Must be completed for your instructions to be executed.  
Please sign exactly as your name(s) appears on your account. If held in joint tenancy, all persons should sign. Trustees, administrators, etc., should include title and authority. Corporations should provide full name of corporation and title of authorized officer signing the Proxy/Vote Form.

Signature (and Title if applicable)

Date

Signature (if held jointly)

Date