

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): April 27, 2024

**Peloton Interactive, Inc.**

(Exact name of Registrant as Specified in Its Charter)

Delaware  
(State or Other Jurisdiction  
of Incorporation)

001-39058  
(Commission File Number)

47-3533761  
(IRS Employer  
Identification No.)

441 Ninth Avenue, Sixth Floor  
New York, New York

(Address of Principal Executive Offices)

10001

(Zip Code)

Registrant's Telephone Number, Including Area Code: (929) 567-0006

Not Applicable

(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 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
Class A Common Stock, \$0.000025 par value per share	PTON	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.

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

CEO Transition

On April 27, 2024, Barry McCarthy notified Peloton Interactive, Inc. (the “Company”) of his resignation from the Company’s Board of Directors (the “Board”) as a Class I director, effective April 28, 2024. In connection with Mr. McCarthy’s resignation, the board reduced the number of directors from seven to six.

Effective as of the close of business on May 2, 2024, Mr. McCarthy will transition from President and Chief Executive Officer (“CEO”) of the Company to a non-executive, strategic advisory role. The circumstances giving rise to Mr. McCarthy’s departure are not the result of any disagreement with the Company on any subject, including its operations, policies or practices.

In connection with the change in Mr. McCarthy’s role, Mr. McCarthy has entered into a Transition Agreement (the “Transition Agreement”) with the Company, pursuant to which Mr. McCarthy has agreed to provide strategic advisory services to the Company through December 31, 2024 (the “Transition Date”) in order to facilitate a smooth and orderly transition of his responsibilities in his role as President and CEO. Pursuant to the Transition Agreement, Mr. McCarthy will receive \$50,000 per month for the first three months of the advisory period and will receive \$5,000 per month thereafter for the remainder of the advisory period. Subject to approval by the Board, Mr. McCarthy also will receive a stock option award with a fair value of \$3 million to purchase shares of Class A common stock that will vest in equal monthly increments through the Transition Date (the “Advisor Award”). Following Mr. McCarthy’s separation on the Transition Date, and contingent on a timely execution of a release of claims, Mr. McCarthy will receive a cash payment in an amount equal to \$1,250,000 and the cash equivalent of the cost to continue Mr. McCarthy’s health insurance for up to twelve months. Mr. McCarthy also will receive one year of accelerated vesting on all outstanding stock options (other than the Advisor Award), which will remain exercisable until December 31, 2027.

Interim Co-CEOs and Board Changes

On May 2, 2024, the Company announced that Karen Boone, current Chairperson of the Board, and Chris Bruzzo, a Board director, have been appointed as Interim Co-CEOs and co-Presidents of the Company, and that Jay Hoag, a Board director, has been named Chairperson of the Board, effective May 2, 2024. As a result of such appointments, Ms. Boone will no longer serve on the Nominating, Governance and Corporate Responsibility Committee or the Audit Committee of the Board, and Mr. Bruzzo will no longer serve on the Audit Committee of the Board. Pamela Thomas-Graham and Jon Callaghan have been appointed to replace Ms. Boone and Mr. Bruzzo on the Audit Committee of the Board, and Angel Mendez will serve as the Chairperson of the Audit Committee of the Board.

Ms. Boone, 50, has served as a member of the Board since January 2019, and as Chairperson since September 2022. Ms. Boone most recently served as the President and Chief Financial and Administrative Officer of Restoration Hardware, Inc., a home furnishings company, from May 2014 to August 2018 and as Chief Financial Officer from June 2012 to May 2014. Prior to that, from 1996 to 2012, Ms. Boone held various roles at Deloitte & Touche LLP, a public accounting firm, most recently as an Audit Partner. Ms. Boone currently serves on the board of directors of Sonos, Inc., Rivian Automotive, Inc., Tory Burch and several other private companies. Ms. Boone holds a B.S. in Business Economics from the University of California, Davis.

Mr. Bruzzo, 54, has served as a member of the Board since December 2023. He most recently served as Executive Vice President and Chief Experience Officer of Electronic Arts, an American video game company, from 2014 to 2023. Prior to that, Mr. Bruzzo served in various brand, marketing and communications roles, including as the Senior Vice President, Channel Brand Management for Starbucks Corporation, Vice President, Marketing and Public Relations for Amazon.com Inc., and Assistant Vice President, Communications for Regence Blue Shield. Mr. Bruzzo currently sits on the board of directors of Boot Barn Holdings, Inc., a public retail company, and is a member of the Latino Corporate Directors Association. Mr. Bruzzo holds a bachelor of arts degree in political science from Whitworth University.

In connection with their appointments as Interim Co-CEOs and co-Presidents, the Board approved a compensation package for each of Ms. Boone and Mr. Bruzzo comprised of (i) base salary at a monthly rate of \$150,000 and (ii) subject to the approval of the Board, an award of \$450,000 restricted stock units, which will vest in equal monthly increments over a three month period. Ms. Boone and Mr. Bruzzo will not receive any compensation for their service on the Board while they serve as Interim Co-CEOs. Neither Ms. Boone nor Mr. Bruzzo has a family relationship with any director or executive officer of the Company (or any person nominated or chosen by the Company to become a director or executive officer of the Company) or a direct or indirect material interest in any existing or currently proposed transaction that would require disclosure under Item 404(a) of Regulation S-K.

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**Item 7.01. Regulation FD Disclosure.**

On May 2, 2024, the Company issued a press release announcing leadership changes described in this Current Report on Form 8-K. A copy of the press release is attached as Exhibit 99.1 and incorporated herein by reference.

The information contained or incorporated in this Item 7.01, including Exhibit 99.1, is being furnished, and shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended, or the Exchange Act, except as shall be expressly set forth by specific reference in such a filing.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit No.	Description
99.1	<a href="#">Press Release Announcing Leadership Changes, dated May 2, 2024</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

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**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.

**PELOTON INTERACTIVE, INC.**

Date: May 2, 2024

By: /s/ Tammy Albarrán

Tammy Albarrán

Chief Legal Officer

## Peloton Announces Leadership Transition

*Barry McCarthy Stepping Down as CEO, President and Board Director*

*Peloton Board Members Karen Boone and Chris Bruzzo will Serve as Interim Co-CEOs; Jay Hoag Becomes Chairperson of Board of Directors*

*Board Commences CEO Search Process*

**NEW YORK**, May 2, 2024 – Peloton Interactive, Inc. (NASDAQ: PTON) today announced Barry McCarthy is stepping down as President, CEO and a Peloton Board Director, and will become a strategic advisor to Peloton through the end of the year. The Board has initiated a comprehensive search process to identify Peloton’s next CEO. Karen Boone, current Peloton Chairperson, and Chris Bruzzo, a Peloton Director, will serve as Interim Co-CEOs. In addition, Jay Hoag, a Peloton Director, has been named the new Chairperson of the Board.

“On behalf of the Board, I want to thank Barry for his contributions to Peloton. Barry joined Peloton during an incredibly challenging time for the business. During his tenure, he laid the foundation for scalable growth by steadily rearchitecting the cost structure of the business to create stability and to reach the important milestone of achieving positive free cash flow,” said Ms. Boone. “With a strong leadership team in place and the Company now on solid footing, the Board has decided that now is an appropriate time to search for the next CEO of Peloton.”

Mr. Bruzzo added “Peloton provides unparalleled fitness experiences for our Members, which they love as evidenced by our strong NPS scores. The team continues to innovate across our hardware, software and content portfolios, while simultaneously driving transformation in our marketing organization to increase engagement with new, targeted audiences. There is a huge opportunity in front of us to significantly expand the number of people we serve.”

Ms. Boone and Mr. Bruzzo jointly added, “As Interim Co-CEOs, we look forward to working in lockstep with Peloton’s leadership team to ensure the Company doesn’t miss a beat while the CEO search is underway.”

Mr. Hoag, newly appointed Chairperson of the Board, said, “Karen and Chris are two dedicated Directors committed to fulfilling Peloton’s mission, and the full Board and I have the utmost confidence in their joint leadership of the Company on an interim basis. The Board is focused on identifying a new CEO who possesses the ideal combination of skills, experience and vision to execute Peloton’s exciting next chapter and drive shareholder value.”

Mr. Hoag continued, “I have known and worked closely with Barry for nearly two decades and I am grateful for his leadership of Peloton during these last two years, including recruiting a very talented and diverse group of leaders. The Board and I are deeply appreciative that Barry has agreed to serve as a strategic advisor to the Company.”

Biographies for the full Peloton Board and leadership team can be found at <https://www.onepeloton.com/company/team>.

Separately, Peloton today is announcing financial results for the third quarter 2024. Please visit the Peloton investor relations website <https://investor.onepeloton.com/> for more information.

### **Forward-Looking Statements**

This press release contains forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. We intend such forward-looking statements to be covered by the safe harbor provisions for forward-looking statements contained in Section 27A of the Securities Act of 1933, as amended and Section 21E of the Securities Exchange Act of 1934, as amended. All statements contained in this press release other than statements of historical fact, including, without limitation, statements regarding the composition of our board of directors, changes to our leadership team, our future operating results and financial position, our profitability, our business strategy and plans, market growth, and our objectives for future operations, are forward-looking statements. The words “believe,” “may,” “will,” “estimate,” “potential,” “continue,” “anticipate,” “intend,” “expect,” “could,” “would,” “project,” “plan,” “target,” and similar expressions are intended to identify forward-looking statements, though not all forward-looking statements use these words or expressions.

We have based these forward-looking statements on our current expectations and projections about future events and trends that we believe may affect our financial condition, results of operations, business strategy, short-term and long-term business operations and objectives, and financial needs. These forward-looking statements are subject to a number of risks, uncertainties, and assumptions and other important factors that could cause actual results to differ materially from those stated, including, without limitation: our ability to achieve and maintain future profitability; our ability to attract and maintain Subscribers; our ability to accurately forecast consumer demand for our products and services and adequately maintain our inventory; our ability to execute and achieve the expected benefits of our restructuring initiatives and other cost-saving measures and whether our efforts will result in further actions or additional asset impairment charges that adversely affect our business; our ability to effectively manage our growth and costs; our ability to anticipate consumer preferences and successfully develop and offer new products and services in a timely manner, or effectively manage the introduction of new or enhanced products and services; demand for our products and services and growth of the Connected Fitness Products market; our ability to maintain the value and reputation of the Peloton brand; our reliance on a limited number of suppliers, contract manufacturers, and logistics partners for our Connected Fitness Products; our lack of control over suppliers, contract manufacturers and logistics partners for our Connected Fitness Products; our ability to predict our long-term performance and declines in our revenue growth as our business matures; the effects of increased competition in our markets and our ability to compete effectively; any declines in sales of our Bike and Bike+; our dependence on third-party licenses for use of music in our content; actual or perceived defects in, or safety of, our products, including any impact of product recalls or legal or regulatory claims, proceedings or investigations involving our products; increases in component costs, long lead times, supply shortages or other supply chain disruptions; accidents, safety incidents or workforce disruptions; seasonality or other fluctuations in our quarterly results; our ability to generate class content; risks related to acquisitions or dispositions, including the acquisition of Precor; risks related to expansion into international markets; disruptions or failures of information technology systems, or websites; risks related to payment processing, cybersecurity, or data privacy; risks related to the Peloton App and its ability to work with a range of mobile and streaming technologies, systems, networks, and standards; our ability to effectively price and market our Connected Fitness Products and subscriptions and our limited operating history with which to predict the profitability of our subscription model; any inaccuracies in, or failure to achieve, operational and business metrics or forecasts of market growth; our ability to maintain effective internal control over financial and management systems and remediate material weaknesses; impacts

from warranty claims or product returns; our ability to maintain, protect, and enhance our intellectual property; our ability to stay in compliance with laws and regulations that currently apply or become applicable to our business both in the United States and internationally; our reliance on third parties for computing, storage, processing and similar services and delivery and installation of our products; our ability to attract and retain highly skilled personnel and maintain our culture; risks related to our common stock and indebtedness; and those risks and uncertainties described in the sections titled “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part I, Item 2 of our Quarterly Report on Form 10-Q for the quarterly period ended December 31, 2023 and the sections titled “Risk Factors” in Part I, Item 1A and “Management’s Discussion and Analysis of Financial Condition and Results of Operations” in Part II, Item 7 in our Annual Report on Form 10-K for the fiscal year ended June 30, 2023, as such factors may be updated in our filings with the Securities and Exchange Commission, which are available on the Investor Relations page of our website at <https://investor.onepeloton.com/investor-relations> and on the SEC website at [www.sec.gov](http://www.sec.gov).

You should not rely upon forward-looking statements as predictions of future events. The events and circumstances reflected in the forward-looking statements may not be achieved or occur. Although we believe that the expectations reflected in the forward-looking statements are reasonable, we cannot guarantee future results, performance, or achievements. Our forward-looking statements speak only as of the date of this shareholder letter, and we undertake no obligation to update any of these forward-looking statements for any reason after the date of this shareholder letter or to conform these statements to actual results or revised expectations, except as required by law.

### **About Peloton**

Peloton (NASDAQ: PTON), provides Members with expert instruction, and world class content to create impactful and entertaining workout experiences for anyone, anywhere and at any stage in their fitness journey. At home, outdoors, traveling, or at the gym, Peloton brings together immersive classes, cutting-edge technology and hardware, and the Peloton App with multiple tiers to personalize the Peloton experience [with or without equipment]. Founded in 2012 and headquartered in New York City, Peloton has millions of Members across the US, UK, Canada, Germany, Australia, and Austria. For more information, visit [www.onepeloton.com](http://www.onepeloton.com).

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