

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF ILLINOIS
(EASTERN DIVISION)

JEREMY MCCARTY, Individually and on
Behalf of All Others Similarly Situated,

Plaintiff,

v.

ALIGHT, INC., DAVID D. GUILMETTE,
and JEREMY J. HEATON,

Defendants.

Case No. 26-cv-2924

**COMPLAINT FOR VIOLATIONS
OF THE FEDERAL SECURITIES
LAWS**

CLASS ACTION

Demand for Jury Trial

Plaintiff Jeremy McCarty (“Plaintiff”), individually and on behalf of all other persons similarly situated, by his undersigned attorneys, alleges in this Complaint for violations of the federal securities laws (the “Complaint”) the following based upon knowledge with respect to his own acts, and upon facts obtained through an investigation conducted by his counsel, which included, *inter alia*: (a) review and analysis of relevant filings made by Alight, Inc. (“Alight” or the “Company”) with the United States Securities and Exchange Commission (the “SEC”); (b) review and analysis of Alight’s public documents, conference calls, press releases, and stock chart; (c) review and analysis of securities analysts’ reports and advisories concerning the Company; and (d) information readily obtainable on the internet.

Plaintiff believes that further substantial evidentiary support will exist for the allegations set forth herein after a reasonable opportunity for discovery. Most of the facts supporting the allegations contained herein are known only to the defendants or are exclusively within their control.

NATURE OF THE ACTION

1. This is a federal securities class action on behalf of all investors who purchased or otherwise acquired Alight common stock between November 12, 2024, to February 18, 2026, inclusive (the “Class Period”), seeking to recover damages caused by Defendants’ violations of the federal securities laws (the “Class”).

2. Defendants provided investors with material information concerning Alight’s prospects under its new Chief Executive Officer (“CEO”), Defendant Guilmette, the Company’s “commitment to a consistent return of capital,” its projected capability to moderate the decline of Alight’s project revenue growth rate, and the Company’s overall ability to meet projected revenue and margin targets.

3. Defendants provided these overwhelmingly positive statements to investors while, at the same time, disseminating materially false and misleading statements and/or concealing material adverse facts concerning the true state of Alight’s growth potential and financial stability; notably, that the Company was not truly equipped to execute on its claimed potential and could not maintain its promised dividend as a result. Rather, Alight would require significantly higher compensation and incentive expenses to achieve the projections put forth by management. Throughout the class period, Defendants announced disappointing results, reduced projections, and multiple goodwill impairments all while remaining confident in their ability to execute, drive growth, and continue to provide a dividend to their shareholders. Such statements absent these material facts caused Plaintiff and other shareholders to purchase Alight’s securities at artificially inflated prices.

4. Investors began to question the veracity of Defendants’ public statements on August 5, 2025, during Alight’s second quarter earnings report. In pertinent part, Defendants

announced disappointing results and cut their revenue guidance for the year, resetting investor expectations. Defendants highlighted both a slowdown annual recurring revenue (“ARR”) bookings and a worsening decline of project revenue than previously projected. Pertinently, Defendants pointed partially to macroeconomic uncertainty, though they had previously minimized such impact in just the prior quarter, as well as insufficient commercial execution.

5. Investors and analysts reacted immediately to Alight’s revelation. The price of Alight’s common stock declined dramatically. From a closing market price of \$5.13 per share on August 4, 2025, Alight’s stock price fell to \$4.19 per share on August 5, 2025, a decline of about 18.32% in the span of just a single day.

6. Notwithstanding the August 5 disclosures, Alight and the Individual Defendants continued to mislead investors. Defendants continued to create the false impression that they possessed reliable information pertaining to Alight’s execution shortfalls and their ability to turn them around. Defendants deceptively claimed confidence in their ability to meet updated projected targets and slow the decline of the Company’s project revenue growth rate while keeping hiring costs muted and continuing to give back to shareholders through Alight’s dividend. During the subsequent November 5, 2025 earnings call, Defendants continued to mislead investors further by failing to disclose additional issues and difficulties arising from Alight’s efforts to revitalize its execution, instead trimming guidance while remaining upbeat about prospects, progress, continued execution focus, and the repeated assurance of the quarterly dividend to demonstrate their commitment to investors. Subsequent to the call, both of the Individual Defendants were removed from the Company, but Alight made no mention of any clear shortcoming or specific failures leading to their departures.

7. The full truth did not finally emerge until February 19, 2026, when Alight announced a significant earnings shortfall against its prior guidance, alongside further shortfalls for bookings and project revenue growth. Alight's new management noted the Company failed to "meet our internal financial targets and new bookings and renewals did not meet our expectations, leading us to miss our forecast to the market." They pointed the blame significantly on the Individual Defendants' execution and highlighted the new administration would bring "a change in the execution of the company" in order to "driv[e] operational excellence." The new management further cancelled the dividend, noting there are "more efficient capital allocation activities," and triggered an earnings shortfall due to "an increase in compensation expense" in order to "promot[e] service quality," and overall improve sales execution.

8. Investors and analysts again reacted promptly to Alight's revelations. The price of Alight's common stock declined dramatically. From a closing market price of \$1.31 per share on February 18, 2026, Alight's stock price fell to \$0.81 per share on February 19, 2026, a decline of nearly 38% in the span of one day. Notably, the stock had now fallen approximately \$6.85, or nearly 90% over the course of the instant class period.

JURISDICTION AND VENUE

9. Plaintiff brings this action, on behalf of himself and other similarly situated investors, to recover losses sustained in connection with Defendants' fraud.

10. The claims asserted herein arise under and pursuant to §§10(b) and 20(a) of the Exchange Act (15 U.S.C. §§ 78j(b) and 78t(a)) and Rule 10b-5 promulgated thereunder by the SEC (17 C.F.R. §240.10b-5).

11. This Court has jurisdiction over the subject matter of this action pursuant to 28 U.S.C. §§1331 and 1337, and Section 27 of the Exchange Act, 15 U.S.C. §78aa.

12. Venue is proper in this District pursuant to §27 of the Exchange Act and 28 U.S.C. §1391(b), as Defendant Alight is headquartered in this District and a significant portion of its business, actions, and the subsequent damages to Plaintiff and the Class, took place within this District.

13. In connection with the acts, conduct and other wrongs alleged in this Complaint, Defendants, directly or indirectly, used the means and instrumentalities of interstate commerce, including but not limited to, the United States mail, interstate telephone communications and the facilities of the national securities exchange.

THE PARTIES

14. Plaintiff purchased Alight common stock at artificially inflated prices during the Class Period and was damaged upon the revelation of the Defendants' fraud. Plaintiff's certification evidencing his transaction(s) in Alight is attached hereto.

15. Alight, Inc. is a Delaware corporation with its principal executive offices located at 320 South Canal Street, 50th Floor, Suite 5000, Chicago, IL 60606. During the Class Period, the Company's common stock traded on the New York Stock Exchange (the "NYSE") under the symbol "ALIT."

16. Defendant David D. Guilmette ("Guilmette") was, at all relevant times, the Chief Executive Officer and Vice Chair of the Board of Directors of Alight until his departure from the company on December 31, 2025, as announced by Alight on November 24, 2025. Upon information and belief, Defendant Guilmette either stepped down from his roles as CEO and Vice Chair or was otherwise effectively forced out due to the issues outlined in this complaint.

17. Defendant Jeremy J. Heaton ("Heaton") was, at all relevant times, the Chief Financial Officer of Alight until his departure from the Company on January 9, 2026, as announced

by Alight on December 18, 2025. Upon information and belief, Defendant Heaton either stepped down from his role as CFO or was effectively forced out due to the issues outlined in this complaint.

18. Defendants Guilmette and Heaton are sometimes referred to herein as the “Individual Defendants.” Alight together with the Individual Defendants are referred to herein as the “Defendants.”

19. The Individual Defendants, because of their positions with the Company, possessed the power and authority to control the contents of Alight’s reports to the SEC, press releases, and presentations to securities analysts, money and portfolio managers, and institutional investors, *i.e.*, the market. Each Individual Defendant was provided with copies of the Company’s reports and press releases alleged herein to be misleading prior to, or shortly after, their issuance and had the ability and opportunity to prevent their issuance or cause them to be corrected. Because of their positions and access to material non-public information available to them, each of these Individual Defendants knew that the adverse facts specified herein had not been disclosed to, and were being concealed from, the public, and that the positive representations which were being made were then materially false and/or misleading. The Individual Defendants are liable for the false statements pleaded herein, as those statements were each “group-published” information, the result of the collective actions of the Individual Defendants.

20. Alight is liable for the acts of the Individual Defendants, and its employees under the doctrine of respondeat superior and common law principles of agency as all the wrongful acts complained of herein were carried out within the scope of their employment with authorization.

21. The scienter of the Individual Defendants, and other employees and agents of the Company is similarly imputed to Alight under respondeat superior and agency principles.

SUBSTANTIVE ALLEGATIONS

Company Background

22. Alight is predominantly an employee benefits solutions company which provides technology-enabled services to employees through the Alight Worklife cloud engagement platform.

23. Alight's platform provides integrated benefits administration, healthcare navigation, financial wellbeing, absence management, and retiree healthcare to its customers while providing actionable insights to employers through data, analytics, and AI.

The Defendants Materially Misled Investors Concerning Alight's Prospects under New CEO

Dave Guilmette and the Commitment to the Company's new Dividend

November 12, 2024

24. On November 12, 2024, the company reported third quarter fiscal 2024 results. During the associated earnings call, Defendant Guilmette highlighted his resume and early progress with Alight, in pertinent part, as follows:

Let me begin by saying how honored I am to guide Alight as it enters its next chapter as a simplified and focused employee benefits and well-being services company enabled by market-leading technology. I spent the past 40-plus years in this industry, supporting large employer health care and employee benefit programs at Aon, Cigna and Willis Towers Watson. And most recently as CEO of Aon's Global Health Solutions business. My past experience informs my familiarity with Alight, the market we serve and the exciting opportunity ahead. This is what compelled me to want to lead this great company.

In my first 60 days as CEO, I have spent most of my time in the market on a listening tour that has been a complete absorption of what our colleagues, clients and their advisers and the investor community are saying about Alight and better understanding what they need from us. Consistently, I am hearing that we have a great opportunity to entrench our position as the leader in the market. That's what clients and the advisory community expect from us.

...

I am focused every day on our markets, deepening our relationships with clients, brokers and third-party evaluators, and finally, on our execution. We are firmly committed to our strategy to drive profitable growth and stronger cash flow. The completion of our cloud migration and the sale of payroll and professional services has created an opportunity for Alight to have a leaner and simpler operating model. A key focus for me is the process redesign initiatives that are underway to bring more efficiency across the company while delivering an even better client experience, leveraging technology and how our teams operate.

...

I've also seen examples of clients who have left Alight return to us. Why? ***Because we are the best in the industry at all facets of this business, from digital through managing benefits complexity.*** The commercial momentum is driven by a number of factors. Better field coverage is driving a deeper pipeline, larger deal sizes and improving win rates. The pipeline itself is up over 60% and win rates are up double digits. ***The focus on ARR is driving a greater mix of long-term contracts being signed.***

(Emphasis added).

25. Pertinently, Defendant Guilmette further announced the debut of a dividend for Alight's shareholders, stating:

With confidence in our return to growth alongside strong cash flow and a healthy balance sheet, ***I'm pleased to announce that we are initiating a dividend program commencing with a quarterly dividend of \$0.04 per share beginning in the fourth quarter. This reflects our commitment and shareholder feedback to consistently return capital via dividends and share repurchases over the long term.***

(Emphasis added).

26. Defendant Heaton reiterated the dividend announcement, stating, in pertinent part:

Year-to-date, we have returned \$155 million to shareholders via share buybacks and have \$93 million remaining of share buyback authorization. ***Today, we are also announcing the initiation of a quarterly dividend of \$0.04 that will begin in the fourth quarter, which signifies our commitment to a consistent return of capital aligned with our lower leverage and recurring cash flow profile of the business.***

(Emphasis added).

27. Defendant Heaton further provided some topline expectations for fiscal 2025, highlighting management's confidence in Alight's future prospects, while falling shy of explicit guidance, stating, in pertinent part:

Though we are not specific guidance for 2025 at this time, *we feel good about the trends we are seeing and expect stronger financial performance across our key metrics. We believe the changes made and those underway support our profitable growth over the long term.* We look forward to providing you with a more detailed update at our upcoming Investor Day.

(Emphasis added).

28. During the question-and-answer segment that followed, Defendants touted their decision to issue a dividend as emblematic of their "expectation" and "commitment" to consistency, during the following pertinent exchange:

<Q: Kyle David Peterson – Needham & Company, LLC – Senior Analyst> Great. Nice results. Wanted to start off on capital allocation. Obviously, the dividend announcement is new and good to see. How does this change, if at all, your thoughts on potential buybacks, I know that was something post divestiture, you guys have been pretty active on. So how should we think about the balance between dividends and buybacks moving forward?

<A: David D. Guilmette> Kyle, it's Dave. I'll start, and thank you for the question. So look, our position with respect to capital allocation hasn't changed, right? *Our commitment is to return the capital to our shareholders through a combination of both the new dividend that we've announced today and the share buyback. And so we've got now the capacity to be able to drive both of those.* The dividend is a *further commitment and we think an expectation for a consistent approach to delivering that capital to our shareholders.* So it's really -- *based on our confidence in our free cash flow profile and the forward expectations for the business, we feel really good about returning that capital in a variety of ways.*

Jeremy, what would you add?

<A: Jeremy Heaton> I think that's right. We still got the \$93 million of capacity, Kyle, which is important. But I think to Dave's point, *the commitment here, and this was the, I think, the strongest way from our perspective to really commit to that consistency for us moving forward.*

(Emphasis added).

29. Defendants also briefly discussed their expectations for growth in 2025. In pertinent part, Defendant Guilmette notably indicated margins would continue to improve irrespective of the Company's growth, failing to account for the need for increased compensation expenses down the line that may impact Alight's bottom line:

<Q: Tien-Tsin Huang – JPMorgan Chase & Co – Senior Analyst> Understood. That's good. Just my follow-up then, just Dave or Jeremy. Just thinking about '25, I know you're not going to give specifics, but just thinking of the path to return to the 4% to 6% midterm growth, I know you've given us that walk where you go into volume and then, of course, wins expansions, products, pricing, retention, that kind of thing. What elements still have more work to do in order to get to that 4% to 6% as we're evaluating the business as it builds and progresses through the year next year.

<A: David D. Guilmette> Sure. Tien-Tsin, it's Dave. I'll start and then Jeremy can add on. ***So we feel really strongly about 2025 being a better year***, right? We've got COBRA behind us as an example. We continue to monitor our bookings and the bookings mix through the rest of the year. We're working through the renewal process. ***We feel very good. We're on solid footing with a number of our large enterprise clients now.*** We still have some work to do to close that out in the fourth quarter. And ***I would remind you that our margins are expected to improve irrespective of the growth profile as we continue to streamline the company.*** So I feel like a lot of the pieces are in place to start moving us in the positive direction as we've indicated previously. Jeremy?

<A: Jeremy Heaton> Maybe the only thing I'd add, Tien-Tsin, is just the time that will allow us between now and putting out guidance for the year, it gives us a little bit more time in terms of what we're seeing in the environment, the cost consciousness of any of our clients. ***Post election, the project revenue can be driven by regulatory changes and expectations around that.*** So it really allows us with that time to get a better view on what we see in that path going forward. But to Dave's point, ***we feel really good about the trends we're seeing so far.***

(Emphasis added).

30. Defendants further highlighted the allegedly strong position Alight was in headed into fiscal 2025, asserting strength in both the Company's pipeline and its sales team's execution capacity, during the following pertinent exchange:

<Q: Pallav Saini – Canaccord Genuity Corp. – Vice President of Equity Research> Great. And on the go-to-market front, it's good to see the momentum there. You

mentioned the new messaging approach. Do you feel that your go-to-market operation is operating at or close to its optimal level now? Any other changes we could be seeing on this front going forward?

<A: David D. Guilmette> Yes. Pallav, thanks for the question. It's Dave and Jeremy can certainly add into this. *We've looked pretty hard at this, and we feel good about the repositioning of the commercial team. We've got enterprise sellers who are augmented with domain experts, people who really understand the benefit space. And that combination really puts us in a good position,* right, to expand existing relationships, retain the ones that we have and to take market share. We have invested in that commercial capability over the last year or so, and we're starting to see that team mature. And *so with that additional capacity and that expertise as we head into 2025, we feel like we've got the pieces we need to be able to be successful in growing our market share.*

<A: Jeremy Heaton> And the only thing I might add is just -- and we're seeing it with -- and Dave talked about the better coverage we're getting. *I think having our teams in the current structure we are getting deeper with new clients and building new pipeline outside of maybe our traditional pathways we had in prior years.* And so we're starting to see the benefits of that, which is why the pipeline is up 60%.

And as Dave mentioned earlier, the sales cycles can be long in a large enterprise benefits administration deal. And so what we would expect to see is, one, the maturity of the team, but as well as the maturity of the pipeline as it builds from early stages and continues to build. So that's part of the expectation for us and the growth profile.

(Emphasis added).

February 20, 2025

31. On February 20, 2025, Defendants presented their fourth quarter and full year fiscal 2024 results. Pertinently, in the release, Defendants also outlined guidance for fiscal 2025, the first full year under Defendant Guilmette's leadership, as follows:

The Company's 2025 outlook includes:

- Revenue of \$2,318 million to \$2,388 million.
- Adjusted EBITDA of \$620 million to \$645 million.
- Adjusted diluted EPS of \$0.58 to \$0.64.
- Free cash flow of \$250 million to \$285 million.

32. Defendant Guilmette was quoted on the release, speaking to 2024's results and the Company's position entering 2025, in pertinent part:

Alight concluded a transformative year on a strong note, with fourth quarter results that met expectations and included recurring revenue expansion and strong cash flow . . . We enter 2025 as a market-leading, technology-enabled services provider with a simplified foundation and an enviable client roster. With our multi-year technology modernization now complete and a strong leadership team in place, we expect 2025 will be a transitional year focused on execution and steady progress across the key financial measures that drive profitable growth and attractive cash flow.

...

2025 revenue is impacted by the lagging effect of contract losses from 2023 and early 2024 . . . Absent these historical losses, our revenue growth rate would be over two points higher in 2025. ***Our operating trends today are vastly improved with full-year 2024 retention rates up 8 points compared to the prior year and that will play through favorably for revenue later this year and into next year. Coupled with strong bookings growth and visibility into contracted go-lives, we expect to see revenue growth in the second half and moving forward.*** We plan to share more detail of our long-range plan during our investor day, scheduled for March 20th, 2025.

(Emphasis added).

33. The results further highlighted that Alight “Declared and paid a \$0.04 per share dividend” which marks the first such payment under the newly “[i]nitiating dividend program.”

34. An earnings call was held later that same morning, during which Defendant Guilmette confidently reiterated the company's expectations for 2025 pertinently as follows:

With a significant transformation of 2024 behind us, ***2025 will be a transitional year, marked by steady progress in execution as we continue to position Alight for profitable, market-leading and sustainable growth.***

...

The health of our business and cash flow profile enabled us to initiate a dividend and today, we announced a \$200 million increase to our share repurchase authorization.

Turning to our expectations for 2025: first, we are committed to both simplifying the business and providing more transparency into the key metrics we measure ourselves against. You will hear us focus on recurring revenue and the growth levers, including ARR bookings, and our retention of existing clients; adjusted EBITDA margin, including positive impacts from the cloud migration and productivity initiatives; and now free cash flow, which covers all aspects of our improving cost and investment profile. Moving forward, BPaaS will not be one of those key metrics.

Our 2025 outlook reflects an important step in the right direction with year-over-year improvement across key financial metrics. We expect recurring revenue to be on stronger footing, profit margin to expand independent of top line performance, and free cash flow to accelerate. This is a long-cycle business, and our outlook also includes a lag effect on revenue from historical losses in 2023.

(Emphasis added).

35. Defendant Heaton provided more detailed financial targets and highlighted the Company's dividend for the quarter, in pertinent part:

[T]oday, we announced a \$200 million increase to our existing program. We now have \$281 million of share buyback authorization, and we declared our second quarterly cash dividend of \$0.04. Together, the balance of capital return and a stronger balance sheet reflects the focus on driving shareholder value.

...

Given the first half dynamics of this year driven by historical losses and a cautious view on projects, I will be more specific on our seasonality and the ramp through 2025. For the first quarter, we expect total revenue to be down 3% to 4%, with recurring revenue down 1.5% to 2.5%. For the second quarter, we expect total revenue to be down 1.5% to 3%, including recurring revenue of negative 1% to positive 0.5%. ***For the second half, we expect a return to low single-digit to mid-single-digit growth, driven by new ARR deal go-lives and the early benefits of a stronger 2024 renewal cycle.***

As Dave mentioned earlier, ***we have not seen an improvement in client demand for nonrecurring projects. Our outlook for the year is based on the specific pipeline we see today with these clients*** and expect first half revenue to decline roughly 25% in each quarter with mid-single-digit growth in the second half off of last year's lows.

For the year, our revenue growth rate contemplates 5% to 7% of incremental revenue from new wins with current clients and new logos, 0 to 1% from participant volumes, and losses of over 6%. Without the historical loss impact, our growth

would be more than 2 points higher this year. We share a modest view on participant counts and do not expect a material uplift this year. While we continue to monitor policy changes, the business impact related to tariffs and the Department of Government Efficiency are expected to be immaterial based on the nature of our public sector work.

We expect full year adjusted EBITDA of \$620 million to \$645 million with margin expansion between 150 and 180 basis points. We are confident in the margin expansion independent of the top line given the operational improvements we've made. We will benefit from \$55 million of cloud migration savings, the elimination of transaction dis-synergies, and from productivity initiatives underway on the path toward 28% plus adjusted EBITDA margins. ***We expect full year adjusted EPS of \$0.58 to \$0.64, which does not include any impact from potential share buybacks.***

We are introducing our free cash flow outlook of \$250 million to \$285 million or growth of 13% to 29%. Free cash flow will benefit from stronger profitability as well as reduced capital expenditures. ***Finally, we expect annual ARR bookings of \$130 million to \$145 million, continuing a growth trajectory as we benefit from a strong pipeline and the ARR focus on employee benefits.***

(Emphasis added).

36. During the question-and-answer segment of the call, Defendants discussed the implied second half ramp in Alight's 2025 outlook, pertinently addressing project growth expectations:

<Q: Scott Anthony Schoenhaus – KeyBanc Capital Markets Inc. – MD & Equity Research Analyst> Most of my questions have been answered, but I wanted to drill or ask, I just wanted to drill in on the back half revenue growth assumptions for this year, low to mid-single digits. What's being implied on the bottom end of the range and what's being implied on the top end of that range for the back half of the year, Jeremy, I appreciate you giving up this revenue from new wins range and volumes, PEPM range. But maybe kind of drill in what would be implied to get to the low single digits and what would be implied to get to the high single digits.

<A: Jeremy Heaton> Sure. So I think, Scott, on the -- what we'll watch this year is one, we understand contractually already what's in line from the bookings in 2024. So that's contractual and again, is within the guide. ***There's also what we'll execute in 2025***, and so we -- coming into a year, we've got 89% revenue under contract. That other 11% comes from ARR wins in year that drive and have go-lives. So I think not your larger benefits administration, but mid-market deals or navigation or lease deals that go live within a year.

So you start to drive revenue. *So it's really the timing and the mix of those ARR bookings in 2025* is a driver that creates a difference between what the high end and the low end would look like, *and then the other piece of it is project revenue. Again, you can -- we talked about the cautiousness we've got in looking at the project revenue within the business.*

We will continue to watch that. Our teams are working very closely day-to-day on site with our clients and building that pipeline. What you typically expect to see is less volatility on project in the second half of the year, because those projects are driven around the enrollment process, whereas in the first half of the year tend to be more one-off projects related to regulatory changes or M&A work. And so *start to get more of a solidified view of that pipeline as we get into the second half around project revenue, but certainly can create some variance between where that ends up being and coming through in the second half revenue.*

And then the last piece I would say is just on participant counts. Again, 0 to 1% is the view. We've seen historic -- that's pretty on the low end of what we've seen historically on participant accounts, and that can also be a driver. So those are -- that's what I tell you are the kind of bigger factors for the back half.

<A: David D. Guilmette> And Scott, maybe -- it's Dave. Just I'll add a little color to it. So if we think about the mix of what we take to the marketplace, our products and solutions it can range from small things that maybe our one-off projects, say on communication support, which we would see in the early part of the year, to things that perhaps are going to be annual recurring revenue that could actually take effect sometime in the year.

So if we win a leaves piece of business, for example, and we learned about that in the first quarter, we could be implementing that sometime in the second half of the year. But when you get to the large things like a health administration contract that's multiyear, if we win that in the beginning of the year, we're probably not going to see revenue flow from that until sometime in 2026.

And then the project work back to what Jeremy said is going to be driven off of plan design changes, vendor reconfiguration, things of that nature that our clients are thinking through right now. And so if they do make those significant changes that could lead to meaningful project work for us, but that would tee up some time in the third, fourth quarter.

(Emphasis added).

37. Defendant Heaton further spoke to the Company's recent dividend, falling well short of suggesting any indication to quickly halt the new program, in pertinent part, during the following exchange:

<Q: Kyle David Peterson – Needham & Company, LLC – Senior Analyst> . . . Maybe just a follow-up on capital allocation, how you guys are thinking about it, good to see. Obviously, you guys now have the dividend here for a couple of quarters. You kind of upped the buyback. Assuming you've provided more at the Analyst Day, but any thoughts on how you guys are kind of thinking about the balance between the 2, especially with the stock at current levels, I think, could be really helpful for everybody on the call.

<A: Jeremy Heaton> Sure. Kyle, I'll take that one. Certainly, ***we're pleased with the dividend and just paying the second dividend or approving the dividend with the Board last week. I think that obviously comes first***, but we're going to be very opportunistic in terms of where we view the value of the company, and that was an important discussion we had in the reasoning behind the \$200 million increase in the authorization.

So I do expect us to be opportunistic there and continue to leverage the authorization that we have in place.

(Emphasis added).

March 20, 2025

38. On March 20, 2025, Defendants conducted their Analyst/Investor Day conference. Contemporaneous with the presentation, Defendants issued a press release highlighting “Mid-Term Targets,” in pertinent part, as follows:

Mid-Term Financial Outlook

- Total annual revenue growth rate of 4-6% by 2027
- Adjusted EBITDA margin of approximately 30% by 2027
- Cumulative free cash flow of approximately \$1 billion between 2025 and 2027

39. During the presentation, Defendant Guilmette outlined his confidence in Alight's current position and its capability to capitalize on future prospects, in pertinent part, as follows:

Our current assets and our current capabilities position us for commercial success. One of the first things I did when I came on as CEO was take a hard look at what do our solutions look like, what do we have, how are we going to market. ***We don't really need anything more than what we have.*** Yes, we'll fine-tune and maybe some opportunities to maybe tuck some things in here or there. But ***the core aspects of what we have in Alight today as a services company, delivering employee benefits is best in class, and it's an opportunity for us to grow and have real commercial success.***

And finally, *we have a very compelling view and line of sight to creating significant shareholder value*. And you'll see Jeremy walk you through the details around what those financials look like. But suffice to say, *we're in a great position as we take this business forward to create great shareholder value*.

...

Our growth strategy and execution will deliver high-quality revenue growth, margin expansion and free cash flow. We have a clear line of sight to mid-single-digit revenue growth. We have a defined path to 28% margin in 2026 and even more in 2027. We have double-digit free cash flow growth. We have a cumulative free cash flow number of \$1 billion over 2025 through 2027. *Think about that, \$1 billion of free cash flow accumulation from a company that today is currently valued at \$3 billion. We are poised to deliver significant shareholder value.*

(Emphasis added).

40. Later during the call, Defendant Heaton took over the presentation to discuss, in further detail, the Company's current position and overall resiliency, stating, in pertinent part:

But first, *as a starting point, we've significantly transformed this company over the past few years*. At the same time, we've delivered results. You can see here, we've grown revenue and EBITDA over the last 4 years, creating almost \$90 million of earnings to our base during that time period. And 2024 was a really big year. We completed the divestiture of the Payroll & Professional Services business, and we completed our cloud migration and really the 4-year journey to modernize the platform and everything you heard about earlier today.

I also want to cover the resiliency within this business. It's in the current macro dynamics, it's important to understand we have a predictable growing recurring revenue base. It's tied to long-term contracts, call it, 3 to 5 years in nature, and we're delivering mission-critical work on behalf of the largest, most complex companies throughout the world. And we've got a healthy balance sheet. We delevered [sic] last year to below 3x, and we have an improving cash flow profile, which I'll walk you through here today.

(Emphasis added).

41. Defendant Heaton further reiterated and provided additional details surrounding Defendants' fiscal 2025 guidance outlined during the previous February earnings call, as well as detail 2026-27 projections. In pertinent part, Defendant Heaton stated:

Moving to the outlook for 2025. This is what we laid out last month at earnings. What you should know here is 2025 is a transition year. What you've heard about today is 2023 wasn't perfect. And so we've got a lag effect of some of the items that happened 1.5 years ago, and there's still a lag effect as it comes through into 2025. But we're operating the business very differently today, and we like the trends that we're seeing.

Revenue this year will be flat at the midpoint with recurring revenue up 1%. Within the revenue line, there's a difference as it ramps throughout this year. So the losses that we're seeing this year coming through really starts on January 1, while the new deals that we booked last year, that Greg walked through, begin to go live as we go throughout this year. And so ***there's going to be an inflection point in our growth into the second half with low to mid-single-digit growth in the second half with continued execution and the momentum that we're seeing today.*** From a margin perspective, we've done a lot of work already here, and ***we expect 150 to 180 points of margin expansion and brings us really to about 27% EBITDA margin within this business this year.***

The last area I'll cover is free cash flow, and I'll spend more time on this as we go through the deck today. But at the midpoint, 20% growth in free cash flow. We're driving more efficiencies and uses of our cash, and we've simplified our business model. So here are the midterm targets that Dave laid out for you earlier today. ***Organic revenue growth back to mid-single digits based on continued ARR bookings growth, an improving retention profile and a real opportunity now with our platform and distribution to drive greater partnerships and revenue growth.***

As I said, ***back 27% EBITDA margins this year, on the path to 30% EBITDA margins, much of which is the work has been done,*** and I'll walk you through the bridge to get to 30%. And then finally, \$1 billion, cumulative cash flow over the next 3 years, again, more efficiencies, and I'll walk you through areas like working capital, capital expenditures, some of the areas that are really going to drive free cash flow for this business, \$1 billion.

...

I'll talk about project revenue a little bit more, but we've assumed participant counts about 1% within the outlook, and ***we've assumed project revenue to be flat from what is really a low point that we see this year in 2025. So here's what it looks like just on the bridge. We're at the minus 1.5% to positive 1.5%, so flat today.*** What you'll see this is also time scaled. ***You'll see, first, the impacts of the retention coming back to us. And so the improvement there, you start to see first.***

Next, you'll see the continued momentum of what bookings and volumes provide. And then I would say you could expect the partners to be on the outside of that from a timing perspective. And I won't need to do the math for this group. You've probably already done it. If you look at the top end of each of these ranges, you can

see growth that is outsized of the model. We do expect that there's always going to be mix. The environment can change. There's always going to be a change in timing between the types of deals that we're doing and what we see between wins and losses. But that's really how we think about the growth model for this business.

I did want to capture here for everybody on project revenue. *So again, flat is our view in terms of the outlook. You can see really the last 5 years, including this year's outlook in project revenue.* This is important work that our teams are doing every day with our clients. *We hit a peak of \$219 million in 2023.* It's always been roughly a little bit less than 10% of the revenues in this business. Off of that peak last year in 2024, *project revenue was down 10%, and we're calling it to be down about another 6% at the midpoint this year.* So call it, \$185 million. *We have not seen a pickup in demand. And so we do want to be cautious in terms of the view in terms of the outlook. But history tells us this work comes back.*

...

We also have great visibility over the long term in our business. You can see here, we've grown our recurring revenue base by \$400 million since 2021. You can see the growth rate on recurring. *Just given our focus on the ARR bookings, our recurring revenue base has outgrown the total revenue for the company.* Since last year, we've also updated our disclosures, so we report revenue under contract now going out 3 years. So a couple of things I'd point out here. *First, in 2026, we already have greater than 2/3 of our revenue under contract. And if you look out to the \$1.2 billion in 2027, that longer-term view is up 6% today versus where that same longer-term view was last year based on the momentum that we're seeing in the operations of the company.*

...

So let me give you the bridge for EBITDA. So starting where we finished last year at 25% EBITDA margins. *The first bucket here is what we've already guided to for the year. So the cloud transformation benefits, the dyssynergies being eliminated, offset with the normalized inflation that we typically get every year is our '25 outlook that brings us to about 27%.*

...

And finally, on capital return, *we initiated the quarterly dividend in the fourth quarter of last year. And we've got share buyback authorization of \$281 million, which we will be opportunistic on for sure. And so the way to think about it is free cash flow post our TRA is largely going to go towards capital return to our investors.*

So let me close where Dave started. *Hopefully, you've gathered today the level of focus and execution that's underway by this team. We're leveraging our market*

leadership position to drive better outcomes for clients and grow those relationships along with new clients leveraging our platform and our capabilities. And by doing that, our growth inflects and we'll create more shareholder value through an earnings and free cash flow profile that grows in excess of the top line.

(Emphasis added).

May 8, 2025

42. On May 8, 2025, Alight issued its press release reporting first quarter results, in pertinent part, as follows:

First Quarter 2025 Highlights (all comparisons are relative to first quarter 2024)

- Revenue decreased 2.0% to \$548 million
- Gross profit of \$171 million and gross profit margin of 31.2%, compared to \$182 million and 32.6%, respectively, and adjusted gross profit of \$200 million and adjusted gross profit margin of 36.5%, compared to \$208 million and 37.2%, respectively
- Net loss improved to \$17 million compared to net loss of \$121 million
- Adjusted EBITDA improved to \$118 million compared to \$116 million
- Diluted earnings (loss) per share of \$(0.03) compared to \$(0.22), and adjusted diluted earnings per share of \$0.10 compared to \$0.10 per share
- New wins or expanded relationships with companies including US Foods, Markel and Delek
- Repurchased \$20 million of common stock under existing share repurchase program
- Declared and paid a \$0.04 per share dividend

43. As part of the release, Defendants “reaffirmed” their previous fiscal 2025 outlook.

In pertinent part, Defendant Guilmette spoke to their decision to uphold guidance, stating:

We continue to benefit from a long-cycle recurring business model that has insulated us from short-term market swings as we already have 92% of projected 2025 revenue under contract. While we are not immune to the market impacts, we feel good about the operational levers within our control and have reaffirmed our outlook based on the resilience of our model and visibility today

44. Alight conducted an earnings call shortly after the release was publicized. During the call, Defendant Heaton discussed the Company’s quarterly results and reaffirmed outlook, in pertinent part, as follows:

Revenue was \$548 million and at the midpoint of our guidance range. Recurring revenue comprised nearly 95% of total revenue in the quarter and performed as expected. ***Nonrecurring project revenues were down \$10 million or 26%, in line with our expectations as well. We entered the year fairly cautious on project revenue, and this continues to remain the case in the current market.*** With our progress in the first quarter, we now have 92% or \$2.2 billion of projected 2025 revenue under contract.

Our team is intensely focused on securing the remaining renewals in this cycle and commercial execution across both recurring and project revenue. Adjusted gross profit was \$200 million for the quarter. Similar to prior quarters, this is impacted by cost to support the divested business, which are reimbursed for the TSA and other income. This amounted to \$10 million in the quarter.

Adjusted EBITDA was \$118 million for the quarter at the high end of our guidance range. Free cash flow was \$44 million for the quarter, in line with our expectations with timing impacts of tax payments and divestiture-related items. We remain on track towards our annual target of \$250 million to \$285 million of free cash flow. Finally, ***we returned \$41 million to shareholders this quarter via share buybacks and our quarterly dividend.***

...

Now let me turn to our outlook. ***We are seeing continued momentum during this renewal cycle. And in addition, while we navigate the current environment, we continue to execute on the day-to-day operations and value-creating initiatives we kicked off last year.*** As Dave mentioned, while we benefit from a more stable business model, we are watching a few key areas closely given the market dynamics, mostly around the demand environment and any longer-term impacts to client participant accounts.

We are reaffirming our outlook for 2025, and this reflects our revenue under contract and operational levers driving enhanced productivity. Our transformation initiatives are on track to deliver a better client experience, streamline processes and drive margin expansion. Today, we disclosed a 15-month restructuring program that supports these activities. Importantly, with all cash investment and benefits already included in our 2025 guide and midterm financial framework from Investor Day.

(Emphasis added).

45. A question-and-answer segment similarly followed Defendants' prepared remarks, during which Defendants discussed positively Alight's 26% decline in project revenue during the following pertinent exchanges:

<Q: Scott Antohny Schoenhaus – KeyBanc Capital Markets Inc. – MD & Equity Research Analyst> Congrats on the moving into expansion. My question really, I want to focus on the project revenue. You guided for continued weakness for this year, but just kind of wanted to give your updated thoughts on the first quarter trends, the comps that you faced in the back half of the year and all the macro noise, obviously, that maybe is a headwind to M&A and whatnot. But just kind of get one of your updated thoughts on the project revenue as we look through the year.

<A: David D. Guilmette> . . . So the *first quarter kind of played out as we expected*. We didn't go into the year thinking that we're going to see a significant uptick in the project work, as we indicated, and there continues to be softness in the M&A front and some of the things that would typically play out in the first quarter.

What's important now is the second quarter. Our teams are deeply in discussions with our large clients around their plans, strategy for business -- for benefit design, changes for vendor reconfiguration, things of that nature that typically play through in the second half of the year around the enrollment process. So we'll know more clearly over the next several weeks, just how that's shaping up. *But all indications are that there's continuous discussion around the importance of those kinds of changes because they really get to the cost of these programs and health care costs continue to inflate and our clients are doing everything they can to try to keep that under control*. Jeremy?

<A: Jeremy J. Heaton> Yes. What I might add there, Scott, is as we've talked about, *the first half project work, which we had expected it to be really in line with where we ended up for the first quarter, tends to be more discretionary projects or ad hoc work that comes in from M&A and the regulatory changes that Dave mentioned. And so I think that was how we thought about the year and coming through and what we're seeing*. So the pipeline really builds. I think the June, July timeframe in the large enterprise space is where you really get full visibility into what the back half of the year will look like, and as Dave said, tends to be more stable. The comps change a little bit for us. *So we expect to see an improving profile there as we get into the back half of the year*. But again, we'll get more visibility as we get through the quarter. And these are the teams working with our clients day to day. So *we'll get pretty up-to-date information as we progress here*.

<Q: Scott Anthony Schoenhaus> . . . Dave, I think you mentioned your pipeline is up 30%. Can you provide more color on that? Is that expansion, was that penetrating into the middle markets? Just any more color on the pipeline update.

<A: David D. Guilmette> Yes. Certainly, Scott. So I would say it's kind of across the board. We're seeing nice opportunities in the core admin space. *We see a very robust pipeline related to our leave solution and a similar amount of momentum related to our navigation solution*. So all in, we feel good about that momentum. We feel good about the strength of the pipeline, and *we're going to continue to*

pursue that those opportunities pretty aggressively here through the second quarter.

(Emphasis added).

46. Defendant Guilmette further rejected the notion of any apparent impact from ongoing macroeconomic noise in the Spring of 2025, pertinently as follows:

<Q: Kyle David Peterson – Needham & Company, LLC – Senior Analyst> Great. Nice results. But I just wanted to sort of touch a little bit on the guide and kind of what you guys are seeing in the sales cycle. It sounds like you guys are -- might think that the deal cycles could get extended a bit given the macro. I guess, is that -- is some of that commentary there just being cautious? Or has there been any change in client behavior and decision-making like in the last like month or so, given all the like trade war and uncertainty?

<A: David D. Guilmette> Yes. Kyle, it's Dave. Thanks for your question. *We've not really seen any material shift in the buying patterns to date.* It's much more about just the overall environment that we're all dealing with. The degree to which there are changes that are happening coming from policy positions with the administration, it just makes our clients stop and think a little bit more about the types of projects that they may undertake or things that might be discretionary. But *we've not seen anything that would be taken off the table at this point.* And the way that would typically play out is how we put it into 2 categories.

You've got -- *the bigger kinds of moves that clients would make introducing on new programs such as the navigation solution, making a change relative to leaves administration or the core benefit administration offerings that we have.* Those tend to follow typical cycles when contracts renew, et cetera. And *I would say those are all very much underway.*

It would be *more related to things that might be a little bit more short term*, so expansions perhaps where there might be another layer of decision-making or a little bit more caution, and *that might push a contract being executed out by a couple of weeks, that sort of thing. But we've really not seen anything protracted or anything that would give us a serious concern at this point relative to buying patterns.*

(Emphasis added).

47. In a follow-up exchange with the same analyst, Defendant Heaton highlighted the importance of the newly initiated dividend, in pertinent part:

<Q: Kyle David Peterson> Okay. That's really good color. And I guess a follow-up on capital allocation, you guys are thinking about the buyback, in particular, obviously, it seems like we're in just a more volatile market environment in general. But I guess, let's just say, if cash builds this year, would you guys be willing to maybe be a little more tactical or aggressive to try to support the stock if there are dislocations and such?

<A: Jeremy J. Heaton> Sure. Thanks, Kyle. Yes, for sure. I mean, I think we talked about it a bit at Investor Day. We've got the -- we had the increase of \$200 million. So now we have \$261 million of available authorization. And so ***I think that's important for us and just the flexibility for us on what we want to do and being opportunistic.*** And so you saw we were active in the first quarter. We'll continue to be. And again, in this type of environment, first, order around capital allocation is to strengthen the balance sheet. And then we're also going to look at opportunities to -- whether it's a strategic partnerships or anything inorganic. But certainly, ***capital return is there as a priority as well. And so you saw that both with, again, the dividend and being active in share buybacks.*** So we certainly have the benefit with the authorization available to be very opportunistic this year.

(Emphasis added).

48. The above statements in Paragraphs 24 to 47 were false and/or materially misleading. Defendants created the false impression that they possessed reliable information pertaining to the Company's projected revenue outlook and anticipated growth while also minimizing risk from seasonality and macroeconomic fluctuations. In truth, Alight's optimistic reports of growth, cost cutting measures, strong pipeline, and far-reaching visibility fell short of reality; the Company's sales team was not equipped execute in accordance with its management's expectations.

Alight Reveals Second Quarter Earnings,

Unveiling Growth Slowdowns and Execution Missteps.

August 5, 2025

49. On August 5, 2025, Defendants published their second quarter results, with Defendant Guilmette highlighting how Alight's "underlying business operations continued to strengthen during the second quarter." The results were as follows:

Second Quarter 2025 Highlights (all comparisons are relative to second quarter 2024)

- Revenue decreased 1.9% to \$528 million
- Gross profit of \$176 million and gross profit margin of 33.3%, compared to \$167 million and 31.0%, respectively, and adjusted gross profit of \$205 million and adjusted gross profit margin of 38.8%, compared to \$196 million and 36.4%, respectively
- Net loss of \$1,073 million compared to net loss of \$4 million, primarily driven by the \$983 million non-cash goodwill impairment charge related to our Health Solutions reporting unit
- Adjusted EBITDA improved to \$127 million from \$105 million
- Diluted loss per share of \$2.03 compared to diluted loss per share of \$0.01, and adjusted diluted earnings per share of \$0.10 compared to \$0.05 per share
- New wins or expanded relationships with companies including Thermo Fisher Scientific, Highmark Health, Reinsurance Group of America, Incorporated (RGA) and Trinity Industries
- Repurchased \$20 million of common stock under existing share repurchase program
- Declared and paid a \$0.04 per share dividend

50. Despite this positive characterization, Defendant Guilmette highlighted that “deals [are] taking longer to close in the current environment which is temporarily delaying planned growth,” resulting in a reduction of Alight’s revenue guidance to “Revenue of \$2,282 million to \$2,329 million.”

51. Defendant Guilmette expanded on this issue during the corresponding earnings call, elaborating, in pertinent part, as follows:

Revenue for the quarter was \$528 million and adjusted EBITDA was \$127 million, representing an 80 basis point margin increase over the prior year. Free cash flow for the first half was up over 30%. And taken together, these results position us to deliver strong profitability and robust cash flow over the long term.

New deals are taking longer to close through the first half. And in response, we are taking actions to improve our commercial execution. We have updated our revenue outlook for 2025 and reaffirm the rest of our guidance, which we'll discuss in more detail during today's call.

...

The pace of ARR bookings was not at the level we expected coming into the quarter for 2 primary reasons: First, client expansion opportunities are taking longer to close in the current environment; and second, *our commercial execution to get deals across the line has not been sufficient*. Overall, our solution competitiveness and positioning remained strong but the timing of deals impacts eventual start dates, and in this case, our expected second half 2025 revenue.

To accelerate our commercial execution, we are building more domain expertise with specialty sales experience to balance with our enterprise sales team. We've recently made changes within our commercial organization and have a search underway for new Chief Commercial Officer. The success of the commercial team is a top priority of mine, and I'm pleased with the quality of talent who have expressed interest in Alight and the opportunity to advance our commercial capabilities.

Our ARR pipeline remained strong, particularly for deals in later stages. Opportunities where we are finalists are up 35% versus this time last year, *which should increase our conversion rates in the second half sales cycle*.

For project revenue, we have not yet seen an uptick in our pipeline. Clients are still assessing their go-forward plan design strategies, while M&A and regulatory work remains at low levels.

So *given this backdrop, we are updating our expectations for second half revenue*, which Jeremy will cover in more detail. As we doubled down on employee benefit services, we continue to build out a management team with internal and external talent who can extend our competitive advantages.

(Emphasis added).

52. Defendant Heaton provided a bit more color on the Company's quarterly results and the justification for Alight's goodwill impairment charge, in pertinent part, as follows:

Revenue was \$528 million, with recurring revenue comprising over 93% of total revenue in the quarter.

...

Nonrecurring project revenues were down \$9 million or 20%. As a reminder, we entered the year cautious on project revenue, and this remains the case in the current environment.

Adjusted gross profit was \$205 million. Similar to prior quarters, this is impacted by cost to support the divested business, which are reimbursed through the TSA

and other income. Normalized for this, adjusted gross profit would be \$8 million higher.

Adjusted EBITDA was \$127 million for the quarter, and adjusted EBITDA margin expanded 80 basis points as our prior transformational initiatives are delivering favorable results as expected.

Free cash flow for the first half was \$102 million, up 31% from the prior year and on track towards our annual target of \$250 million to \$285 million. *While we continue to have strong confidence in the prospects of our health solutions reporting unit, the current market valuation of Alight as compared to the value when going public, combined with the current macro and industry conditions, requires us to take a noncash goodwill impairment charge of \$983 million.* This value is consistent with the long-term forecast as communicated at our 2025 Investor Day.

Finally, we returned \$42 million to shareholders this quarter via our quarterly dividend and through the repurchase of \$20 million worth of shares. We ended June with \$241 million remaining on our share buyback authorization.

(Emphasis added).

53. Defendant Heaton provided more details as to management's decision to reduce their full year outlook, pertinently, as follows:

Now let me turn to our outlook. Dave mentioned a number of important clients who renewed long-term contracts with us, including expansions. The momentum during this renewal cycle remains strong. With what we see today, the 2025 renewal cycle is in line with our original guidance and we continue to expect an improved retention rate in 2026. There are, however, factors that have made us more cautious in the second half.

Our initial ARR bookings guidance was for double-digit growth and today, we're expecting bookings that are closer to flat or slightly down year-over-year. This is not where we expected to be, and our in-year revenue resulting from first half bookings will be lower in the second half.

Our pipeline remains strong, and we expect a higher conversion rate as we finish 2025 based on the number of late-stage deals in process as well as changes we have already made within the team.

Moving to project revenue. June and July are typically when we see the project pipeline build and have more transparency into our enrollment work for the remainder of the year. *At this point, we are not seeing the second half pipeline build to levels that would drive an inflection in project revenue.*

Clients continue to assess how to move forward with their people strategies as they navigate the current environment, while M&A and regulatory changes remain low. And so *we expect third quarter project revenue in line with the second quarter rate, which was down 20%*.

Finally, *we have not seen growth in participant counts and expect volumes to remain flat this year. We now expect total revenue to be lower by roughly \$45 million at the midpoint.*

...

As it relates to other key metrics, *we are reaffirming the remainder of our 2025 outlook, which reflects the initiatives we have already completed and operational levers that are independent of top line growth.*

...

In closing, we are *intensely focused on execution* and improving our top line performance while continuing to drive greater margin expansion and cash flow.

(Emphasis added).

54. During the question-and-answer segment that followed, Defendants discussed at-length Alight's financial results and updated guidance, in pertinent part, during the following exchanges:

<Q: Kyle David Peterson – Needham & Company, LLC – Senior Analyst> I wanted to start off on the sales cycle. It does sound like things have gotten a little longer and I understand that that's the reason for the drift down in revenue for this year. I wanted to ask a little bit about how those client conversations are going. Do you guys remain confident that you guys are going to be able to still hit on your target specifically for next year? Is it just that maybe these deals take an extra month or 2 here or there and that limits the in-year revenue and next year should be fine? Or is there a potential for like a longer-term or prolonged impact that we should be mindful of?

<A: David D. Guilmette> . . . So I think it's important that we just break down kind of where we think the growth opportunities are going to be. And as I've said it in repeated meetings, *we have a lot of opportunity for upsell and cross-sell with our existing client base.* That process requires some demand generation as we're talking about problems that need to be solved differently and the solutions that we have that can bring to bear on those problems. And that process and those discussions have been protracted. It's just taking longer to reach those decisions.

So *we feel good about the opportunities that sit in the pipeline* for that. In fact, in my opening remarks, I said that we're up 35% in deals that are in the final stages. So there's some real timing headwind that we've experienced there through the first half of the year. *We also, in the new business, new logo pursuit areas, have, in my view, finished second too often, and we have to improve upon our execution there.* And there are a *number of things that we've done to strengthen that. So we feel good about those changes that have been made as well, and also feel good about the pipeline related to that in the final stages that we're in.* So overall, we've made adjustments so that we can be better at commercial execution. And we're going to continue to pursue the opportunities with our existing clients to bring those to close the second half of the year.

To your question around the longer-term view, *we've got to execute in the second half. We execute in the second half, we're going to feel good about '26 and feel good about the mid-range.*

...

<Q: Kevin Damien McVeigh – UBS Investment Bank – Analyst> So if I do the math right, you beat the first half to the year by about \$10 million, and it looks like you cut the second half by \$45 million, so it's about \$55 million in total. Is that right? Like is the math right there?

<A: Jeremy J. Heaton> A bit less than that in terms of midpoint to midpoint is the math that we gave, Kevin, for the update is about \$47 million, I think, is the change. So as we said, really, *this is a dynamic largely from the in-year revenue that would come from bookings in the first half of the year.* So as you think about the bigger portions of the change in revenue, about \$35 million of that update is related to in-year revenue. Of that \$35 million, I would say about \$25 million to \$30 million is from ARR bookings and the *remainder is from the project side as we did update that midpoint on project, we had about down 6% for the year in the original guide, and then I look at that today is closer to 9% or 10% down for the year.* And then there's a balance of -- again, we had a pretty cautious view already around participant counts and what we've call volumes that we brought down to flat. So that's about a \$10 million to \$12 million update as well for the second half.

<Q: Kevin Damien McVeigh> Got it. And then you gave a pretty specific project number for Q3. Can you just give us one for Q4 to try to manage the cadence...

<A: Jeremy J. Heaton> Sure. *It's likely still negative but closer to flat,* Kevin, and that's just built on the enrollment activity that, again, *not seeing the inflection that we had hoped for and we're looking at as we watch the pipeline build over the last couple of months, but we don't expect that it will be down at the levels that we would see in the first 3 quarters.* Some of that is the comp. Some of that is just

the base activity that kind of rolls into the fourth quarter. So again, I think it's probably closer to down single digits, closer to flat.

(Emphasis added).

55. Defendants further fielded several inquiries regarding hiring practices in an effort to improve sales execution, affirming that such efforts were well underway:

<Q: Scott Anthony Schoenhaus – KeyBanc Capital Markets Inc. – MD & Equity Research Analyst> . . . And then you mentioned sort of a change around the sales team, and you mentioned more domain expertise as a potential catalyst or a focus. Can you maybe talk about that? And what you saw with these in this current last 90 days that made you more focused on a commercial team with more domain expertise?

<A: David D. Guilmette> Sure, Scott. Thank you for that question. I'm in the market a lot. I'm in front of our clients a lot. I'm in front of our PPEs a lot. There isn't a week that goes by that I'm not in the market. And in many cases, in these pursuits directly with the sales team, in my observation over the last 90 days or so is that some of these sales require real deep domain expertise to be able to bring to life our value proposition. ***Like these things, we're in every one of these deals, and that's the feedback that we get from our PPEs.*** But if something doesn't come our way, oftentimes, it's on the margins, it's not like the core positioning of the sales pursuit of the execution. And that's where, in my opinion, ***we need real strong deep domain expertise. In particular, when you look at some of the specialty opportunities that we're talking about, navigation and leaves. Leaves is a complex space, and you need real expertise to be able to bring that to life.***

So ***I like what we've done in terms of building out our capacity on the enterprise sales front. We've got plenty of capacity,*** plenty of feet on the street, and we've got lots of good opportunities that are coming through the top of the pipeline, and we like our qualified pipeline. ***We've got to close more deals. And to close more deals, we need that subject matter expertise at the table.***

...

<Q: Andrew David Polkowitz – JPMorgan Chase & Co – Research Analyst> I wanted to start by asking a follow-up on just a focus on the commercial organization. You mentioned that you have capacity. So given those comments, how should we think about sales force hiring plans and what's embedded in the outlook for the second half and into 2026?

<A: David D. Guilmette> . . . ***I would characterize the hiring plans is looking for that specialty expertise. We've already brought on a number of individuals in the second quarter to help in that regard.*** Navigation sales leadership, for example,

beefing up what we're doing on the lease side, beefing up what we're doing in terms of how we tell our AI story. We've got a really impactful one that we're proud of. So we're making those changes as well by bringing in certain experts to really help bring that to life. ***So all of that, I think, has happened already in addition to our looking to bring in a new Chief Commercial Officer.*** We feel really good about the talent that has identified themselves to want to come here. So I'm confident we're going to have the right person, the right fit in short order. And I think we're going to be fine as we look at the second half of the year going into 2016 from a sales execution capacity standpoint.

(Emphasis added).

56. The aforementioned press releases and statements made by the Individual Defendants are in direct contrast to statements they made during the November 14, 2024, February 20, 2025, March 20, 2025, and May 8, 2025, releases and shareholder calls. In those calls and publications, Defendants continually praised the execution potential of its sales team, its scaling ARR growth, and the anticipated uptick in project revenue, while continually minimizing risks associated with project revenue's eroding growth rate, seasonality, and the impacts of the macro environment on Alight's ability to recognize growth.

57. Investors and analysts reacted immediately to Alight's revelation. The price of Alight's common stock declined dramatically. From a closing market price of \$5.13 per share on August 4, 2025, Alight's stock price fell to \$4.19 per share on August 5, 2025, a decline of about 18.32% in the span of just a single day.

58. A number of well-known analysts who had been following Alight lowered their price targets in response to Alight's disclosures. For example, JP Morgan, while "withdraw[ing] their Dec-25 price target," highlighted management's admitted execution shortcomings: FY25 revenue outlook was lowered by ~2% at the midpoint primarily driven by softer than expected contribution from bookings . . . with management attributing part of the underperformance to macro uncertainty . . . and part to internal execution that needs to improve." Breaking down the

quarterly shortfall, the Analyst “commend[ed] management for taking ownership of the bookings shortfall” while “[t]ransformation initiatives in flight supported mgmt.. reiterating its FY25 outlook across profitability metrics.”

59. Similarly, UBS highlighted Alight’s “mixed Q2 results and a disappointing 2025 top-line cut,” as the basis for its price target declining 35%. Pertinently, the Analyst noted the Q2 result alongside the reduced FY25 guidance “provide a reset in expectations.” The Analyst went on to highlight that Alight’s “adj. EBITDA margin expanded +80bps YoY due to prior transformational initiatives ... [which] helped free cash flow conversion as Alight showcased some capital return with ~\$20m buyback (\$241m authorized) coupled with ~\$22m dividends.”

60. The fact that these analysts, and others, discussed Alight’s second shortfall and below-expectation guidance revisions suggests the public placed significant weight on Alight’s prior sales and growth estimates. The frequent, in-depth discussion of Alight’s guidance confirms that Defendants’ statements during the Class Period were material.

61. Notwithstanding Defendants’ disclosures during the call, they continued to mislead investors by misrepresenting their understanding of the issues surrounding Alight’s execution shortfalls and how to combat them. In doing so, the Defendants deceptively claimed confidence in their ability to meet updated projected targets and slow the decline of the Company’s project revenue growth rate while keeping hiring costs muted and continuing to give back to shareholders through Alight’s dividend.

November 5, 2025

62. On November 5, 2025, Alight published a release disclosing the Company’s third quarter results and further reducing full-year guidance. Defendants posted summarized results as follows:

Third Quarter 2025 Highlights (all comparisons are relative to third quarter 2024)

- Revenue decreased 4.0% to \$533 million
- Gross profit of \$178 million and gross profit margin of 33.4%, compared to \$174 million and 31.4%, respectively, and adjusted gross profit of \$206 million and adjusted gross profit margin of 38.6%, compared to \$200 million and 36.0%, respectively
- Net loss of \$1,055 million compared to net loss of \$44 million, primarily driven by the \$1,338 million non-cash goodwill impairment charge
- Adjusted EBITDA improved to \$138 million from \$118 million
- Diluted loss per share of \$2.00 compared to diluted loss per share of \$0.08, and adjusted diluted earnings per share of \$0.12 compared to \$0.09 per share
- New wins or expanded relationships with companies including MetLife, Cintas and Mass General Brigham
- Repurchased \$25 million of common stock under existing share repurchase program
- Declared and paid a \$0.04 per share dividend

63. In pertinent part, guidance was reduced to the following outlook:

Business Outlook

- Revenue of \$2,252 million to \$2,282 million
- Adjusted EBITDA of \$595 million to \$620 million
- Adjusted diluted EPS of \$0.54 to \$0.58
- Free cash flow of \$225 million to \$250 million

64. Defendant Guilmette was quoted on the release indicating the company had “seen a favorable step-change in accelerating our client management and delivery capabilities, and reimagining the client and participant experience in line with our long-term strategy.”

65. During the corresponding earnings call, Defendant Heaton outlined the Company’s below-projection results and the basis for the guidance cut, in pertinent part, as follows:

Nonrecurring project revenues were down \$7 million or 14% for the quarter. Adjusted gross profit was \$206 million, up 3% from the prior year, reflecting 260 basis points of margin expansion. Similar to prior quarters, our adjusted gross profit is impacted by costs to support the divested business, which are reimbursed through the TSA and other income. Normalized for this, adjusted gross profit would have been higher by \$7 million. Adjusted EBITDA was \$138 million for the quarter, up 17% and adjusted EBITDA margin expanded 460 basis points. Free cash flow for the first 9 months was \$151 million, up 45% from the prior year period. ***Given the business trends this year versus expectations, our profitability and cash flow***

results include a nonrecurring impact of lower variable and performance-based costs.

While we've made tremendous progress, there is more work ahead to improve our top line results. Longer term, we expect improved commercial results with an optimized go-to-market function along with key product enhancements. We feel good about our renewal rates in the large market and expect the 2026 cycle to have over 30% fewer dollars up for renewal. We also have near-term revenue opportunities through in-year bookings, partnerships and engagement services that our team is highly focused on to close out the year. Our operational and technology initiatives continue to drive increased efficiency while delivering a better experience for our clients, and this has benefited our profitability and cash flow metrics.

...

We returned \$47 million to shareholders this quarter via our quarterly dividend and through the repurchase of \$25 million worth of shares. Year-to-date, we've repurchased close to 14 million shares or approximately 3% of shares outstanding. We ended September with \$216 million remaining on our share buyback authorization. *Management and the Board of Directors will continue to evaluate our capital allocation policy as it does on an ongoing basis.* With today's earnings report, we have updated our 2025 outlook and enter the quarter with \$2.25 billion of revenue under contract.

For the year, we expect revenue between \$2.25 billion and \$2.28 billion, adjusted EBITDA of \$595 million to \$620 million, free cash flow of \$225 million to \$250 million and EPS of \$0.54 to \$0.58. *We are intensely focused on execution and improving our top line performance and remain confident in our position for the long term.*

(Emphasis added).

66. Defendants expanded on the reduced projections during the question-and-answer segment of the call, in pertinent part:

<Q: Kyle David Peterson – Needham & Company, LLC – Senior Analyst> I wanted to start on the update to the guide, see if you guys could walk us through some of the moving pieces on the reduction here. It looks from the slides, it looks like it's from kind of a combination of volumes and new business wins. But I guess any clarity or context as to what you guys are seeing and when -- at least on the new business wins, obviously, you made some announcements during -- in the release today. But I guess like when should some of the fruits from those wins start to pay dividends?

<A: Jeremy J. Heaton> Sure. I'll start, Kyle. So yes, still in the guide, ***we reduced at the midpoint revenue down \$40 million.*** It's really split between project and recurring. ***Project is the biggest with, again, a \$20 million update there on project.*** ***And we just have not seen an inflection in pipeline and activity.*** I think some continued cautiousness as we're going through the annual enrollment process right now.

So even on a low comp, we had expectations to see more build in the pipeline coming into the fourth quarter and just not seeing that. On the recurring side, it's a bit of volumes. You see in the update in the deck that we've got. Some in that is really -- we've seen modest declines so far year-to-date, but just a sentiment overall, just a cautiousness around that. We're not going to certainly expect with the headlines, see any upside there. So really just expecting flat to slightly down on the volume side. The Strada update on the customer care agreement was impacted in the third quarter, and so that's part of the update as well as going through. And as you said, a small amount of just the in-year revenue from the bookings that we've had so far this year.

...

<Q: Kyle David Peterson> Okay. That's helpful. And then maybe just a follow-up. I want to see if you guys are seeing any impact or whether it's client decision-making around open enrollment related to the government shutdown. Obviously, it's been getting kind of long in the tooth here. But I guess, any impact on your business, client decision-making, employee decision-making? Anything you guys are seeing? Or so far, has it been something you guys have been able to work through?

<A: David D. Guilmette> Kyle, it's Dave. Thank you for the question. Let me take that. So as Jeremy mentioned, you've got a few of the headlines that are out there. ***But in general, whether it's the government shutdown and the impact on federal employees or it's what passes through to clients, we've really not seen anything material come through at this stage.*** And just keep in mind that even if there is an action, a reduction in force with a big company, there's a pretty big lag factor associated with that.

You'll have individuals who will be on COBRA for a period of time. Sometimes they're furloughed, so they're still sort of there. So -- or in the case of the federal government, you've got people working and not being paid in some circumstances. So longer term, the volume that would typically tick up, we're not anticipating, but we haven't really seen a material negative impact, at least through this quarter, and we're not envisioning that through the fourth quarter.

...

<Q: Kevin Damien McVeigh – UBS Investment Bank – Analyst> . . . I mean, you had 2 consecutive meaningful impairments. You've guided down 2 consecutive quarters. Just help us understand just the modeling on the guidance relative to where you're coming in, particularly given we're 9 months into the year because it just continues to be an issue in terms of how you're guiding.

<A: Jeremy J. Heaton> Sure. I think the guide, and as I just walked through briefly, ***I think in the fourth quarter, the biggest piece is the project revenue, which I would say is we've never seen levels this low in terms of project revenue. We did expect and our teams going through with clients every day as we build through kind of the second half of the year in terms of where that pipeline is. It's well below our expectations in terms of project revenue.***

So absolutely, that's the biggest piece coming through here. There's also the impacts of what we've talked about in terms of the bookings element that we have and just the macro factors around the headlines around employee and participant counts. So those are the biggest pieces for us in the guide. As you can see in the transcript we talked about this morning, we are at \$2.25 billion of revenue under contract coming into the quarter, and the range on the guide is \$2.25 billion to \$2.28 billion. So I think as you think about this, this is what we see today in terms of what's in front of us for execution in the -- at the end of the quarter.

On the impairment side of it, that's a factor of, again, noncash impairment -- accounting adjustment, largest piece being just the valuation change of the company through the quarter. And that's -- there's a market valuation test, which is done every quarter. It's normal course controls that we have around the financials and need to go through the valuation process. That takes into account the trends that we do see in the business, but it's a much longer-term view taking in the market cap and market value of the company. ***So we recognized that charge here this quarter in line with where we closed out the quarter from a valuation of the company.***

(Emphasis added).

67. Defendants also spoke to the progress of go-to-market initiatives and their sales force hiring assumptions for the remainder of 2025 during the following pertinent exchange:

<Q: Andrew David Polkowitz – JPMorgan Chase & Co. – Research Analyst> I wanted to ask, so last quarter, you spoke to changes within your go-to-market organization, including greater specialization, domain expertise in the sales force. Obviously, these things take time to ramp. But I was curious if you could just provide an update 3 months later about the progress here, how these things have resonated with your sales force.

<A: David G. Guilmette> Sure. So it's Dave. I'll take that one, Andrew. Firstly, bringing Steve Rush back to Alight has been a tremendous boost for us and for our sales team. This is somebody who knows our business really well, has tremendous credibility in the marketplace and is a great team player. So he's collaborating, working through, looking at every deal, et cetera. So that's helpful. We brought some industry expertise on board as well with specialty areas of focus in the leave space, in the navigation solutions and in Core Health admin.

And it's Steve's intent to continue to build out that domain expertise across the sales force. To your point, those changes then have to play their way through on new business situations and opportunities. *We're laser-focused on those deals that are deep in the pipeline right now, and we still have a material number of those that we're pursuing. And the key there is to improve our close ratio. And I feel confident that with Steve and the additions that he has already impacted and we've impacted, we should see some uptick on our success with closing on those deals.* And then as we enter into 2026, we're going to have the right alignment of our go-to-market teams and our client teams, which I feel really confident is going to give us the opportunity both for upsell, cross-sell and for new logos coming into the company.

<Q: Andrew David Polkowitz> Great. That's good to hear. And just one follow-up for me, more of a macro question. I was curious if there's been any change in the hiring assumption or net hiring assumption you laid out last quarter and the outlook, understanding there's offsets like you called out, Dave, with kind of lagged impact. So maybe even just adding on to that question, how material is the hiring assumption within your model or within your outlook considering you have those offsets?

<A: Jeremy J. Heaton> I think from -- included in the guide for this year, Andrew, we've got -- and you'll see it in the deck that we posted online. *So we've got about down 0.5 point to flat is what we've got in for 2025.* And again, year-to-date, it's been *really minimal in terms of any impact*, I'd say slightly down. But again, *you're talking basis points. And so certainly not seeing what we historically have had with the, call it, 1% to 2% of help on the growth side.*

So our expectations right now, and we would know typically in the fourth quarter right now as we stand if we had larger impacts that were happening already through our client base. And so that's the call on the guide and based on what we see so far this year. And then as we think about next year, I'd say, yes, it's hard with the headlines to think that it's certainly going to be anything that is additive to growth, but we'll manage that. Our teams stay close with clients on a daily basis. And so *we're always getting a pre-read, if you will, around what might be happening within the client bases.*

(Emphasis added).

November 24, 2025

68. On November 24, 2025, Alight issued its press release announcing its second CEO transition in as many years: “the [Board] has appointed Rohit Verma as Chief Executive Officer (CEO) and a member of its Board, effective January 1, 2026. Dave Guilmette will step down as CEO and from the Company’s Board on December 31, 2025.”

69. While the release made significant efforts to tout his replacement’s accomplishments, Alight made little reference to the reasoning behind Defendant Guilmette’s departure, adding only the following from the Company’s Board:

I want to thank Dave for leading significant efforts to strengthen Alight’s delivery operations, enhance our product innovations, and improve our liquidity and margins ... This provides a strong foundation in our work to reimagine the client and participant benefit experiences and return to growth

December 18, 2025

70. On December 18, 2025, Alight issued a similar press release, announcing that “Gregg Giometti has been named the Company’s Interim Chief Financial Officer, effective January 9, 2026.” Reportedly, Defendant Heaton was departing “to pursue an opportunity outside of the benefits administration industry.”

71. Defendant Guilmette, rather than any more permanent member of the Company, was quoted on the release, touting the resume of the new Interim CFO and highlighting Defendant Heaton’s role in Alight, in pertinent part, as follows:

Jeremy has made significant contributions during his nearly six years with Alight, helping transition Alight into a public company, while also playing a critical role in transforming the Company into a simpler, more capital efficient organization with a stronger financial foundation. On behalf of Alight, I wish Jeremy much success in his new opportunity and thank him for his service.

72. The above statements in Paragraphs 49 to 55 and 62 to 71 were false and/or materially misleading. Defendants created the false impression that they possessed reliable

information pertaining to the Company's updated projected outlook and anticipated growth while also minimizing risk from seasonality and macroeconomic fluctuations. Conversely, execution concerns were mounting while Alight maintained insufficient investment in its employees in an effort to keep costs down and margins afloat. This ultimately would result in further setbacks to Alight's full-year projections as execution continued to fall short each quarter, alongside the surprising departure of the Company's prominent lead executives, the Individual Defendants in the instant matter, during the course of the fourth quarter.

The Truth Emerges during Alight's Fourth Quarter and Full Year 2025 Earnings Report

February 19, 2026

73. In the morning of February 19, 2026, Alight published its fourth quarter and full year fiscal 2025 results. Notably, the results for both the quarter and the year were well below both street forecasts and Defendants' own prior projections. In pertinent part, Defendants posted results as follows:

Fourth Quarter 2025 Highlights (all comparisons are relative to fourth quarter 2024)

- Revenue decreased 4.0% to \$653 million
- Gross profit of \$240 million and gross profit margin of 36.8%, compared to \$271 million and 39.9% in the prior year period, respectively, and adjusted gross profit of \$272 million and adjusted gross profit margin of 41.7%, compared to \$300 million and 44.1% in the prior year period, respectively
- Net loss of \$933 million compared to the prior year period net income of \$29 million, primarily driven by a \$803 million non-cash goodwill impairment charge
- Adjusted EBITDA of \$178 million compared to the prior year period of \$217 million
- Diluted earnings (loss) per share of \$(1.78) compared to \$0.05 in the prior year period, and adjusted diluted earnings per share of \$0.18 compared to \$0.24 per share in the prior year period
- Declared and paid a \$0.04 per share dividend

Full Year 2025 Highlights (all comparisons are relative to full year 2024)

- Revenue decreased 3.0% to \$2,262 million
- Gross profit of \$765 million and gross profit margin of 33.8%, compared to \$794 million and 34.0% in the prior year period, respectively, and adjusted gross profit of \$883 million and adjusted gross profit margin of 39.0%, compared to \$904 million and 38.8% in the prior year period, respectively
- Net loss of \$3,078 million compared to the prior year period net loss of \$140 million, primarily driven by the \$3,124 million non-cash goodwill impairment charge
- Adjusted EBITDA of \$561 million compared to the prior year period of \$556 million
- Diluted earnings (loss) per share of \$(5.83) compared to \$(0.25) in the prior year period, and adjusted diluted earnings per share of \$0.50 compared to \$0.48 per share in the prior year period
- Repurchased \$65 million of common stock under existing share repurchase program

74. The release further disclosed Alight would be halting its dividend which had only commenced the year prior:

The Company announces it will *replace its cash dividend with more efficient capital allocation activities*, including deleveraging the balance sheet and, subject to market and other conditions, for share repurchases. *The Company believes that these are more effective mechanisms to drive long-term shareholder value creation than dividends at the current price levels.*

(Emphasis added).

75. Alight held an earnings call shortly after posting their annual results. During the call, the Company's new CEO, Rohit Verma, highlighted the new management's disappointment with the prior year's results, stating, in pertinent part:

With deep penetration among large and mid-sized employers, we have a solid foundation from which to expand our relationships and grow market share over time. That said, *we have work to do. In 2025, we did not meet our internal financial targets and new bookings and renewals did not meet our expectations, leading us to miss our forecast to the market.* During my first 6 weeks at the company, I've connected with more than 35 clients, and it is clear to me that clients want to continue working with us as we play a critical role in helping them manage increasingly complex health, wealth and leaves programs. They're also clear in their requests that we bring simplicity to their participants and management by providing cutting-edge solutions.

Our clients expect flawless service delivery and continued innovation in products that create better outcomes. The attractiveness of our market, our coveted position and the clarity of the asks from our clients enable us to be clear-eyed about our priorities going forward. As a result, our immediate focus is driving service and operational excellence across our unmatched portfolio of benefit solutions, innovating products enabled by AI to create a cutting-edge user experience, real value and actionable insights for clients and participants, while building relationships that result in enduring trusted partnerships with clients, participants and partners. These priorities are all things within our control, which give me great confidence in our ability to improve as does some of our recent progress.

...

Before I turn the call over to Greg, I want to provide some details on our 2025 financial performance. We generated \$2.3 billion in revenue with adjusted EBITDA of \$561 million and an adjusted EBITDA margin of approximately 25%. With that said, ***I would reiterate that we believe there is significant opportunity to improve our performance moving forward. Our adjusted EBITDA in the fourth quarter was impacted by an increase in compensation expense driven by our commitment to invest in the business with a focus on promoting service quality, strengthening relationships and positioning the business for growth.*** Importantly, the business generated \$250 million of free cash flow in 2025, which enabled us to maintain a strong liquidity position and positions us well as we head into 2026.

...

I am confident that we are at the forefront of implementing the right strategy to return the business to long-term growth, but this will take some time. ***Given that we missed guidance targets several times in 2025, I don't think it's prudent for me to provide full year guidance when I'm just 30 working days into my role.*** What I can say is that we expect first quarter 2026 revenue to be down by high single-digit percentage range. Likewise, we anticipate that our planned investments in sales, account management and user experience will create short-term adjusted EBITDA margin pressure, resulting in a decline of 500 to 750 basis points as compared to last year's first quarter. We view these investments as critical to executing on our stated priorities and meeting the expectations of our stakeholders. While our business has faced challenges, the attractive market dynamics, our strong leadership position and clear direction from our clients gives us a very achievable road map for driving margin expansion and growth in the midterm.

(Emphasis added).

76. Alight's newly appointed Interim CFO, Gregory Giometti, then took over the call to detail the financial figures underlying Alight's earnings shortfall, pertinently providing the following:

Turning to our fourth quarter results. We continue to think about revenue mix across 2 categories: recurring renewable business and nonrecurring project-based work. Revenue for the fourth quarter was \$653 million. Recurring revenue of \$607 million was down 1.6% compared with the prior year period. Project revenue of \$46 million was down 27%. Fourth quarter adjusted gross profit was \$272 million, down 9.3% from the prior year period, reflecting an adjusted gross profit margin decline of 240 basis points. Adjusted EBITDA for the fourth quarter was \$178 million as compared to \$217 million in the prior year period. Fourth quarter 2025 adjusted EBITDA margin was 27.3% compared to 31.9% in the prior year period.

Adjusted EBITDA during the fourth quarter of 2025 was adversely impacted by increased compensation expense, which we believe is critical to executing on our priorities. This impacted adjusted EBITDA by approximately \$45 million. Excluding this, adjusted EBITDA would have been within our previously communicated guidance range. Adjusted net income in the fourth quarter was \$96 million with adjusted EPS of \$0.18 compared to \$127 million of adjusted net income and adjusted EPS of \$0.24 in the fourth quarter of 2024.

Looking at the full year, total revenue was approximately \$2.3 billion. Recurring revenue of approximately \$2.1 billion was down 2.2% compared to the prior year period. Project revenue of \$154 million was down 22%. Adjusted gross profit for the full year was \$883 million compared to adjusted gross profit of \$942 million in 2024. Full year adjusted gross profit margin decreased 100 basis points compared to 2024. Full year adjusted EBITDA was \$561 million with adjusted EBITDA margin of 24.8% compared to adjusted EBITDA of \$594 million with adjusted EBITDA margin of 25.2% in 2024. Adjusted net income for the full year was \$266 million with adjusted EPS of \$0.50 compared to \$313 million of adjusted net income and adjusted EPS of \$0.57 in 2024. ***In the fourth quarter of 2025, we recognized a noncash goodwill impairment charge of \$803 million. We have remaining goodwill of \$83 million on the balance sheet.***

(Emphasis added).

77. During the question-and-answer segment, the new management further clarified some of the shortcomings of their predecessor's actions in pertinent part as follows:

<Q: Peter Corwin Christiansen – Citigroup Inc. – Vice President and Analyst> So the messaging on the scale, the partner ecosystem, the mission-critical platform capability, this has been quite consistent with the prior execution teams here. But

there's been a real gap between this sentiment in the asset value of the company and the core financial performance. It has been regular misses on client retention, pipeline conversion and any stability to growth. Recognize that you've been in the role for 30 days, but I was just -- I had 3 questions. I'm just curious, what's your take on what are -- what have been some of the drivers in some of the financial underperformance in recent periods?

Second question, your experience previously CEO at Crawford, what do you bring to the table in terms of being able to turn around the company? Just curious on that perspective. And then final, I understand this is yet another transition year for the company. How should we think about measuring any milestones in the next 12 months? I appreciate it.

<A: Rohit Verma> Thank you, Peter. Great set of questions. So let me start from the top, right? What do I think are the drivers for the financial underperformance First and foremost, *I had a hypothesis when I was coming into the organization.* And that hypothesis was, as you stated, right, we're in a great industry. We've been here for a long time. Our brand is well recognized. We've got an enviable client base. And we have a service that if we execute well, it should be sticky. *30 days in, I have only strengthened that conviction, right, which is that those things are absolutely correct.* Obviously, while coming in, I also knew that financially, we had not performed to the expectations of the organization as well as that of the Street and that also I have seen. *I would say the biggest challenge for us has been on driving operational excellence, which to me is an execution piece, right? So this is not a change in the strategic direction of the company.*

This is a change in the execution of the company. So the biggest piece that we need to tighten is around execution. It's execution around operational excellence. It's execution around client management and relationship management, it's execution around technology and it's execution around continuing to innovate our products and services. So that, to me, are the 3 biggest pieces, right, that we have to push on. That leads me into my experience as the CEO at Crawford. When I joined Crawford, right, we had not grown for 10 years.

...

<Q: Peter James Heckmann – D.A. Davidson & Co. – MD & Senior Research Analyst> Rohit, congrats on the new role. I think it's good to have you as the firm and look forward to working with you. I think the termination of the dividend program right after that was the right decision. And as we look into some of the initiatives here that we've just talked about, the additional comp in the fourth quarter of '25 and then the \$100 million of incremental investment spend in certain areas, I guess, what portion of both of those do you view as recurring versus onetime? And in terms of the \$100 million recurring, would you expect that to be front-end loaded in 2026?

<A: Rohit Verma> Great question, Peter. Thank you so much, and I look forward to meeting you as well. Peter, *the way I would think about it is that the \$100 million is not an additional investment. It is the CapEx that we have planned for this year. It's the capital investment we've planned for this year. Do I expect it to repeat it? I expect some part of it to repeat, right, because a lot of these things that we're trying to do aren't going to be done in 1 year. But as I had answered to Peter from Citi before that this has been an execution journey for us or this will be an execution journey for us and a large part of that depends on us doing -- bringing about changes in our processes, bringing about changes in our systems and modernizing those things to really meet the needs and asks of our clients.*

As far as the nature of the compensation, I do expect that to be recurring. And the reason I say that is because we are adding more horsepower from a sales management perspective. I want to make sure that individuals are incentivized for driving execution. And because I want execution to be the way we do business, I expect that part of the expense to be recurring.

(Emphasis added).

78. The aforementioned press releases and statements made by Alight's new management contradicted the Individual Defendants' earlier statements, including those made during the August 5 and November 5, 2025, earnings calls. During those calls, the Defendants portrayed an understanding of the issues surrounding their revenue slowdown and seemed confident in being able to turn around the execution shortcomings they highlighted. Defendants' reduced guidance allegedly factored in continued risks and plans to implement improvements to the execution of Alight's sales force. Defendants' comments surrounding their next steps toward such improvement made no suggestion that the dividend, initially issued to highlight management's "commitment ... to consistently return capital," would need to be omitted to facilitate Defendants' projections.

79. Investors and analysts again reacted promptly to Alight's revelations. The price of Alight's common stock declined dramatically. From a closing market price of \$1.31 per share on February 18, 2026, Alight's stock price fell to \$0.81 per share on February 19, 2026, a decline of nearly 38% in the span of one day.

80. A number of well-known analysts who had been following Alight lowered their price targets in response to Alight's disclosures. For example, DA Davidson, which cut its price target 40%, highlighted the revenue and earnings shortfall, with margins "pressured in the period by lower overall revenue as well as higher compensation expense." Detailing the results, the Analyst's report highlighted that "Project revenue as the primary drag to total revenue in the 4Q, falling 27% Y/Y"; notably, "project revenue fell 10% Y/Y to \$197M" in 2024, followed by "an additional 22% Y/Y to \$154M in 2025." The Analyst also highlighted that the "Board terminated the company's quarterly dividend program," fell short of providing any guidance for Fiscal 2026, and "recognized a non-cash goodwill impairment charge of \$0.8B," bringing the total annual impairment to \$3.1B in 2025.

81. Citi had some harsher words for the Company's challenges, calling it "the classic definition of a value trap." The Analyst highlighted that the Company's "fourth CEO since 2018 has only started assessing 'execution' driven challenges" and notes that Citi "no longer see[s] a pathway for the stock to return to previous levels soon. The Analyst went on to highlight that "Project revenue decline 27% YoY," noted the EBITDA and EPS shortfalls, and acknowledged that Alight was "eliminating the regular dividend." Citi's Analyst resultantly slashed their price target for Alight by more than 90% to only \$1.00.

82. The fact that these analysts, and others, discussed Alight's revenue and earnings shortfall, sudden CEO and CFO transitions, elimination of the recently instituted dividend, and overall execution missteps and challenges suggests the public placed significant weight on Alight's statements of prior confidence in their new growth plans. The frequent, in-depth discussion of Alight's repeated shortfalls and missed guidance confirms that Defendants' statements during the Class Period were material.

Additional Scienter Allegations

83. During the Class Period, Defendants acted with scienter in that they knew, should have known, or otherwise were deliberately reckless in not knowing that the public statements disseminated on behalf of Alight were materially false and misleading at the time they were made. Defendants had actual knowledge of, or access to, non-public information concerning the growth prospects for its business, including, but not limited to, the impact of the dividend on Alight's ability to reinvest in its salesforce, the execution potential of its salesforce and the conditions of their employment, including compensation and incentives designed to facilitate such execution, and the overall opportunity for the Company to stabilize its project revenue growth while maintaining its high retention to support continued ARR growth.

84. Notwithstanding such, Defendants repeatedly and affirmatively represented to investors that Alight was well positioned to capitalize the changes and improvements to the Company made throughout 2024, including the "repositioning of [its] commercial team," placing themselves "on solid footing" with large enterprise clients, and the expectation for margins to continue "to improve irrespective of the growth profile."

85. Defendants further assured investors the dividend initiated during Alight's third quarter fiscal 2024 call was a "commitment" to its shareholders to "consistently return capital" to them "over the long term."

86. Yet Defendants made selective and misleading disclosures in failing to articulate the risk to the dividend distribution plan or the reality of the execution concerns underlying Defendants lofty projections.

87. Defendants' scienter was further evidenced by their repeated claims of confidence in the Company's growth trajectory. The Individual Defendants articulated a desire to ensure

commitment to their shareholders through regular dividends, which were to be supported by Alight's growth prospects as outlined in the Company's updated fiscal 2025 guidance and mid-term targets.

88. In particular, while Defendants' projections repeatedly claimed that its project revenue growth would move toward stabilization, it continued to falter at an alarming rate. For example, during Alight's second quarter fiscal 2025 earnings call, Defendants acknowledged that project revenue was eroding faster than anticipated, revising their prior estimate for a 6% decline down closer to 9% or 10% down for the year," more or less in-line with Alight's 2024 project revenue decline of 10%. Yet, project revenue had already faltered more than 22% in the first half of 2025. Defendants were at least deliberately reckless in presuming such a steep ramp in growth for the second half of the year, particularly as they simultaneously claimed they were "not seeing the inflection that we had hoped for."

89. Defendants' scienter was even further evidenced by the abrupt departure of both of the Individual Defendants from Alight during the fourth quarter of fiscal 2025. Defendant Guilmette's departure was particularly sudden as he had only stayed with the company through four quarters, with Alight publishing the notice of his departure a mere 14 months following his appointment announcement, and a very surprising 8 months following the full departure from the previous CEO, Stephan Scholl, from his advisory role; a role seemingly not similarly offered to Guilmette upon his departure.

90. In retrospect, it arguably appears that either or both of the Individual Defendants were ultimately forced out of the Company due to the issues underlying the instant matter. Defendants Guilmette and Heaton apparently needed their projections to pan out in a way that

allowed the Company to return to growth while continuing to support its dividend in order to maintain their positions at Alight.

91. Ultimately, Defendants were aware that their projections were, rather than sensible targets, apparent risk-plays designed to, if achieved, directly benefit the Individual Defendants. However, such lofty projections were, at best, deliberately reckless. In reality, they were unachievable goals without significant overhauls to Alight's execution, including an increase in hiring expenses due to increased compensation and incentives needed to facilitate the execution required to achieve such projections.

92. Moreover, considering the disappointing outcome was ultimately significantly blamed on the failure to "driv[e] operational excellence ... an execution piece," Defendants' repeated statements of confidence and being "intensely focused on execution" were, at best, deliberately reckless.

93. Finally, Defendants knew or should have known that the dividend distribution plan was not the ideal way to reflect their "commitment . . . to our shareholders," and that there were "more efficient capital allocation activities" that would better serve the long-term health of the Company. Defendants were at least deliberately reckless by instituting a dividend that would have to be rescinded in a year if the Company could not meet the high expectations set by its management.

Loss Causation and Economic Loss

94. During the Class Period, as detailed herein, Defendants made materially false and misleading statements and engaged in a scheme to deceive the market and a course of conduct that artificially inflated the price of Alight's common stock and operated as a fraud or deceit on Class Period purchasers of Alight's common stock by materially misleading the investing public. Later,

Defendants' prior misrepresentations and fraudulent conduct became apparent to the market, the price of Alight's common stock materially declined, as the prior artificial inflation came out of the price over time. As a result of their purchases of Alight's common stock during the Class Period, Plaintiff and other members of the Class suffered economic loss, *i.e.*, damages under federal securities laws.

95. Alight's stock price fell in response to the partial corrective event on August 5, 2025, as alleged *supra*. On August 5, 2025, Defendants disclosed information that was directly related to their prior misrepresentations and material omissions concerning Alight's forecasting processes and growth guidance.

96. Notably, On August 5, 2025, Alight announced that its results were faltering below internal expectations, with ARR and project revenue both sliding below growth projections and ultimately requiring a revenue guidance cut in part due to management's perceived execution shortfalls of Alight's sales team.

97. Alight's stock price fell again in response to the final corrective event on February 19, 2026, as alleged *supra*. On February 19, 2026, Defendants disclosed additional information that was directly related to previous and additional misrepresentations and material omissions concerning Alight's forecasting process and growth projections related to both the Company's project revenue growth potential, the overall ability for its salesforce to execute on management's projections, and the ability for investors to rely upon the consistent returns the dividend provided.

98. In particular, on February 19, 2026, Alight announced "internal financial targets and new bookings and renewals did not meet our expectations, leading us to miss our forecast to the market." Alight further announced a significant adjusted earnings miss due to an "increase in compensation expense," which was captioned as necessary to drive execution performance among

its salesforce. Ultimately, by the time of the reveal, Alight was under new management and they further felt inclined to terminate the Company's dividend, suggesting it was an ineffective method to "drive long-term shareholder value."

Presumption of Reliance; Fraud-On-The-Market

99. At all relevant times, the market for Alight's common stock was an efficient market for the following reasons, among others:

(a) Alight's common stock met the requirements for listing and was listed and actively traded on the NYSE during the Class Period, a highly efficient and automated market;

(b) Alight communicated with public investors via established market communication mechanisms, including disseminations of press releases on the national circuits of major newswire services and other wide-ranging public disclosures, such as communications with the financial press and other similar reporting services;

(c) Alight was followed by several securities analysts employed by major brokerage firms who wrote reports that were distributed to the sales force and certain customers of their respective brokerage firms during the Class Period. Each of these reports was publicly available and entered the public marketplace; and

(d) Unexpected material news about Alight was reflected in and incorporated into the Company's stock price during the Class Period.

100. As a result of the foregoing, the market for Alight's common stock promptly digested current information regarding the Company from all publicly available sources and reflected such information in Alight's stock price. Under these circumstances, all purchasers of Alight's common stock during the Class Period suffered similar injury through their purchase of Alight's common stock at artificially inflated prices, and a presumption of reliance applies.

101. Alternatively, reliance need not be proven in this action because the action involves omissions and deficient disclosures. Positive proof of reliance is not a prerequisite to recovery pursuant to ruling of the United States Supreme Court in *Affiliated Ute Citizens of Utah v. United States*, 406 U.S. 128 (1972). All that is necessary is that the facts withheld be material in the sense that a reasonable investor might have considered the omitted information important in deciding whether to buy or sell the subject security.

No Safe Harbor; Inapplicability of Bespeaks Caution Doctrine

102. The statutory safe harbor provided for forward-looking statements under certain circumstances does not apply to any of the material misrepresentations and omissions alleged in this Complaint. As alleged above, Defendants' liability stems from the fact that they provided investors with statements, assurances, and projections while at the same time failing to maintain adequate forecasting processes. Defendants provided the public with forecasts that failed to account for Alight's inability to execute to the level management anticipated and failed to articulate the risk of retiring the newly initiated dividend if such execution thresholds could not be obtained.

103. To the extent certain of the statements alleged to be misleading or inaccurate may be characterized as forward looking, they were not identified as "forward-looking statements" when made and there were no meaningful cautionary statements identifying important factors that could cause actual results to differ materially from those in the purportedly forward-looking statements.

104. Defendants are also liable for any false or misleading "forward-looking statements" pleaded because, at the time each "forward-looking statement" was made, the speaker knew the "forward-looking statement" was false or misleading and the "forward-looking statement" was authorized and/or approved by an executive officer of Alight who knew that the "forward-looking

statement” was false. Alternatively, none of the historic or present-tense statements made by Defendants were assumptions underlying or relating to any plan, projection, or statement of future economic performance, as they were not stated to be such assumptions underlying or relating to any projection or statement of future economic performance when made, nor were any of the projections or forecasts made by the defendants expressly related to or stated to be dependent on those historic or present-tense statements when made.

CLASS ACTION ALLEGATIONS

105. Plaintiff brings this action as a class action pursuant to Federal Rule of Civil Procedure 23(a) and (b)(3) on behalf of a Class, consisting of all those who purchased or otherwise acquired Alight’s common stock during the Class Period (the “Class”); and were damaged upon the revelation of the alleged corrective disclosure. Excluded from the Class are defendants herein, the officers and directors of the Company, at all relevant times, members of their immediate families and their legal representatives, heirs, successors or assigns and any entity in which defendants have or had a controlling interest.

106. The members of the Class are so numerous that joinder of all members is impracticable. Throughout the Class Period, Alight’s common stock were actively traded on the NYSE. While the exact number of Class members is unknown to Plaintiff at this time and can be ascertained only through appropriate discovery, Plaintiff believes that there are hundreds or thousands of members in the proposed Class. Record owners and other members of the Class may be identified from records maintained by Alight or its transfer agent and may be notified of the pendency of this action by mail, using the form of notice similar to that customarily used in securities class actions. As of February 17, 2026, there were 524 million shares of the Company’s Class A common stock outstanding. Upon information and belief, these shares are held by

thousands, if not millions, of individuals located throughout the country and possibly the world. Joinder would be highly impracticable.

107. Plaintiff's claims are typical of the claims of the members of the Class as all members of the Class are similarly affected by Defendants' wrongful conduct in violation of federal law that is complained of herein.

108. Plaintiff will fairly and adequately protect the interests of the members of the Class and has retained counsel competent and experienced in class and securities litigation. Plaintiff has no interests antagonistic to or in conflict with those of the Class.

109. Common questions of law and fact exist as to all members of the Class and predominate over any questions solely affecting individual members of the Class. Among the questions of law and fact common to the Class are:

(a) whether the federal securities laws were violated by Defendants' acts as alleged herein;

(b) whether statements made by Defendants to the investing public during the Class Period misrepresented material facts about the business, operations and management of Alight;

(c) whether the Individual Defendants caused Alight to issue false and misleading financial statements during the Class Period;

(d) whether Defendants acted knowingly or recklessly in issuing false and misleading financial statements;

(e) whether the prices of Alight's common stock during the Class Period were artificially inflated because of the Defendants' conduct complained of herein; and

(f) whether the members of the Class have sustained damages and, if so, what is the proper measure of damages.

110. A class action is superior to all other available methods for the fair and efficient adjudication of this controversy since joinder of all members is impracticable. Furthermore, as the damages suffered by individual Class members may be relatively small, the expense and burden of individual litigation make it impossible for members of the Class to individually redress the wrongs done to them. There will be no difficulty in the management of this action as a class action.

COUNT I

Against All Defendants for Violations of

Section 10(b) and Rule 10b-5 Promulgated Thereunder

111. Plaintiff repeats and realleges each and every allegation contained above as if fully set forth herein.

112. This Count is asserted against defendants and is based upon Section 10(b) of the Exchange Act, 15 U.S.C. § 78j(b), and Rule 10b-5 promulgated thereunder by the SEC.

113. During the Class Period, Defendants engaged in a plan, scheme, conspiracy and course of conduct, pursuant to which they knowingly or recklessly engaged in acts, transactions, practices and courses of business which operated as a fraud and deceit upon Plaintiff and the other members of the Class; made various untrue statements of material facts and omitted to state material facts necessary in order to make the statements made, in light of the circumstances under which they were made, not misleading; and employed devices, schemes and artifices to defraud in connection with the purchase and sale of securities. Such scheme was intended to, and, throughout the Class Period, did: (i) deceive the investing public, including Plaintiff and other Class members, as alleged herein; (ii) artificially inflate and maintain the market price of Alight common stock; and (iii) cause Plaintiff and other members of the Class to purchase or otherwise acquire Alight's

securities at artificially inflated prices. In furtherance of this unlawful scheme, plan and course of conduct, Defendants, and each of them, took the actions set forth herein.

114. Pursuant to the above plan, scheme, conspiracy and course of conduct, each of the defendants participated directly or indirectly in the preparation and/or issuance of the quarterly and annual reports, SEC filings, press releases and other statements and documents described above, including statements made to securities analysts and the media that were designed to influence the market for Alight's securities. Such reports, filings, releases and statements were materially false and misleading in that they failed to disclose material adverse information and misrepresented the truth about the Company.

115. By virtue of their positions at the Company, Defendants had actual knowledge of the materially false and misleading statements and material omissions alleged herein and intended thereby to deceive Plaintiff and the other members of the Class, or, in the alternative, Defendants acted with reckless disregard for the truth in that they failed or refused to ascertain and disclose such facts as would reveal the materially false and misleading nature of the statements made, although such facts were readily available to Defendants. Said acts and omissions of defendants were committed willfully or with reckless disregard for the truth. In addition, each defendant knew or recklessly disregarded that material facts were being misrepresented or omitted as described above.

116. Information showing that Defendants acted knowingly or with reckless disregard for the truth is peculiarly within defendants' knowledge and control. As the senior managers and/or directors of the Company, the Individual Defendants had knowledge of the details of Alight's internal affairs.

117. The Individual Defendants are liable both directly and indirectly for the wrongs complained of herein. Because of their positions of control and authority, the Individual Defendants were able to and did, directly or indirectly, control the content of the statements of the Company. As officers and/or directors of a publicly-held company, the Individual Defendants had a duty to disseminate timely, accurate, and truthful information with respect to Alight's businesses, operations, future financial condition and future prospects. As a result of the dissemination of the aforementioned false and misleading reports, releases and public statements, the market price of Alight's common stock was artificially inflated throughout the Class Period. In ignorance of the adverse facts concerning the Company which were concealed by Defendants, Plaintiff and the other members of the Class purchased or otherwise acquired Alight's common stock at artificially inflated prices and relied upon the price of the common stock, the integrity of the market for the common stock and/or upon statements disseminated by Defendants, and were damaged thereby.

118. During the Class Period, Alight's common stock was traded on an active and efficient market. Plaintiff and the other members of the Class, relying on the materially false and misleading statements described herein, which the defendants made, issued or caused to be disseminated, or relying upon the integrity of the market, purchased or otherwise acquired shares of Alight's common stock at prices artificially inflated by defendants' wrongful conduct. Had Plaintiff and the other members of the Class known the truth, they would not have purchased or otherwise acquired said common stock, or would not have purchased or otherwise acquired them at the inflated prices that were paid. At the time of the purchases and/or acquisitions by Plaintiff and the Class, the true value of Alight's common stock was substantially lower than the prices paid by Plaintiff and the other members of the Class. The market price of Alight's common stock

declined sharply upon public disclosure of the facts alleged herein to the injury of Plaintiff and Class members.

119. By reason of the conduct alleged herein, Defendants knowingly or recklessly, directly or indirectly, have violated Section 10(b) of the Exchange Act and Rule 10b-5 promulgated thereunder.

120. As a direct and proximate result of defendants' wrongful conduct, Plaintiff and the other members of the Class suffered damages in connection with their respective purchases, acquisitions and sales of the Company's common stock during the Class Period, upon the disclosure that the Company had been disseminating misrepresented financial statements to the investing public.

COUNT II

Against the Individual Defendants

for Violations of Section 20(a) of the Exchange Act

121. Plaintiff repeats and realleges each and every allegation contained in the foregoing paragraphs as if fully set forth herein.

122. During the Class Period, the Individual Defendants participated in the operation and management of the Company, and conducted and participated, directly and indirectly, in the conduct of the Company's business affairs. Because of their senior positions, they knew the adverse non-public information about Alight's misstatements.

123. As officers and/or directors of a publicly owned company, the Individual Defendants had a duty to disseminate accurate and truthful information, and to correct promptly any public statements issued by Alight which had become materially false or misleading.

124. Because of their positions of control and authority as senior officers, the Individual Defendants were able to, and did, control the contents of the various reports, press releases and public filings which Alight disseminated in the marketplace during the Class Period concerning the misrepresentations. Throughout the Class Period, the Individual Defendants exercised their power and authority to cause Alight to engage in the wrongful acts complained of herein. The Individual Defendants therefore, were “controlling persons” of the Company within the meaning of Section 20(a) of the Exchange Act. In this capacity, they participated in the unlawful conduct alleged which artificially inflated the market price of Alight’s common stock.

125. Each of the Individual Defendants, therefore, acted as a controlling person of the Company. By reason of their senior management positions and/or being directors of the Company, each of the Individual Defendants had the power to direct the actions of, and exercised the same to cause Alight to engage in the unlawful acts and conduct complained of herein. Each of the Individual Defendants exercised control over the general operations of the Company and possessed the power to control the specific activities which comprise the primary violations about which Plaintiff and the other members of the Class complain.

126. By reason of the above conduct, the Individual Defendants and/or Alight are liable pursuant to Section 20(a) of the Exchange Act for the violations committed by the Company.

PRAYER FOR RELIEF

WHEREFORE, Plaintiff demand judgment against defendants as follows:

- A. Determining that the instant action may be maintained as a class action under Rule 23 of the Federal Rules of Civil Procedure, and certifying Plaintiff as the Class representatives;
- B. Requiring Defendants to pay damages sustained by Plaintiff and the Class by reason of the acts and transactions alleged herein;

C. Awarding Plaintiff and the other members of the Class pre-judgment and post-judgment interest, as well as their reasonable attorneys' fees, expert fees and other costs; and

D. Awarding such other and further relief as this Court may deem just and proper.

DEMAND FOR TRIAL BY JURY

Plaintiff hereby demands a trial by jury.

Dated: March 16, 2026