TEMPO

RPM EMPLOYEE BENEFITS · 2026

How to Build Wealth at RPM in 2026

A Practical Guide for Stock-Eligible RPM Employees

Prepared by Tempo Wealth

Building Wealth at RPM

Your role at RPM requires diligence and deep understanding. The same can be said of managing your total compensation.

At RPM's senior levels, pay arrives as stock-settled Stock Appreciation Rights (SARs), Performance-Earned Restricted Stock (PERS), SERP restricted stock and, for some officers, Performance Stock Units (PSUs), and each follows its own rules. Leaders RPM selects can also defer salary and bonus through the Deferred Compensation Plan.

Most RPM employees also share a company-paid pension, a 401(k) with a company match and an RPM stock fund, and company insurance.

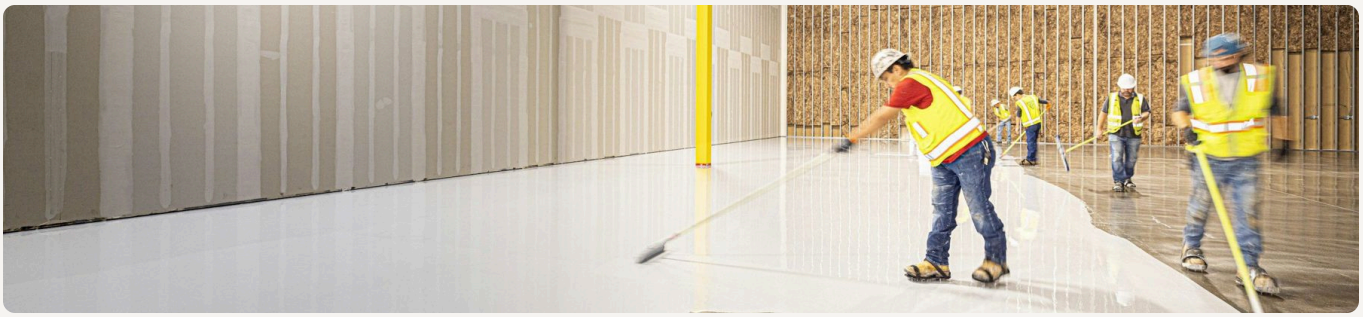
This guide starts where those awards differ most, at age 55 with five years of service. It then works through each award, deferred compensation, the pension and the 401(k).

As you read through this guide, ask yourself:

- What are my financial goals?
- Am I using RPM's benefits to their full potential to help me get there?

The team at Tempo Wealth helps RPM employees turn their equity and benefits into a comprehensive financial plan. This guide will break down how RPM benefits work and strategies for getting the most out of them – whether you're dreaming of retirement, a new home, or a legacy for your family.

Note: the material below draws on RPM's public SEC filings, its plan documents and the 2026 IRS figures. Your own award agreements and plan documents control, and plans at an operating company or from an acquired company may have different terms from the ones described here.



Your RPM Equity at 55

RPM's award agreements define Normal Retirement as leaving through retirement at 55 or older with at least five consecutive years of service, other than for cause. RPM's Compensation Committee decides whether a departure qualifies. Most of your awards treat a departure differently once you cross that line.

Award	Retire at 55+ with 5 years of service	Resign before then
SARs	Generally all become exercisable, through the end of the 10-year term	Unvested SARs are forfeited, and the right to exercise vested SARs ends right away
PSUs	Generally kept; they vest on RPM's results at the end of the performance period	Forfeited
PERS	Vest on a voluntary retirement	Forfeited before the three-year vesting date
SERP restricted stock	Each grant's restrictions lapse at the later of 55 or its fifth anniversary (counted from the May 31 before the grant)	Forfeited for any grant whose restrictions haven't lapsed

Per RPM's current award agreement forms. Your own agreements control.

SERP grants and the five-year count

Each SERP grant has its own release date, so retiring early can leave your newest grants behind. A grant generally stays restricted until you're 55 and it's about five years old. Leave before 65 and any grant that hasn't reached that point is forfeited.

Equity at 55: Conditions and Other Exits

The competitor clause

After a Normal Retirement, PSUs and SARs carry a condition. Until a PSU vests, or until you exercise a SAR, working for or advising a competitor, or recruiting RPM employees, can forfeit the award. The Committee can also treat other conduct against RPM's interests as a breach. So the date you exercise SARs after retiring also decides how long the clause follows you.

Other ways to leave

A discharge leaves 30 days to exercise vested SARs. If you die or become totally disabled, your SARs become exercisable for up to a year, PERS and SERP shares vest, and the Committee decides about PSUs. PERS vest only on a voluntary retirement, so if RPM ends your employment after 55, ask how each award will be treated.



Hypothetical Example: Before or After 55

Marcus, 54, has led an RPM business for 12 years. He holds vested and unvested SARs, PERS from each of the last three years, and SERP shares granted every July.

If he resigns before his 55th birthday to take an outside role, he can't exercise his vested SARs after he leaves, and he forfeits his unvested PERS and all of his SERP shares.

If he waits until after 55 and retires, his SARs generally stay exercisable for their full terms and his PERS vest. RPM releases his SERP grants older than about five years, and he forfeits the newer ones. If he later advises a competitor before exercising his SARs, he forfeits them.

Stock Appreciation Rights (SARs)

A SAR pays you the rise in RPM's share price above the grant price, which is the stock's value on the grant date. RPM settles SARs in shares. When you exercise, you receive RPM shares worth the gain, with cash for any fraction. If the share price is at or below the grant price, a SAR has nothing to exercise. SARs pay no dividends and carry no vote.

SARs become exercisable 25% a year over four years, starting one year after the grant, and expire the day before the tenth anniversary of the grant. Your exercise date is the day RPM accepts your completed exercise notice, not the day you send it.

How SARs are taxed

The IRS taxes nothing at grant or as SARs vest. When you exercise, it treats the gain as wage income for that year, and RPM reports it on your W-2. The shares you receive start with a cost basis equal to their value at exercise, so later changes in value become a capital gain or loss when you sell.

Withholding

RPM keeps back enough of the shares to cover the minimum required withholding.

Federal rules allow a flat 22% withholding rate when the requirements are met, and require 37% on supplemental wages above $1,000,000 for the year. Your withholding may fall short of the tax you owe, so extra withholding or estimated payments may be needed during the year.

SARs: Timing and Trading

Timing and trading

You choose when to exercise, so you choose the tax year. If you're covered by RPM's insider trading policy, exercising isn't restricted, but selling the shares you receive is subject to blackout periods and, for Section 16 officers, pre-clearance. Because a resignation ends exercise rights on vested SARs, timing matters if you're considering another role.

Run your own numbers with the RPM SAR exercise calculator at tempowealth.com/specializations/rpm-international.



Hypothetical Example: Withholding on an Exercise

Dana, a hypothetical RPM business president, holds 3,000 vested SARs with a $70 grant price. If she exercises them all when RPM trades at $110, the gain is $40 a SAR, or $120,000 of wage income. At a flat 22% federal withholding rate, RPM would keep back about $26,400 of shares and deliver about 850 of the roughly 1,090 shares.

If her income falls in the 35% bracket, her federal tax on the exercise is about $42,000, about $15,600 more than was withheld. She could spread exercises across tax years to manage the bracket. SARs she still holds stay exposed to RPM's share price. This illustration uses one flat rate and ignores state tax, Social Security and Medicare tax, and her other income.

RPM Stock Awards

Alongside SARs, RPM grants three kinds of stock awards. Each has its own vesting schedule and tax timing.

Award	How it's earned	When it vests	Dividends
PERS	Granted each July after RPM measures the prior fiscal year's results	All at once, three years after the grant	Paid while the shares are held in escrow, in cash or reinvested
SERP restricted stock	Granted each year by formula to officers and key employees whose pension may be limited by IRS rules	At the later of 55 or the grant's fifth anniversary, or at retirement at 65 or later	Paid while the shares are held in escrow
PSUs	Granted to key officers; from none to twice the target number of shares, based on three years of RPM results	At the end of the three-year performance period	Held back and paid in cash only on PSUs that vest

Per RPM's current award agreement forms. Your own agreements control.

How restricted stock is taxed

The IRS taxes PERS and SERP shares as wage income when their restrictions lapse, at the shares' value that day. Your agreements don't allow an 83(b) election to be taxed at grant instead. The IRS generally treats dividends on shares still in escrow as wages too.

If you're already retirement-eligible

Once you're 55 with five years of service, PERS would vest if you retired, so the tax on them may come earlier than the three-year vesting date. Check how RPM reports it before planning around that date.

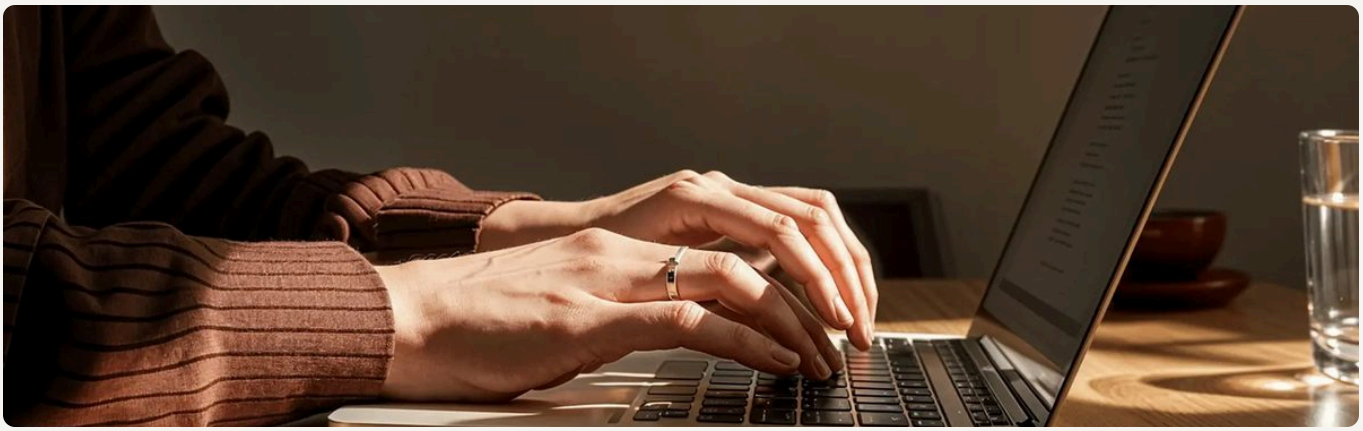
Stock Awards: PSU Payouts and Withholding

PSU payouts

When PSUs vest, RPM delivers one share per vested unit within two and a half months and keeps back shares for the projected tax. Held-back dividends are paid in cash, less taxes, at the same time.

Withholding

RPM withholds at the minimum required rate on restricted stock and on PSU payouts. The same federal withholding rules described for SARs apply, so the amount withheld may fall short of your tax at a higher bracket.



Deferred Compensation

If RPM selects you for its Deferred Compensation Plan, you can defer up to 90% of your base salary and up to 90% of your annual bonus, with a $5,000 minimum, and delay the tax on it. You're always 100% vested. Your account tracks RPM stock or funds you choose from the plan's menu, and you can change the funds daily.

Election deadlines

You must elect salary deferrals for a year before January 1. For bonus deferrals, you must elect by the date RPM sets, no later than six months before the end of the period the bonus covers.

How it comes back

The plan pays a lump sum after you leave, unless you leave in Retirement (55 with five years of service) and your account is above the IRS elective deferral limit ($24,500 for 2026). Then you can elect annual installments over up to 10 years. You can also schedule in-service payouts on dates you choose when you elect.

Under the plan's definitions, most employee participants count as "specified employees," so payments after leaving generally begin in the seventh month. If you change your payout form, you must do it at least 12 months before the first payment, and the change pushes that payment back at least five years.

After a move, qualifying payments spread over at least ten years may be protected from tax in your former state. A shorter schedule isn't automatically taxable there. Check the plan and state rules before choosing.

Deferred compensation payouts can bridge the years before retirement-account withdrawals. They aren't subject to the 10% early-distribution tax that can apply to IRA and 401(k) withdrawals before 59½. Other taxes still apply, and the balance remains an unsecured promise from RPM.

Questions to ask:

- Which payout choices fit the years between my last paycheck and Social Security?
- If I plan to move to a lower-tax state, does the schedule I elect follow me?
- How much of my net worth do I want riding on a company promise, especially if my account tracks RPM stock?

The RPM Pension

The RPM International Inc. Retirement Plan is a company-paid pension, so you don't contribute to it. It covers most U.S. employees who aren't in a union, at RPM and most of its wholly owned subsidiaries. You join after you're 21 and have worked at least 1,000 hours in a 12-month period, and you're fully vested after five years of vesting service.

How the benefit is calculated

The plan looks at your average monthly pay over the 60 consecutive months with the highest average in your last 120. Pay includes wages, bonuses, commissions, overtime and your pre-tax 401(k) deferrals, up to the IRS limit ($360,000 for 2026).

At 65, the monthly benefit is 22.5% of that average pay plus 22.5% of the part above your Social Security covered compensation, each reduced if you have fewer than 30 or 35 years of benefit service.

The IRS pay limit caps the formula for higher earners. For officers and key employees whose pension may be limited, RPM's SERP restricted stock makes up part of the difference.

When the pension can start

55 with 5 years	62	65, or 40 years of service
Earliest start, at a reduced amount	77.5% of the age-65 benefit	Full benefit

When it starts

The full benefit starts at 65 with five years of participation, or at any age once you have 40 years of vesting service. You can start as early as 55 with five years of vesting service, at a reduced amount. Starting at 62, for example, pays 77.5% of the age-65 benefit.

Pension: Lump Sum or Monthly Income

Lump sum or monthly income

You can take the pension as monthly income for life, with joint-and-survivor and period-certain options, or as a single lump sum of its full value. If you're married, the standard form is a 50% survivor annuity for your spouse. Before you choose, the plan gives you a statement comparing the value of each form.

If the plan pays a lump sum to you directly, it withholds 20% for taxes. The IRS doesn't tax a direct rollover to an IRA when it happens. Once payments begin, you generally can't change the choice.

Questions to ask:

- Lump sum or monthly income, and what does each mean for my spouse?
- What covers the months between my last paycheck and the first pension payment?
- How does the pension change when I draw from the 401(k) and when I claim Social Security?

The RPM 401(k)

You can join the RPM International Inc. 401(k) Trust and Plan after three months. RPM enrolls new employees automatically at 3% of pay, pre-tax, unless they choose otherwise, and you can save up to 50% of your pay. Pre-tax savings give you a tax break now, and you pay tax in retirement. If your plan offers Roth contributions, you pay tax now and qualified withdrawals are tax-free.

RPM matches 100% of the first 3% of pay you contribute and 50% of the next 2%, up to 4% of pay. At the automatic 3% rate, you get a 3% match; contributing at least 5% earns the full 4%. You're always 100% vested, in your own contributions and in RPM's match.

For 2026, you can save up to $24,500 in pre-tax and Roth deferrals combined. If you're 50 or older, you can add a $8,000 catch-up. At ages 60 to 63, the catch-up is $11,250 instead.

401(k): Roth Catch-Up, Stock Fund and Example

For 2026, if you're eligible for catch-up contributions and your 2025 Social Security wages from RPM exceeded $150,000, those catch-up contributions must be Roth.

Contribution Source	Age Group	2026 Limit	Notes
Elective deferrals	Under 50	$24,500	What you contribute from salary, pre-tax and Roth combined.
Catch-up	50–59 and 64+	$8,000	Standard additional amount for those age 50 and older.
"Super" catch-up	60–63	$11,250	Higher SECURE 2.0 catch-up for this age range.

2026 IRS contribution limits (Notice 2025-67).

The RPM stock fund

The plan offers an RPM company stock fund, and you can direct up to 20% of each contribution to it. If you're covered by RPM's insider trading policy, moving money into or out of the stock fund, or changing how much of your contributions goes there, counts as a trade and is subject to blackout periods.

Leaving RPM

When you leave, you can take your account as a lump sum or in installments over up to 10 years.

Hypothetical scenario

Lauren, a hypothetical 45-year-old RPM director, earns $220,000 with a 2% raise at the start of each later year and starts with a $250,000 401(k) balance. She contributes 5% of pay in equal amounts at the end of each month, receives the full 4% match, and earns a 5% nominal annual return, compounded monthly. After 20 years, her balance is about $1.5 million.

What if she contributed $24,500 each year instead, held flat for all 20 years with no limit increases or catch-up contributions? Under the same assumptions, her balance is about $1.9 million, roughly $400,000 more.

This illustration assumes the stated contribution percentages, raises, and rate of return, and no withdrawals. The illustration does not reflect investment advisory fees, plan expenses, taxes, changes in contribution rates, market volatility, or other factors that may affect actual results. The assumed rate of return is hypothetical and is not intended to represent or predict the performance of any particular investment or investment strategy. Actual investment results may vary.

Net Unrealized Appreciation

For pre-tax RPM stock in your 401(k), Net Unrealized Appreciation (NUA) may let the growth be taxed at long-term capital gains rates instead of ordinary income rates. NUA requires taking the shares out of the plan as shares, so confirm that the plan allows an in-kind distribution of the RPM stock fund before you plan around it.

A direct rollover to a traditional IRA defers tax. Later withdrawals of pre-tax money are taxed as ordinary income.

NUA works differently. You move the RPM shares into a taxable brokerage account without selling them. You pay ordinary income tax now on the cost basis (what the plan paid for the shares), not their full value.

Growth earned inside the plan is taxed at federal long-term capital gains rates of 0%, 15% or 20% when you sell, depending on taxable income. The 3.8% net investment income tax doesn't apply to that growth. Growth after distribution follows the usual stock-sale rules.

Say, hypothetically, you have $600,000 in RPM stock in your 401(k): $100,000 cost basis, $500,000 growth. With NUA, you pay ordinary income tax on the $100,000 now. The $500,000 gets long-term capital gains treatment when sold. Your other pre-tax plan assets can roll to an IRA and remain tax-deferred.

A low cost basis can favor NUA, but compare the tax due now with a rollover's continued tax deferral. Your tax rates and withdrawal timing affect the result.

Before age 59½, a 10% additional tax may apply to the basis. One exception covers leaving your employer in or after the calendar year you turn 55; it doesn't apply to IRA withdrawals.

For pre-tax employer stock, your full balance across your employer's qualified plans of the same type must be distributed within one tax year after a qualifying event, such as leaving the company. The shares must move in kind to a taxable account, so check the steps before starting a rollover.

Managing RPM Stock Concentration Risk

At RPM, a stock position can grow without anyone deciding to build it. SAR exercises deliver shares, restricted stock vests into shares, PSUs pay out in shares, and deferred compensation can track RPM stock. Your salary and benefits already depend on the same company, and any RPM inside your 401(k) adds to that exposure, so a bad quarter for RPM can reach several parts of your finances at once.

There are several ways to reduce concentration, and not all of them mean selling right away. The right mix depends on position size, tax basis, time horizon and your other goals.

Strategy	How It Works
Systematic Selling	Set a sale schedule for vesting events or permitted quarterly windows. You decide the timing in advance; the schedule doesn't remove market risk.
10b5-1 Plan	Adopt a trading plan when you hold no material non-public information, then wait through the required cooling-off period before trading begins. The plan can carry out scheduled sales during later blackouts, subject to company policy and the rule's other conditions.
Tax-Loss Harvesting	Offset gains from selling RPM stock by realizing losses in other parts of the portfolio, reducing the net tax cost of diversification.
Donor-Advised Fund (DAF)	Contribute appreciated RPM shares held more than one year directly to a DAF. No capital gains tax on the contribution, a potential charitable deduction if you itemize (annual floors and AGI limits apply), and grants recommended over time.

These strategies are not mutually exclusive; the right combination depends on position size, tax basis, time horizon, and liquidity needs. All of them are subject to your award agreements, RPM's insider trading policy and its blackout periods, and, for named executive officers, RPM's stock ownership guidelines.

Concentration Risk: Questions to Ask

Start by working out what share of your net worth is tied to RPM, directly through shares and indirectly through your job and future grants. No single threshold fits everyone. It depends on your circumstances, risk tolerance, tax situation and objectives, so it's worth a deliberate conversation about how and when to reduce it. Consider:

- What percentage of my total net worth is tied to RPM, directly and indirectly?
- Do I have a written plan for managing my equity position, or am I accumulating without a strategy?
- Am I inside a lock-up, a blackout period, or subject to trading restrictions that limit my options right now?
- Have I explored any of the strategies in the table with an advisor?

Donor-Advised Fund Giving

If charitable giving is part of your plan, a Donor-Advised Fund can be an efficient tool, particularly when you hold appreciated RPM shares.

You contribute appreciated stock you've held for more than a year directly to a DAF rather than selling the shares first. The gift avoids realizing the appreciation and may qualify for a charitable deduction, subject to applicable limits. You then recommend grants to charities over time. Shares still under a lock-up or other transfer restriction may not be eligible to give.

A large SAR exercise or a PERS vest may make a high-income year a useful time to consider charitable giving.

Hypothetical example: You donate $50,000 of RPM stock held over a year ($10,000 basis). Assuming you itemize, have $500,000 AGI in 2026 and make no other charitable gifts, the 0.5% floor is $2,500. That leaves a potential $47,500 deduction before other limits. You contribute the shares without realizing their $40,000 gain.

Questions to ask:

- Do I have appreciated RPM shares that could be contributed to a DAF this year?
- Is there a high-income year on the horizon where bunching a larger charitable contribution would make sense?
- Am I donating cash after selling appreciated shares, when giving the shares themselves would be more tax-efficient?

Tax-Loss Harvesting

Tax-loss harvesting means selling securities that have declined in value on purpose, to realize losses that can offset capital gains elsewhere in the portfolio.

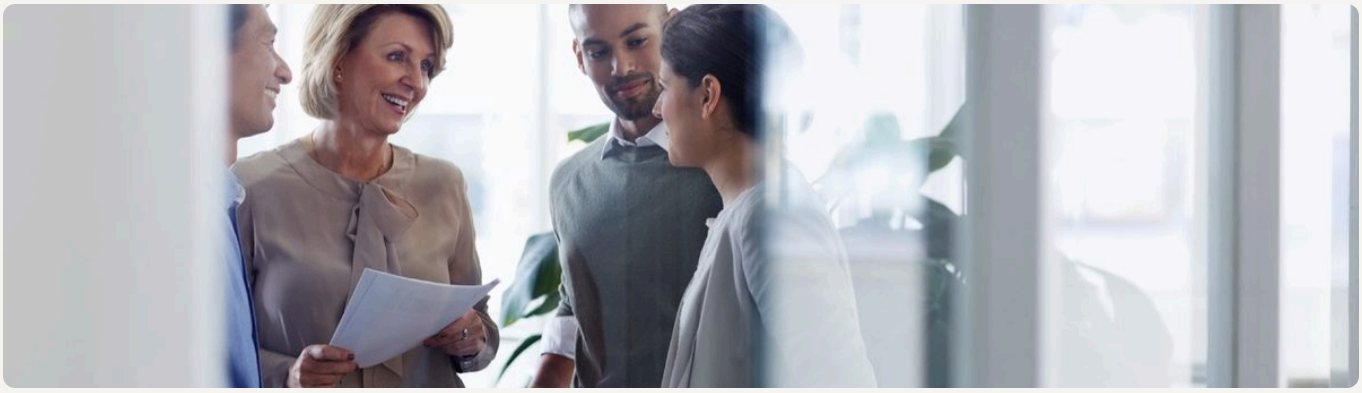
For RPM employees who are systematically selling shares from SAR exercises and restricted stock vests, tax-loss harvesting in a taxable investment account can help reduce the net tax cost of that diversification. The losses from underperforming holdings offset the gains from selling RPM stock, which can reduce what you owe at tax time.

After selling, you can reinvest in a security that isn't substantially identical to maintain market exposure. The IRS wash-sale rule can disallow a loss if you buy the same or a substantially identical security within 30 days before or after the sale. Purchases in other accounts, including an IRA or a spouse's account, can count.

Over time, a disciplined harvesting strategy may reduce taxes, particularly in volatile markets, though the benefit depends on the gains available to offset. It works best as an ongoing practice, not a one-time response to a bad quarter.

Questions to ask:

- Does my taxable portfolio have positions with sizable unrealized losses that could be harvested against gains from selling RPM stock?
- Is my advisor reviewing this systematically throughout the year, not just in December?
- Do I understand the wash-sale rule and how it applies to securities I own in multiple accounts, including SAR exercises, restricted stock vests, PSU payouts and reinvested dividends?



The Backdoor Roth IRA

If your income is too high for direct Roth IRA contributions, you may be able to contribute to a Traditional IRA without taking a deduction, then convert it to Roth. For 2026, the combined IRA contribution limit is $7,500, or $8,600 if you're 50 or older. Use only your remaining limit, and confirm you're eligible. A non-working spouse may qualify too.

Roth IRA earnings generally come out tax-free after age 59½ and five tax years. The clock starts with your first regular Roth IRA contribution tax year, or your first conversion year if earlier. Early withdrawals of converted money have separate rules.

Don't overlook the pro-rata rule. Pre-tax money in any of your Traditional, SEP or SIMPLE IRAs can make part of the conversion taxable. The IRS looks across those accounts, so opening a separate IRA doesn't avoid the rule.

Life Insurance

RPM offers life insurance as part of its benefits package, and some officers also have executive life coverage. Check your benefits materials for your coverage amount, any cap, and what you can add for yourself and your family.

Company coverage is usually tied to base pay and capped, while much of an RPM leader's pay comes from bonus and stock awards. Consider whether your total coverage reflects what your household would need, and whether term insurance outside RPM makes sense for level premiums and portability, since employer coverage generally changes or ends when you leave.

Disability Insurance

RPM offers short-term and long-term disability insurance. Group long-term disability plans typically replace a percentage of base pay up to a monthly maximum, so these plans often don't cover bonus and stock-award income. Check your plan's percentage and cap, and whether a benefit would be taxable, which usually depends on who pays the premiums.

A disability also changes what happens to your equity. Under RPM's award agreements, total disability, as your long-term disability plan defines it, makes SARs exercisable for up to a year and vests PERS and SERP shares, while the Committee decides about PSUs.

Building Your Financial Team

Getting the most out of your RPM benefits takes more than one skill set. There's financial planning for your SARs, stock awards, pension and 401(k). There's tax strategy, estate planning, debt management, and insurance. Typically, you'd have to find and hire each of these separately: a Financial Planner, a CPA, an Estate Planning Attorney, a Debt Specialist, and an independent P&C Advisor. Then you'd have to keep them all on the same page.

Tempo was built so you don't have to do that alone. Our team leads your financial plan, from your 401(k) and equity comp to your tax and insurance strategy. And where your situation calls for a specialist, a CPA, an estate planning attorney, or a P&C advisor, we connect you with trusted professionals from our network and keep everyone working from the same playbook. One plan, one team keeping it aligned.

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Want to Talk?

RPM's benefits can play a large part in building long-term wealth, but getting the most from them takes a coordinated plan. Whether you're saving for retirement, a home, or your kids' future, Tempo Wealth is here to guide you.

Curious to learn more about what it's like to work with us? Click the button below or send us an email at **info@tempowealth.com** to schedule a casual introductory conversation.

Contact Us



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