

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

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of
the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): October 03, 2023

SCHOLASTIC CORPORATION
(Exact Name of Registrant as Specified in its Charter)

Delaware
(State or Other Jurisdiction of
Incorporation)
557 Broadway,
New York, New York
(Address of Principal Executive Offices)

000-19860
(Commission File Number)

13-3385513
(IRS Employer Identification No.)

10012
(Zip Code)

(212) 343-6100
(Registrant's telephone number, including area code)

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12(b) under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol	Name of each exchange on which registered
Common Stock, par value \$0.01	SCHL	The NASDAQ Stock Market LLC

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 5.02 Departure of Directors or Certain Officers; Election of Directors; Appointment of Certain Officers; Compensatory Arrangements of Certain Officers.

(e) On October 3, 2023 Scholastic Inc. (the "Company") entered into an employment agreement ("Agreement") with Ken Cleary, the Company's Chief Financial Officer. As previously announced Mr. Cleary will be stepping down as Chief Financial Officer of the Company when his successor has been identified and appointed. Thereafter, Mr. Cleary will be appointed as the Company's President, International and the terms and conditions of his continued employment with the Company in this capacity will be governed by the Agreement.

As President, International, Mr. Cleary will report directly to the Company's Chief Executive Officer and will receive a base salary at the rate of \$625,000 per annum. The Agreement provides that the Company will recommend to its Board that Mr. Cleary receive annual equity incentive grants under the Scholastic Corporation 2021 Stock Incentive Plan with a value of \$500,000 in fiscal 2024 and \$400,000 in fiscal 2025, such value to be paid 60% in restricted stock units and 40% in stock options.

Mr. Cleary will be eligible to participate in the Scholastic Short Term Incentive Plan with a bonus target percentage of 50% of his base salary. The bonus opportunity is based on corporate and/or divisional performance for each fiscal year (June 1 through May 31), and will be prorated to reflect the actual term of Mr. Cleary's employment during his first fiscal year as President, International.

Mr. Cleary's term as President, International will expire on September 30, 2025, unless his employment with the Company is earlier terminated for any reason. Notwithstanding the foregoing, Mr. Cleary has agreed that he will step down from this position prior to September 30, 2025 upon the written request of the Chief Executive Officer, exercisable in such officer's sole discretion. In this case Mr. Cleary will retire from employment with the Company with the retirement benefit eligibility that he would have achieved if he had remained employed by the Company as President, International through September 30, 2025.

The above summary of the Agreement is not complete and is qualified in its entirety by reference to the terms of the Agreement, a copy of which is filed as Exhibit 10.1 hereto and is incorporated by reference herein.

Item 9.01 Financial Statements and Exhibits.

- (a) Not applicable
- (b) Not applicable
- (c) Not applicable
- (d) The following exhibits are filed as part of this report:

- 10.1 [Employment Agreement dated October 3, 2023, by and between Ken Cleary and Scholastic Inc.](#)
- 104 Cover Page Interactive Data File (embedded within the Inline XBRL document).

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

SCHOLASTIC CORPORATION

Date: October 5, 2023

By: /s/ Andrew S. Hedden
Name: Andrew S. Hedden
Title: Executive Vice President and General Counsel

October 3, 2023

Mr. Ken Cleary
c/o Scholastic Inc.
557 Broadway
New York, NY 10012

Dear Ken,

As we have discussed, upon the appointment of your successor as Chief Financial Officer of the Company (which we anticipate will take place prior to the end of calendar year 2023), you will continue your employment with Scholastic Corporation as President, International. As we have discussed, in this position you will continue to report directly to me. After your transition to President, International you will receive a base salary at the rate of \$625,000 per annum, which will continue to be paid to you on a bi-weekly basis.

We will recommend to the compensation committee of our Board of Directors that you receive annual equity incentive grants under the Scholastic Corporation 2021 Stock Incentive Plan (the "Plan") with a value of \$500,000 in fiscal 2024 and \$400,000 in fiscal 2025, such value to be paid 60% in restricted stock units and 40% in stock options. The number of stock options granted will be determined based on the Black Scholes model of calculating the fair value of a stock option on the date of each grant, and the number of restricted stock units awarded will be determined by using the fair market value of the Scholastic common stock on the date of each grant. These grants will vest in three equal annual installments over three years, with the first installment vesting on the first anniversary of the date of the applicable grant, subject to the terms and conditions of the Plan and your award agreements.

You will be eligible to participate in our Scholastic Short Term Incentive Plan (STIP) with a bonus target percentage of 50% of your base salary. This bonus opportunity is based on corporate and/or divisional performance for each fiscal year (June 1 through May 31), and will be prorated to reflect the actual term of employment during your first fiscal year of employment as President, International. You must be an active employee of Scholastic at the time bonus payments are made under the STIP in order to receive payment.

You will receive vacation annually as per the company policy.

You will also continue to be eligible for all employee benefits (including health insurance and 401(k) or other retirement plans, participation in the Scholastic Management Stock Purchase Plan, etc.) per Scholastic's standard benefit programs for senior executives of the Company.

Your term as President, International will expire on September 30, 2025, unless your employment with Scholastic is terminated earlier for any reason. However, you understand and agree that you will step down from this position prior to September 30, 2025 upon the written request of the Chief Executive Officer, exercisable in such officer's sole discretion. In this circumstance you will retire from employment with the Company with the retirement benefit eligibility that you would have achieved if you had remained employed by the Company as President, International through September 30, 2025.

Employment at Scholastic is at the will of the Company and/or you and as such this letter does not create a contract of permanent employment. If you have any other questions, please do not hesitate to contact me.

If you are in agreement with these terms please return to me a scanned copy of this letter, signed by you.

Sincerely,

SCHOLASTIC CORPORATION

By: /s/ Peter Warwick
Peter Warwick
President and Chief Executive Officer

Accepted and agreed:

/s/ Kenneth J. Cleary
Ken Cleary