



SpencerStuart

2015

Spencer Stuart
Board Index

About Spencer Stuart Board Services

At Spencer Stuart, we know how much leadership matters. We are trusted by organizations around the world to help them make the senior-level leadership decisions that have a lasting impact on their enterprises. Through our executive search, board and leadership advisory services, we help build and enhance high-performing teams for select clients ranging from major multinationals to emerging companies to nonprofit institutions.

Privately held since 1956, we focus on delivering knowledge, insight and results through the collaborative efforts of a team of experts — now spanning 56 offices, 30 countries and more than 50 practice specialties. Boards and leaders consistently turn to Spencer Stuart to help address their evolving leadership needs in areas such as senior-level executive search, board recruitment, board effectiveness, succession planning, in-depth senior management assessment and many other facets of organizational effectiveness.

For more than 30 years, our Board Practice has helped boards around the world identify and recruit independent directors and provided advice to chairmen, CEOs and nominating committees on important governance issues. In the past year alone, we have conducted nearly 700 director searches. We are the firm of choice for both leading multinationals and smaller organizations, conducting more than one-third of our assignments for companies with revenues under \$1 billion.

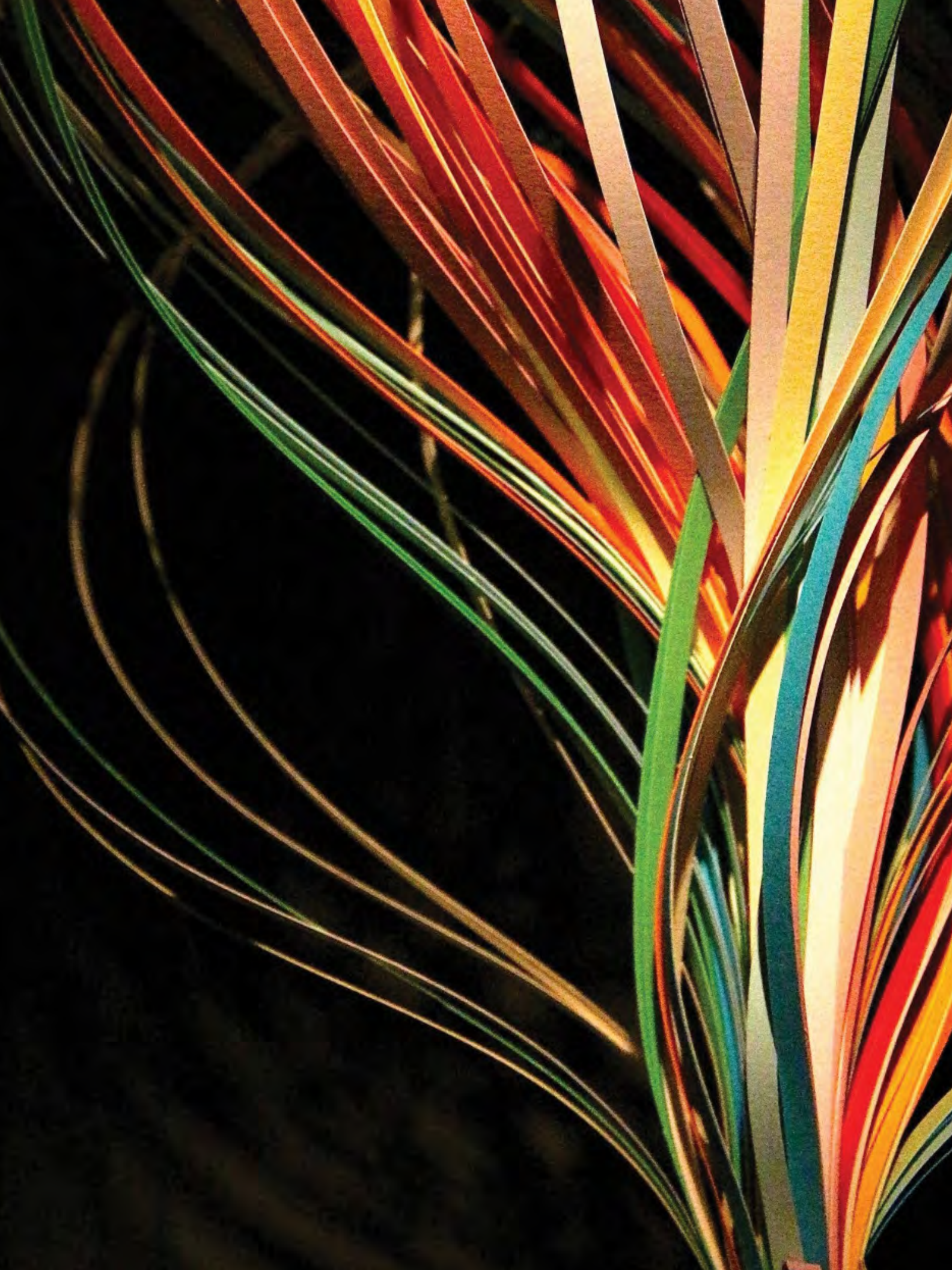
Our global team of board experts works together to ensure that our clients have unrivaled access to the best existing and potential director talent, and regularly assists boards in increasing the diversity of their composition. We have helped place women in more than 1,400 board director roles and recruited roughly 600 minority directors around the world.

In addition to our work with clients, Spencer Stuart has long played an active role in corporate governance by exploring — both on our own and with other prestigious institutions — key concerns of boards and innovative solutions to the challenges facing them. Publishing the *Spencer Stuart Board Index* (SSBI), now in its 30th edition, is just one of our many ongoing efforts:

- > Each year, we sponsor and participate in several acclaimed director education programs including:
 - The New York Stock Exchange (NYSE) Annual Boardroom Summit & Peer Exchange hosted by NYSE Governance Services
 - The Global Board Leaders' Summit hosted by the National Association of Corporate Directors
 - The Global Institutes sponsored by the WomenCorporateDirectors (WCD) Foundation
 - The Corporate Governance Conference at Northwestern University's Kellogg School of Management
 - The New Directors Program, a unique two-year development program designed to provide first-time, non-executive directors with an exclusive forum for peer dialogue on key issues and “unwritten rules” of corporate boards, produced in partnership with the Boston Consulting Group, Frederick W. Cook & Co., Gibson Dunn, Lazard and PricewaterhouseCoopers

Contents

1	SPENCER STUART PERSPECTIVE FOR 2015
6	S&P 500 BOARDS: FIVE- AND 10-YEAR TRENDS
8	BOARD COMPOSITION
8	New Independent Directors
10	Recruiting New Directors
11	Director Onboarding
12	Board Size
12	Board Independence
12	Term Length and Resignation Policies
13	Restrictions on Other Corporate Directorships
14	Term Limits
14	Average Age
15	Mandatory Retirement
16	Director Tenure
16	Female Directors
17	Minority Directors
19	CEO Succession Planning
19	CEO Outside Board Service
20	Separation of Chairman and CEO Roles
20	Independent Chairman Background
22	Shareholder Engagement
23	Lead and Presiding Directors
25	BOARD ORGANIZATION AND PROCESS
25	Board Meetings
26	Committee Structure and Independence
26	Committee Meeting Frequency
27	Cybersecurity
27	Committee Chairman Background
29	Board Evaluations
30	DIRECTOR COMPENSATION
30	Overall Compensation Mix
31	Board Retainers
32	Board Meeting Fees
32	Equity Compensation
33	Board Leadership Compensation
33	Committee Compensation
35	Averages by Industry, Region, Sales
37	COMPARATIVE BOARD DATA



Spencer Stuart Perspective for 2015

Investor attention to board performance and governance has escalated in the past several years, and it's not just activists who have raised their expectations. "Passive" investors are becoming decidedly less passive in articulating their expectations for boards in areas such as board composition, disclosure and shareholder engagement. Large institutional shareholders of companies across industries and market caps are increasingly asking: How is the board performing? And many expect to engage with boards on a range of issues, including board succession and refreshment, compensation, risk management as well as strategic and governance concerns.

A particular focus has been board composition. Traditional institutional investors have become more explicit in calling on boards to demonstrate that they are being thoughtful about who is sitting around the board table and that directors are contributing. Firms such as State Street, BlackRock and Vanguard have put boards on notice that they are looking more closely at disclosures related to board refreshment, shareholder engagement, board performance and assessment practices, in some cases establishing formal policies.

- > State Street Global Advisors established a voting policy on director tenure in 2014, intended to encourage boards with predominately long-tenured directors to better address director succession planning. The policy calls on boards to focus on the refreshment of director skills and plan for director succession in an orderly manner, and it articulates the ways tenure issues may influence State Street's voting decisions.
- > Vanguard has outlined six principles of governance, which it has communicated in various forums, including letters to independent leaders of the boards of its largest holdings. In particular, the firm has emphasized its expectation that directors will engage with shareholders. Chairman and CEO F. William McNabb III explained in a *Financial Times* article, "Independent directors are doing a good job, but we find they are not as engaged with shareholders as they should be. Directors are standing in on behalf of owners — it is an important concept — and there are many independent directors who have never met an investor."

What's driving this attention to corporate governance by these long-term, passive investors? Precisely because they are focused on long-term growth, they want to provide input to the board, and they rely on boards to oversee management and its strategy. The cornerstone of a board's ability to provide independent oversight is appropriate board composition. For this reason, expectations are growing that boards will provide greater transparency about the skills directors bring and why they collectively possess the right expertise in light of the company's strategic direction. They also want to know that boards are assessing their performance and holding directors to high standards.

Focused on long-term growth, institutional shareholders want to provide input to the board, and they rely on boards to oversee management and its strategy.

376

Number of independent directors added in 2015

Our analysis of the proxies of S&P 500 companies shows that some companies have become more transparent with shareholders about their composition and how they think about director succession planning. While boards are required to describe the skills and expertise each director brings, it's more common today for boards to provide detailed skill matrices in their proxies. And some boards address topics such as director tenure and board succession strategies in their proxies. Nevertheless, in general, a gap remains between what boards are communicating and what shareholders want to know.

To get a better sense of the state of shareholder engagement, we surveyed corporate secretaries about the issues raised by shareholders and the board's interaction with investors:

- > 42% reported that the board or management was formally contacted by the company's large institutional shareholders or largest shareholders specifically regarding a governance-related topic. 70% said management or the board proactively reached out to the company's large investors in the past year, an increase from 62% in 2014.
- > Public and private pension funds were the most likely to initiate contact with boards, representing 51% of the contacts. Activist shareholders accounted for 17% of the inquiries, and mutual funds, 16%.
- > Proxy access and board composition and renewal were among the top issues raised by shareholders in the 2015 survey. Board composition and refreshment accounted for 14% of investor inquiries, and another 13% were related to director tenure. Director nominations accounted for another 11% of contacts.

A focus on performance: What boards can do

With momentum quickly shifting behind issues such as board refreshment, rigor around composition and assessment, board directors have taken notice. Directors want to ensure that their boards contribute at the highest level, aligning with shareholder interests and expectations, and setting a positive tone at the top for the organization by holding themselves to a high standard. We have identified five best practices for boards related to board composition and shareholder engagement.

3%

Percentage of boards that specify term limits

View director recruitment in terms of ongoing board succession planning, not one-off replacements.

Investors expect that boards evaluate board composition holistically, in the context of the company's long-term strategy, the current business environment and the diversity of stakeholders. Led by the nominating/governance committee, boards should periodically review the skills and expertise on the board to identify gaps based on changes in strategy or the business context. For example, the board of a company with a new first-time CEO may decide it needs someone able to serve as a mentor. When thinking about the contributions needed in the boardroom, boards also may want to consider valuable soft skills: Do we have someone who asks the tough questions of management? Who is a creative thinker who views issues with a fresh perspective? Who helps to bring closure on discussions?

Proactively communicate the skill-sets and expertise in the boardroom — and the roadmap for future board succession.

Investors are looking for a well-explained rationale for why the group of people sitting around the board table are the right ones based on the strategic priorities of the business. They also want assurances that the board has processes in place to continue to evolve board composition in light of emerging needs. More broadly, investors want to understand the board's approach to board renewal and that it regularly evaluates the contributions and tenure of current board members as well as the relevance of their experience. Publishing a skill matrix and sharing the board's thinking about the types of expertise needed on the board — and how individual directors provide that expertise — are increasingly considered best practice.

Set expectations for appropriate tenure both at the aggregate and individual levels.

One way boards can combat the perceived stigma attached to leaving a board before the mandatory retirement age kicks in is to set term expectations when new directors join. Long-standing board members often are surprised when they are asked to leave because things have been left open-ended. Setting expectations at the outset reduces the element of surprise. Furthermore, individual directors should be encouraged to think critically about their own contributions and whether the experience they bring is as relevant today as when they joined the board. The best boards create an environment where directors are willing to acknowledge when the board would benefit from bringing on different expertise. They also refrain from changing or waiving mandatory retirement, except in unique cases.

Think like an activist and identify vulnerabilities in board renewal and performance.

Boards may be confident in their current composition and level of refresh, but left unaddressed, it may put a board on the radar screen of an activist. Activists often conduct side-by-side comparisons of directors' skill-sets and experiences against the company's strategic agenda, looking for weaknesses in expertise or performance. Boards would do well to conduct "opposition research" on their own to identify potential vulnerabilities. The annual board evaluation is an important platform for thinking critically about board performance and composition and tackling any weaknesses, and it's one that investors increasingly want to know more about. Proactive boards include individual director assessments in their annual board evaluations, periodically engaging third parties to manage the process, and are disciplined about identifying and holding themselves accountable for action items stemming from the assessment.

Establish a framework for engaging with investors.

Given investors' growing desire for direct engagement with directors, more boards are establishing frameworks for investors to raise questions and engage in meaningful, two-way discussions with the board. The conversation with investors begins with public disclosures. Proactive and creative disclosure demonstrates that the board has thought about its composition, performance and other specific issues. In addition, it's valuable to have a protocol in place that enumerates

63.1

Average age of
independent directors

34%

Percentage of boards
with retirement age
set at 75 or older

responsibilities related to shareholder engagement. One approach is to adopt the 10-point protocol developed by the Shareholder Directors Exchange, which offers guidance to U.S. public company boards and shareholders on when such engagement is appropriate and how to make these engagements valuable and effective. For some boards, it may make sense to establish a shareholder engagement committee.

FIVE QUESTIONS FOR BOARD COMPOSITION

1. When was the last time we conducted a side-by-side comparison of directors' skill-sets and experiences against the company's strategic agenda?
2. Have we clearly communicated with investors a well-explained rationale for why directors are on the board?
3. Have we clearly communicated with investors that we have a process in place to ensure we continue to have the best group of people on the board?
4. How are we ensuring board refreshment?
5. Have we fostered an environment that encourages individual directors to think critically about their contributions and the relevance of their skills to the company strategy?

FIVE QUESTIONS FOR SHAREHOLDER ENGAGEMENT

1. Do we have someone with investor relations skills?
2. What is our protocol for engaging with shareholders?
3. Who will communicate with shareholders in a crisis?
4. How do we make sure we are getting the necessary feedback from investors?
5. Are we empowering management to relay both negative and positive investor feedback?

OTHER HIGHLIGHTS FROM THIS YEAR'S INDEX

- > S&P 500 boards included in our index elected 376 new independent directors during the 2015 proxy year — averaging 0.78 new directors per board. Last year, S&P 500 boards added a total of 371 new directors. This class of new independent directors is the largest since 2008, when S&P 500 boards added 380 independent directors.
- > More than half (53%) of new independent directors are active, compared with 47% in 2014, when the representation of fully employed executives dipped below 50% of all new directors for the first time.
- > Only 20% of new independent directors are active CEOs, chairs, presidents and COOs, compared with 22% in 2014, 26% in 2010 and 32% in 2005.
- > Just over one-quarter of new independent directors (26%) are first-time corporate board members. Last year, 39% of new directors were serving on their first corporate board, the largest influx of first-time directors we have seen.
- > Women represented 31% of new directors in 2015, up one percentage point from 2014 and nearly 50% over the past five years.

-
- > More than three-quarters of S&P 500 boards (77%) limit directors from accepting other corporate directorships, an increase from 71% in 2010. Boards have placed restrictions on outside board service to minimize the possibility of directors becoming “overboarded” with insufficient time to devote to board responsibilities.
 - > Directors themselves recognize the increased time commitment: 66% of independent directors have two or fewer boards.
 - > 13 S&P 500 boards (3%) set an explicit term limit for non-executive directors, a decrease from 24 (5%) in 2010. 66% of boards explicitly state in their corporate governance guidelines that they do not have term limits, while 31% do not mention term limits at all.
 - > The average age of S&P 500 independent directors is 63.1, unchanged from 2014 but more than two years older than a decade ago.
 - > Among the 73% of boards that have established a mandatory retirement age for directors, half set the retirement age at 72, which has remained relatively consistent in the past decade. However, 34% of boards set the retirement age at 75 or older, compared with 8% in 2005.
 - > The average tenure of S&P 500 boards is 8.5 years, roughly stable for the past five years. The majority of boards, 62%, have an average tenure between six and 10 years. 21% of boards have an average tenure of 11 or more years.
 - > Among proxies that addressed cybersecurity, the responsibility typically falls to the audit committee. There has not been any discernible increase in boards with technology committees; however, 12% of boards now have a standalone risk committee compared to 9% last year.
 - > Half of boards, 52%, evaluate the full board and committees, and one-third evaluate the full board, committees and individual directors annually. This represents an increase from 2010, when 24% examined the performance of the board, committees and individual directors as part of their annual evaluations.
 - > The average total compensation for S&P 500 directors is \$277,237, 5% higher than the 2014 average. When compensation for the independent chairman is excluded, the average total compensation per director falls to \$272,497.

8.5^{years}

Average tenure of
S&P 500 boards

31%

Percentage of women among
new independent directors

Editor's Note: The *Spencer Stuart Board Index* is based on our analysis of the most recent proxy reports from the S&P 500, plus an extensive supplemental survey. This edition of the SSBI draws on the latest proxy statements from 486 companies filed between May 20, 2014, and May 15, 2015, and responses from 85 companies to our governance survey conducted in the second quarter of 2015. Survey respondents are typically corporate secretaries, general counsel or chief governance officers. Proxy and survey data have been supplemented with information compiled in Spencer Stuart's proprietary database.

S&P 500 Boards: Five-Year and 10-Year Trends

	2015 ^(a)	2010 ^(b)	2005 ^(c)	5-year % change	10-year % change	Comments
Board composition						
Average board size	10.8	10.7	10.7	1%	1%	Board size stable over 10 years
Independent directors	84%	84%	80%	0%	5%	Share of independent directors grew in past decade
Average age of independent directors	63.1	62.1	60.8	2%	4%	On average directors are more than two years older than in 2005
New independent directors						
Total number	376	302	333	25%	13%	The highest number of new directors since 2008
Women	31%	21%	20%	48%	55%	Boards welcomed 117 new female directors, topping last year as the most ever
Active CEO/chair/president/COO	20%	26%	32%	-23%	-38%	Sitting CEOs and other top executives continue to reduce their outside board commitments
Retired CEO/chair/president/COO	18%	17%	13%	6%	38%	More retired senior executives tapped for board service
Financial backgrounds	24%	21%	20%	14%	20%	Nearly a quarter of new directors bring financial expertise
Other corporate executives	25%	18%	16%	39%	56%	Non-CEOs have become an important source of new directors
Women directors						
Women as percentage of all directors	20%	16%	15%	25%	33%	Female representation grew by 5 percentage points over the past decade
Boards with at least one woman director	97%	90%	88%	8%	10%	13 boards have no female directors
CEO profile						
CEOs who serve on an outside public company board	43%	46%	56%	-7%	-23%	The number of CEOs who accept outside board directorships continues to decline
Women CEOs	22	18	9	22%	144%	Women lead only 4.4% of S&P 500 companies
Boards where CEO is the only non-independent	61%	53%	39%	14%	55%	Significant decline in boards with more than one executive member
Average age	57.0	56.1	55.4	2%	3%	The average age of CEOs has fluctuated between 55 and 57 in past 10 years
Average tenure with company	18.8	15.5	14.9	21%	26%	The average CEO company tenure has increased about 4 years
Board leadership independence						
CEO is also chairman	52%	60%	71%	-13%	-27%	Almost half of boards now split chair and CEO roles
Independent chairman	29%	19%	9%	53%	222%	Prevalence of independent chairs reaches new high
Boards with lead or presiding director	98%	96%	95%	2%	3%	Almost all boards without an independent chairman have a lead or presiding director
Board meetings						
Average number of board meetings	8.1	8.6	8.0	-6%	1%	After slight rise, board meeting frequency returns to 2005 level
Median number of board meetings	7	8	7	-13%	0%	Median returns to 2005 level

	2015 ^(a)	2010 ^(b)	2005 ^(c)	5-year % change	10-year % change	Comments
Retirement age						
Boards with mandatory retirement age	73%	74%	78%	-1%	-6%	Small change in the number of boards with a mandatory retirement age
Boards with mandatory retirement age of 75+	34%	19%	8%	79%	325%	Director retirement ages increasingly skew older
Boards with mandatory retirement age of 72+	94%	79%	57%	19%	65%	Nearly all boards with a retirement age place it at 72 or higher today
Committee meetings						
Average number of audit committee meetings	8.8	8.8	9.4	0%	-6%	Audit committees do not meet as often as they did a decade ago
Average number of compensation committee meetings	6.1	6.7	5.8	-9%	5%	Despite recent decline, compensation committees still meet more often than 10 years ago
Audit committee chairmen						
Active CEO/chair/president/COO	7%	13%	21%	-46%	-67%	Others are tapped for audit committee leadership as time commitment increases
Financial exec/CFO/treas/public account executive	40%	30%	16%	33%	150%	Boards more likely to turn to financial executives to chair audit committee
Non-employee director compensation						
Total average compensation ^(d)	\$277,237	\$215,000	n/a	29%	n/a	Total average compensation grows 29% in five years
Average annual retainer ^(e)	\$112,144	\$79,888	\$56,550	40%	98%	Average retainer nearly double over the 2005 value
Median annual retainer ^(e)	\$90,000	\$65,000	\$50,000	38%	80%	Median retainer reaches new level
Boards paying retainer of at least \$70,000	77%	48%	23%	60%	235%	45% pay a retainer of \$100,000 or more
Boards paying board meeting fee	21%	41%	62%	-49%	-66%	Percentage of boards paying meeting fees declines roughly 20% every five years
Average board meeting fee	\$2,041	\$2,186	\$1,846	-7%	11%	Meeting attendance fees consistently average about \$2,000
Boards offering stock option program	16%	33%	56%	-52%	-71%	Stock option grants have fallen out of favor as a component of compensation
Boards paying equity in addition to retainer	77%	79%	60%	-3%	28%	More than three-quarters of boards provide equity as well as retainer
Committee compensation						
Boards paying committee chair retainer	95%	90%	83%	6%	14%	Committee chairs receive a retainer on almost all boards
Average committee chair retainer	\$14,399	\$11,692	\$8,158	23%	77%	Committee chair retainers have increased significantly
Boards paying committee member retainer	41%	37%	27%	11%	52%	Committee member retainers have become more common as meeting fees are phased out
Average committee member retainer	\$8,926	\$7,822	\$6,422	14%	39%	Member retainer average also rises
Boards paying committee meeting fees	26%	44%	61%	-41%	-57%	About one-quarter of boards still pay committee meeting fees
Average committee meeting fees	\$1,678	\$1,620	\$1,463	4%	15%	Meeting fee amounts have modestly increased

^(a)Data based on proxy year May 20, 2014, through May 15, 2015.

^(b)Data based on proxy year May 15, 2009, through May 15, 2010.

^(c)Data based on proxy year June 1, 2004, through May 31, 2005.

^(d)Based on non-employee director compensation tables included in 486 and 489 proxies for 2015 and 2010, respectively.

^(e)Not including stock beyond retainer.

Board Composition

2015 SNAPSHOT

376 new independent directors

26% of new directors are serving for the **first time**

31% of new directors are female — **an all-time high**

29% of boards have an **independent chairman**

All but **8%** of boards have **annual director elections**



BOARDS WELCOME LARGEST CLASS OF NEW INDEPENDENT DIRECTORS SINCE 2008

- > S&P 500 boards included in our index elected 376 new independent directors during the 2015 proxy year — averaging 0.78 new directors per board. Last year, S&P 500 boards added a total of 371 directors.
- > The 376 new directors joined 255 boards, with 91 boards welcoming more than one director.
- > The number of new independent directors has been rising since 2012, when boards added only 291 new independent directors. This class of new independent directors is the largest since 2008, when S&P 500 boards added 380 independent directors.

MORE ACTIVE EXECUTIVES ARE TAPPED FOR BOARD SERVICE

- > More than half (53%) of new independent directors are active senior executives and professionals. This compares with 47% of new directors in 2014, when the representation of fully employed executives dipped below 50% of all new directors for the first time.
- > While a higher percentage of new directors are actively employed, the representation of active CEOs, chairs, presidents and chief operating officers continues to decline. Only 20% of new independent directors are active senior executives, compared with 22% in 2014, 26% in 2010 and 32% in 2005. Nevertheless, active CEOs remain the single largest source by role of new independent directors.
- > Making up for the decline in active CEOs is a rise in the number of active corporate executives a level or two down from the CEO. Other corporate executives — including active division and subsidiary presidents and line and functional leaders — make up 14% of new independent directors, compared with 9% last year. New active directors with financial backgrounds represent 12% of new independent directors in 2015, an increase from 9% last year.
- > Among the line and functional leaders, 15% hold the chief information officer title, and an additional 11% hold technology, information systems or IT security roles.

FEWER FIRST-TIME DIRECTORS JOIN S&P 500 BOARDS

- > Just over one-quarter of new independent directors (26%) are first-time corporate board members. Last year, 39% of new directors were serving on their first corporate board, the largest influx of first-time directors we have seen.
- > First-time directors are more likely to be actively employed than newly added directors with previous board experience (74% versus 47%).
- > Current or retired CEOs are more likely to have outside public company board experience. Only 19% of new directors who are current or former CEOs are serving on an outside board for the first time.

CLOSE TO ONE-THIRD OF NEW DIRECTORS ARE WOMEN

- > Women are joining S&P 500 boards in greater numbers. Female representation among new directors rose to 31% in 2015, from 30% in 2014 and 21% in 2010.
- > New female independent directors are more likely than their male counterparts to be line and functional leaders (25% versus 12%). Conversely, 47% of new male directors are current or former CEOs, chairs, presidents and COOs, versus 19% of new female directors.
- > 35% of new directors have global professional experience — defined in this report as having worked at an international location — compared with 33% in 2014. New directors have working experience in diverse global locations, including Africa, Asia, Europe and Latin America.

Spencer Stuart Governance Survey: Board refreshment

69% of survey respondents said their board has a strategy to encourage regular board refreshment. When we asked a similar question in 2014, 41% reported having a long-term strategy for encouraging board turnover. During the past several years, board renewal has become a more prominent governance topic.

Respondents cited three main drivers of their refreshment strategies: director retirements (87%), the desire to add new skills (76%) and the goal to increase the diversity of the board (62%). Only 4% said investor influence is a primary reason for addressing board refreshment.

51% of respondents said their boards intend to add at least one new director in the current year. 47% said their boards will recruit one or more directors in 2016, and 32% said their boards will be adding directors in 2017. 81% cited director retirements as a primary reason for adding board members. Adding new skills (57%) and increasing the diversity of the board (43%) were the two other primary reasons for adding directors.

Director recruiting profiles

When recruiting new directors, boards are prioritizing active CEO and COO profiles, the survey found. 65% of respondents said their boards are looking to recruit a working CEO or COO. Despite the desire for directors with these profiles, the representation of active CEOs among new directors has been declining for many years, and hit a new low this year. Only 20% of new directors in the 2015 proxy year are active CEOs, chairs, presidents and COOs.

Other recruiting priorities are women and executives with financial expertise, cited by 58% and 54% of respondents, respectively. And, in fact, we did see an uptick in the percentage of women and executives with finance backgrounds in the 2015 class of new directors.

52% of respondents said a global perspective is required, and 51% said finding minority directors is a priority.

Wish List for New Director Backgrounds*

Active CEO/COO	65%
Women	58%
Financial expertise	54%
Global perspective	52%
Minority	51%
Retired CEO/COO	41%
Technology expertise	41%
Specific industry expertise	27%
Regulatory/government expertise	21%
Cybersecurity expertise	20%
Digital or social media expertise	16%
Marketing expertise	14%
Other	13%

N = 85 survey respondents

*Percentages add up to more than 100 as respondents could select more than one category.

Data in this and other sections labeled "Added Perspective" come from our governance survey, conducted in the second quarter of 2015. This year, we heard from 85 S&P 500 companies. Respondents include corporate secretaries, general counsel and chief governance officers.

NEW DIRECTORS REPRESENT VARIED INDUSTRY AND FUNCTIONAL BACKGROUNDS

- > Demand for financial backgrounds rose modestly; 24% of new directors are active or retired executives with banking, finance, investment or accounting credentials, compared with 20% in 2014. The uptick in financial backgrounds is a result of an increase of directors coming from banking and investment management, together accounting for 15% of new directors, up from 10% last year.
- > The top three industry backgrounds for new independent directors are tech/telecommunications, consumer goods and services, and financial services, representing 16%, 14% and 12% of new director backgrounds, respectively.

New Independent Director Backgrounds*

	Year			2015	
	2005	2010	2015	Men	Women
CEO/chair/president/COO	45%	43%	38%	47%	19%
<i>Active</i>	32%	26%	20%	25%	10%
<i>Retired</i>	13%	17%	18%	22%	9%
Other corporate executives	16%	18%	25%	21%	34%
<i>Division/subsidiary presidents</i>	5%	8%	9%	9%	9%
<i>Line and functional leaders</i>	11%	10%	16%	12%	25%
Financial backgrounds	20%	21%	24%	24%	23%
<i>Financial executives/CFO/treasurers</i>	8%	8%	7%	7%	9%
<i>Bankers/investment bankers</i>	4%	2%	6%	6%	4%
<i>Investment managers/investors</i>	6%	9%	9%	9%	9%
<i>Public accounting executives**</i>	2%	2%	2%	2%	1%
Academics/nonprofit	10%	8%	5%	3%	9%
Consultants	3%	4%	2%	0%	4%
Lawyers	4%	2%	1%	1%	2%
Others***	2%	4%	5%	4%	9%

N = 259 men and 117 women in 2015

*Except where noted, all include both active and retired executives.

**All former partners or executives of public accounting firms.

***Includes retired government officials, military personnel, medical executive, founder of architectural design firm, real estate developer and philanthropist/explorer.

ADDED PERSPECTIVE

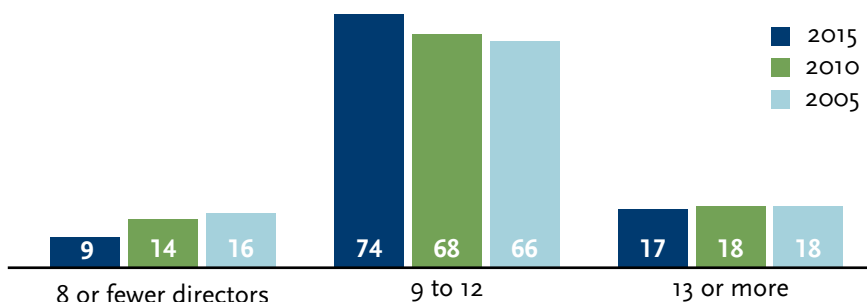
Spencer Stuart Governance Survey: Director onboarding

- > 95% said meeting with the company's auditor is part of the director orientation program, and 46% have new directors meet with the company's compensation adviser. 7% said new directors meet with outside legal counsel.
- > 71% of respondents said new directors get to know the company through site visits. 18% said new directors participate in third-party development/education programs. 17% require new board members to attend all committee meetings during their first year.
- > More than half of respondents indicated that director orientation includes meetings with a variety of company executives.

AVERAGE BOARD SIZE STABILIZES NEAR 11

- > The average size of S&P 500 boards has been consistent for more than 10 years, ranging between 10.7 and 10.9 members. The 2015 average is 10.8.
- > Boards range in size from five to 25 members. 74% of boards have nine to 12 members, compared with 66% in 2005. Smaller boards, in particular, are less common; 9% of boards have eight or fewer directors, compared with 16% in 2005.
- > CME Group tops the list of largest boards with 25 members, followed by BlackRock and BB&T, with 18 members each.
- > The smallest boards — Microchip Technology and D.R. Horton — have five directors, and four boards have six members.

Board Size



INDEPENDENT DIRECTOR REPRESENTATION HAS GROWN IN PAST DECADE

- > Independent directors now make up 84% of all S&P 500 board members, unchanged from last year. S&P 500 boards have 9.1 independent directors and 1.7 non-independent directors on average. The ratio of independent directors to non-independent directors is 5.4 to 1.
- > The CEO is the only non-independent director on 61% of S&P 500 boards today, a trend that has grown as boards have become more independent. In 2010, CEOs were the only non-independent director on 53% of boards, up from 39% in 2005.

DIRECTORS ARE ELECTED ANNUALLY ON MOST BOARDS

- > Directors stand for election on an annual basis on 92% of boards. The percentage of boards with declassified boards has increased significantly over the past decade, likely in response to shareholder demands. 51% of boards in 2005 and 72% in 2010 had annual director elections.
- > 86% of boards have established policies requiring directors who fail to secure a majority vote to offer their resignation, up from 71% in 2010. While these policies have become widespread, boards still retain the discretion to accept or decline a director's resignation following his or her failure to receive a majority vote.

RESIGNATION POLICIES IN EFFECT ON MANY BOARDS

- > Consistent with the past several years, 86% of S&P 500 boards have a provision in their corporate governance guidelines requiring directors who experience a change in employment status or significant change in job

responsibilities to notify the chairman and/or the nominating committee and offer their resignation from the board. Typically, the chair or nominating committee has the discretion to accept or decline the resignation.

- > 38% of boards report having a policy requiring the CEO to submit his or her resignation from the board when the CEO's employment with the company ends. In all cases, however, boards retain the discretion to accept or decline the resignation. This provision is more common than in 2010, when 22% of boards had such a policy.

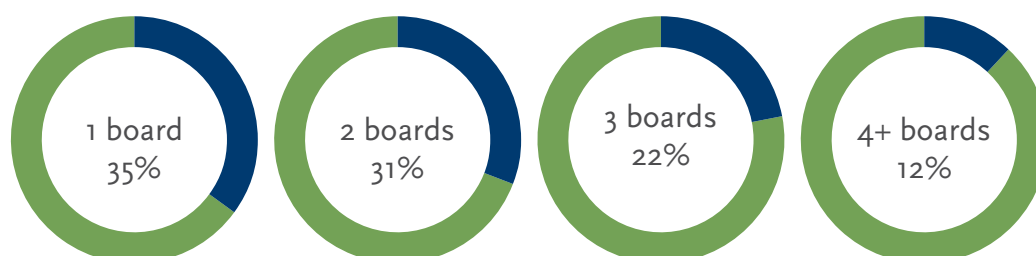
RESTRICTIONS ON OTHER PUBLIC COMPANY DIRECTORSHIPS HAVE BECOME STANDARD

- > More than three-quarters of S&P 500 boards (77%) limit directors from accepting other public company directorships, an increase from 71% in 2010. Boards have placed restrictions on outside board service to minimize the possibility of directors becoming "overboarded" with insufficient time to devote to board responsibilities.
- > 59% of boards have a numerical limit for other board service for all directors; of those, 5% cap additional directorships at two, 33% cap additional directorships at three, 39% at four, and 23% at five or six. The higher caps (five to six) typically apply specifically to retired or not fully employed directors. No company limits other directorships to one.
- > 45% of S&P 500 boards limit the number of other audit committees on which their members may serve; 92% of these boards limit the number of other audit committee memberships to two.
- > 18% of boards restrict the number of additional boards on which fully employed directors or CEOs of public companies may serve, most commonly to two outside boards. No board allows directors who are employed executives to serve on more than three additional boards.
- > Among the 113 boards that do not specify a limit on other corporate directorships, 92% require directors to notify the chairman prior to accepting an invitation to join another company board and/or encourage directors to "reasonably limit" their other board service.
- > Most CEOs are not restricted from accepting outside board assignments. Only 20% of S&P 500 boards set a specific limit in their corporate governance guidelines on the CEO's outside board service; 95% of those boards limit CEOs to one or two outside boards.

THE AVERAGE DIRECTOR SERVES ON TWO CORPORATE BOARDS

- > Although independent directors generally could serve on more, the average S&P 500 director has 2.1 corporate board affiliations. This average has remained unchanged during the last four years.
- > 65% of independent directors have two or more affiliations; 12% have four or more.

Number of Corporate Board Affiliations for Independent Directors



VERY FEW BOARDS USE DIRECTOR TERM LIMITS TO PROMOTE TURNOVER

- > 13 S&P 500 boards, 3%, set an explicit term limit for non-executive directors, a decrease from 24 (5%) in 2010. 66% of boards explicitly state in their corporate governance guidelines that they do not have term limits, while 31% do not mention term limits at all.
- > Of the 13 boards with a specific term limit, five cap director terms at 15 years, two at 10 years, two at 12 years and two at 20 years. The longest term limit is 20 years, and no board has a term limit less than 10 years.
- > As an alternative to establishing term limits or mandatory retirement, many boards report that they consider whether individual directors should be re-nominated during the evaluation process.

Boards with Term Limits

Company	Term limits
The AES Corporation	14 consecutive one-year terms
Allegion Public Company Limited	10 years
Frontier Communications Corporation	15 years
International Flavors & Fragrances	12 consecutive one-year terms
Juniper Networks	10 years
MasterCard	15 years
Patterson Companies	20 years
The Procter & Gamble Company	18 years
Target Corporation	20 years or 5 years after retirement from active employment
Varian Medical Systems	15 years
Wal-Mart Stores	12 years
The Walt Disney Company	15 years
Xcel Energy	15 years

ADDED PERSPECTIVE

Spencer Stuart Governance Survey: Director term limits

- > Scrutiny of board tenures has increased in recent years. Nevertheless, boards are not establishing director term limits as a means of limiting tenure. Only 4% have term limits today and just 5% of survey respondents reported that their boards are considering setting term limits.
- > 15% report that the board has other means of limiting board tenure, including mandatory retirement, an average tenure policy, tenure guidelines and a nomination process that considers tenure.

TREND TOWARD OLDER BOARDS PERSISTS

- > The average age of S&P 500 independent directors is 63.1, unchanged from 2014 but roughly two years older than a decade ago. 46% have an average age of 60 to 63.
- > Fewer boards than in the past have an average age of 59 or younger: 15% of S&P 500 boards today compared with 30% in 2005.

- > 39% of S&P 500 boards have an average age of 64 or older, compared with 18% of boards a decade ago, and 18 of those boards have an average age of 70 or greater.
- > While the longer-term trend toward older boards is continuing, the percentage of boards with an average age of 64 to 69 fell to 36% from 43% in 2014.
- > The average age of new independent directors dipped modestly since last year. The new independent director class of 2015 has an average age of 56.8, compared with 57.6 in 2014. The median age fell from 58 to 57. The oldest new director elected in the 2015 proxy year is 75, and the youngest is 31. Seven boards added a new independent director aged 70 or older.

Average Age of Independent Directors

	2015	2010	2005
Average age of all independent directors	63.1	62.1	60.8
Youngest average board age	46	51	50
Oldest average board age	75	75	72

Percentage of all S&P 500 boards with average age of ...

59 and younger	15%	19%	30%
60-63	46%	47%	52%
64 and older	39%	34%	18%

MANDATORY RETIREMENT AGES CONTINUE TO INCREASE

- > 27% of S&P 500 boards either do not discuss mandatory retirement in their proxies or report that they do not have a mandatory retirement age.
- > Among the 73% of boards that have established a mandatory retirement age for directors, half set the retirement age at 72, which has remained relatively consistent in the past decade.
- > Boards setting their retirement ages at 75 or older is a trend that has accelerated in recent years. 34% of boards have retirement ages of 75 or higher compared with 30% in 2014 and just 8% in 2005. Three boards set retirement age at 80.

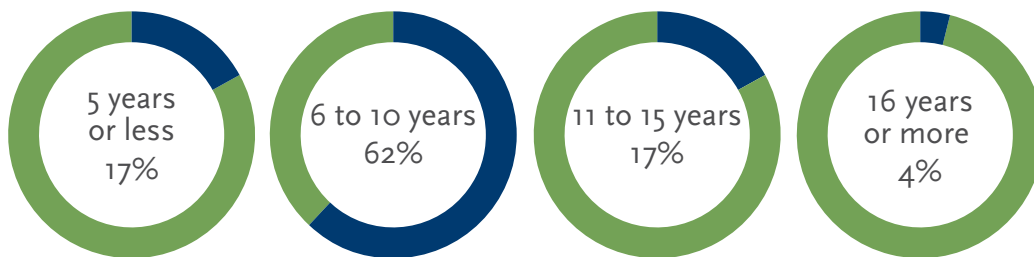
Mandatory Retirement Age

	2015	2010	2005
70 and younger	5%	20%	42%
71	1%	1%	1%
72	50%	52%	45%
73	4%	4%	3%
74	6%	4%	1%
75 and older	34%	19%	8%

N = Boards that have set a mandatory retirement age: 357 for 2015, 363 for 2010, 374 for 2005

ONE-FIFTH OF BOARDS HAVE TENURE GREATER THAN 10 YEARS

- > The average tenure of S&P 500 boards is 8.5 years, roughly stable for the past five years. The majority of boards, 62%, have an average tenure between six and 10 years.
- > 21% of boards have an average tenure of 11 or more years, compared with 16% in 2014 and 19% in 2010. 17% have an average tenure of five years or less, down from 18% last year and 21% in 2010.
- > The longest average board tenure is 21 years, and the longest-tenured director has served 47 years.
- > With the average tenure for sitting CEOs at 7.1 years, most boards will serve with two CEOs.

Board Average Tenure

FEMALE REPRESENTATION ON BOARDS NOW AT 20%

- > The representation of women on S&P 500 boards has increased five percentage points over the past 10 years, from 15% in 2005 to 20% today. In that same period, the average number of women on all boards increased from 1.6 to 2.1.
- > 13 S&P 500 boards, 3%, have no female directors, a decline from 2010, when 50 boards (10%) had no female directors. In 2005, 12% of companies had no women on their boards. Boards without female representation are most likely to be in the consumer discretionary, energy or information technology sectors.
- > A more significant increase over the past decade can be seen in the number of boards with more than one female director. Almost three-quarters of S&P 500 companies, 73%, have two or more women on the board, up from 68% in 2014. A decade ago, 49% of boards had two or more female directors.
- > 22 S&P 500 companies have a woman serving as CEO, one less than in 2014. Female CEOs now represent 4.4% of chief executives of the companies in this study.
- > Traditionally, companies led by women have tended to have a greater number of female board directors than companies led by men. That continues to be true in absolute terms: 28% of directors on boards of companies with a female CEO are women, versus 19% for companies with a male CEO. When the female CEO is excluded, however, the gap narrows: 21% of the remaining directors are women.

S&P 500 Female CEOs and Their Boards*

Company	CEO	Total directors	Women directors	Women directors as % of total
Campbell Soup Company	Denise M. Morrison	14	4	29%
Duke Energy Corporation	Lynn J. Good	14	3	21%
E.I. du Pont de Nemours and Company	Ellen J. Kullman ¹	12	3	25%
Gannett Co.	Gracia C. Martore ²	10	4	40%
General Dynamics Corporation	Phebe N. Novakovic	11	3	27%
General Motors Company	Mary T. Barra	12	5	42%
HCP	Lauralee E. Martin	8	2	25%
Hewlett-Packard Company	Margaret C. Whitman	12	3	25%
International Business Machines Corporation	Virginia M. Rometty	14	3	21%
KeyCorp	Elizabeth E. Mooney	14	5	36%
Lockheed Martin Corporation	Marillyn A. Hewson	11	4	36%
Mondelez International	Irene B. Rosenfeld	12	3	25%
Mylan	Heather Bresch	13	4	31%
Oracle Corporation	Safra A. Catz	11	2	18%
PepsiCo	Indra K. Nooyi	14	4	29%
Reynolds American	Susan M. Cameron	12	2	17%
Ross Stores	Barbara Rentler	11	2	18%
Sempra Energy	Debra L. Reed	13	3	23%
The TJX Companies	Carol Meyrowitz	10	3	30%
Ventas	Debra A. Cafaro	11	2	18%
Xerox Corporation	Ursula M. Burns	9	4	44%
Yahoo!	Marissa Mayer	9	3	33%
Average % women directors for companies with female CEOs				28%**
Average % women directors for companies with male CEOs				19%

*Accurate as of each company's most recent proxy released by May 15, 2015, and verified as of publication date October 31, 2015.

**Excluding the CEO, the average is 21%.

¹Stepped down October 16, 2015.

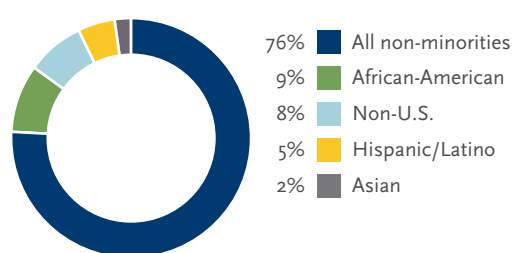
²As of June 29, 2015, leads TEGNA, the broadcast and digital media company formerly known as Gannett Co.

MORE MINORITIES JOIN BOARDS, YET FEWER BOARDS INCLUDE A MINORITY DIRECTOR

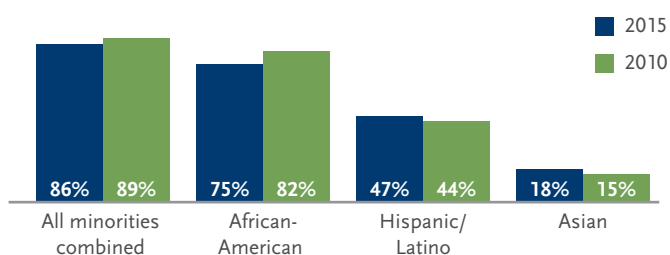
- > More minority directors (defined as African-American, Hispanic/Latino and Asian) were appointed to S&P 500 boards over the past year than in the recent past. 18% of the 376 new independent directors are minorities, an increase from 12% in 2014. Minority directors filled 68 vacant board seats.
- > New minority directors are more likely than new non-minority directors to be line and functional leaders or division/subsidiary presidents, 38% versus 23%, and less likely to be active or retired senior leaders (such as CEO, chair, president or COO), 24% versus 41%.
- > While the pool of new directors included more minorities, the total percentage of minority directors among the largest 200 S&P 500 companies held steady at 15%, and the percentage of the top 200 companies with at least one minority director declined from 90% in 2005 to 86% in 2015.

- > Despite increased attention to the topic of board diversity, representation of Hispanic/Latino and Asian directors has not improved over the past five years.
 - 8.6% of directors are African-American, compared with 9.6% in 2010. 75% of boards have at least one African-American director, a decline from 82% in 2010.
 - 4.8% of directors are Hispanic/Latino, compared to 4.2% in 2010. 47% of boards today have at least one Hispanic/Latino director, up from 44% in 2010.
 - 1.8% of directors are of Asian descent, versus 1.3%, and 18% of boards have one or more Asian directors, up from 15% in 2010.

Minorities as % of Directors at Top 200 Boards



Top 200 Boards with at Least One Minority Director



FEW TOP 200 COMPANIES LED BY MINORITIES

- > Only eight (4%) of the top 200 S&P 500 companies are led by African-Americans, Hispanics/Latinos or Asians, one less than in 2014. In 2010, five of the top 200 companies were led by minority CEOs.
- > 26% of the directors for these eight companies are minorities. However, minority representation drops to 16% when the CEO is excluded. Minority directors represent 15% of directors of the top 200 companies with a non-minority CEO.

Top 200 Minority-Led Companies and Their Boards*

Company	CEO	Total directors	Minority directors	Minority directors as % of total
AbbVie	Richard A. Gonzalez	9	1	11%
The AES Corporation	Andres R. Gluski	10	2	20%
American Express Company	Kenneth I. Chenault	12	3	25%
Archer-Daniels-Midland Company	Juan R. Luciano	13	5	38%
Carnival Corporation	Arnold W. Donald	9	1	11%
Express Scripts Holding Co.	George Paz	12	4	33%
Merck & Co.	Kenneth C. Frazier	12	3	25%
Xerox Corporation	Ursula M. Burns	9	3	33%
Average % of minority directors for companies with minority CEOs				26%**
Average % of minority directors for companies with non-minority CEOs				15%

*Accurate as of each company's most recent proxy released by May 15, 2015.

**Excluding the CEO, the average is 16%.

FEWER THAN 10% OF DIRECTORS HAVE INTERNATIONAL BACKGROUNDS

- > A total of 191 directors of non-U.S. origin serve on the boards of the top 200 S&P 500 companies, accounting for 8% of all directors, consistent with the past five years. For the purposes of this report, directors of Indian descent are included within the non-U.S. group.
- > More than half of the top 200 S&P 500 companies, 55%, have at least one non-U.S. director, a figure which also has held steady since 2010.
- > International directors represent 29 different countries, but the majority of non-U.S. directors, 61%, come from the following five countries: India (18%), the U.K. (14%), Canada (11%), France (9%) and Germany (9%).
- > Among the S&P 500, 9% of all new independent directors are from outside the U.S., a decrease from 12% last year.

ADDED PERSPECTIVE

Spencer Stuart Governance Survey: CEO succession planning

- > More than three-quarters of respondents, 78%, formally discuss CEO succession annually, while 15% discuss succession two or three times a year. 7% report that the board addresses succession four or more times per year.
- > 73% have a CEO succession plan for both emergency transition needs as well as a long-term planned succession. 25% have an emergency succession plan only. One company has only a long-term plan and one company has no CEO succession plan in place.

Getting to know internal candidates

- > 71% of respondents said their boards have a formal process for reviewing internal succession candidates. 51% report that their succession process includes gaining insight on potential external candidates.
- > Nearly all boards (98%) rely on regular interactions during board meetings and presentations to get to know internal succession candidates. 20% schedule meetings between board members and candidates, and 17% of respondents said boards get to know internal candidates through director site visits. Only 4% of survey respondents said directors have formal mentor roles with prospective CEO candidates. Others reported that the board gets to know succession candidates through informal board dinners and detailed reviews of candidates' performance and skill-sets.

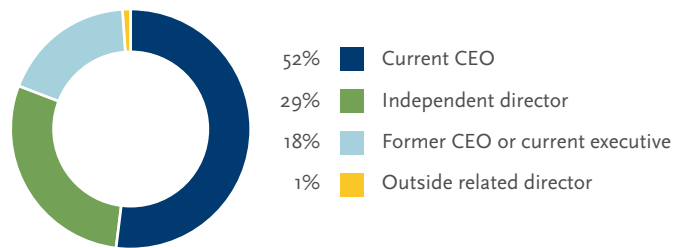
ONLY 43% OF CEOS SERVE ON AN OUTSIDE PUBLIC COMPANY BOARD, A NEW LOW

- > The number of CEOs who accept outside board assignments continues to decline. 57% of S&P 500 CEOs today do not serve on a public company board other than their own, compared with 54% last year and 44% in 2005.
- > 36% of CEOs serve on one outside board, and 6% serve on two. 1% of CEOs have three outside board assignments. As a comparison, in 2005, 30% of CEOs sat on one board, 18% served on two outside boards and 7% (30) served on three. Another seven CEOs served on four outside boards.

29% OF BOARDS HAVE A TRULY INDEPENDENT CHAIR, THE HIGHEST SINCE WE BEGAN TRACKING THE DATA

- > The number of S&P 500 boards that split the chair and CEO roles between two individuals grew modestly over 2014, from 47% to 48%. During the past decade, however, the trend has been more pronounced. 40% of S&P 500 boards in 2010 and 29% in 2005 split the roles.
- > 29% of boards (139) now have a truly independent chair — an independent director or a former executive who has met the applicable NYSE or NASDAQ rules for independence over time — compared with 28% last year and 9% in 2005. Nine of the independent chairs are founders or former CEOs or COOs who met independence standards over time.
- > 14% of chairs are executives other than the CEO and 4% had been the CEO and are no longer a company executive.
- > While more boards have moved to separate the chair and CEO roles, few have established policies formalizing the practice. Only 21 boards, 4% of the S&P 500, have formal policies requiring separation of the roles, although this represents a modest increase from 3% in 2014 and 1% in 2010.
- > Among the 92 boards where the chair is separate but not independent, 87 (95%) have identified a lead or presiding independent director.

Chairman's Relationship with the Company



ADDED PERSPECTIVE

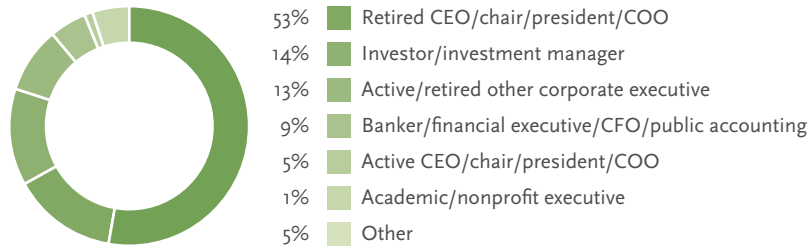
Spencer Stuart Governance Survey: The chairman and CEO split

- > 34% of survey respondents said their board has recently separated the roles of chairman and CEO.
- > 19% of respondents expect their boards to consider splitting the roles within the next five years.
- > Of those that have recently separated or expect to consider separating the chair and CEO roles, the most common reasons are a CEO transition and the belief that separating the roles represents the best governance model, each cited by 43% of respondents.

RETIRED SENIOR EXECUTIVES MOST LIKELY TO SERVE AS INDEPENDENT CHAIR

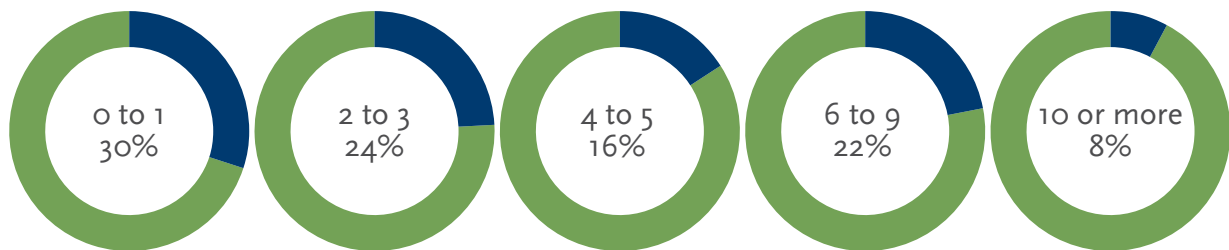
- > 53% of the 139 independent chairs of S&P 500 companies are retired CEOs, chairmen, presidents or COOs. Only 5% of independent chairs are active executives in these roles, including one current public-company CEO. In 2010, 48% of chairs were retired senior executives and 11% were active.
- > 14% of the independent chairs are investors or investment managers, and another 13% are other corporate executives, active or retired, including division presidents and line and functional leaders.

Independent Chairman Backgrounds



-
- > Academics, nonprofit executives, bankers/financial executives, and others make up the remaining independent chairs.
 - > Independent chairmen are older on average than their fellow directors: 66.6 versus 63.1.
 - > Independent chairmen serving today have been in the role for an average of 4.2 years. 54% have been in the role for three years or less, including 30% who have served as chair for one year or less. On the other end of the spectrum, 30% of independent chairmen have served in their roles for six or more years. The longest-serving S&P 500 independent chairman has been in the position for 18 years.
 - > 86% of the independent chairmen previously served as directors on the board before becoming chair, serving 8.1 years on average before moving into the chairman role.

Independent Chairman Tenure by Years



Average: 4.2 years
N = 139 independent chairmen

Spencer Stuart Governance Survey: Shareholder engagement

- > 42% of survey respondents reported that the board or management was formally contacted by the company's large institutional shareholders or largest shareholders specifically regarding a governance-related topic.
- > Proxy access emerged as the top issue formally raised by shareholders during the most recent proxy year, accounting for 22% of shareholder contacts, followed by inquiries about companies' political contributions and activities (18%).
- > Board composition also was on the minds of shareholders. Board composition and refreshment accounted for 14% of shareholder contacts, and another 13% were related to director tenure. Director nominations accounted for 11% of contacts.
- > Meanwhile, compensation declined as an issue for shareholders versus the previous year. 10% of formal investor inquiries were related to Say on Pay and 5% were related to CEO compensation, compared with 20% and 16%, respectively, in our 2014 report.
- > Public and private pension funds were the most likely to initiate contact with boards, survey respondents reported. Accounting for 51% of the inquiries, pension funds were most likely to contact boards about proxy access, political contributions and activity, director tenure and board composition and refreshment.
- > Activist shareholders accounted for 17% of the inquiries. Top issues for activist investors were companies' political contributions/activities, director nominations and board chair independence.
- > Inquiries from mutual funds, which represented 16% of shareholder contacts, tended to be about board composition and refreshment, Say on Pay, proxy access and political contributions/activity.
- > 70% of survey respondents said management or the board proactively reached out to the company's large institutional investors or largest shareholders, an increase from 62% the year prior. The most common topic about which companies engaged with shareholders was Say on Pay (45%), followed by board composition and refreshment (34%), proxy access (33%), CEO compensation (33%) and director tenure (29%). Other topics included the director slate (18%) and chairman independence (15%).

Issues Formally Raised by Shareholders

Proxy access	22%
Disclosure of political contributions/activities	18%
Board composition and refreshment	14%
Director tenure	13%
Director nominations	11%
Say on Pay	10%
Independent board chair	9%
CEO compensation	5%

Sources of Shareholder Contacts

Public/private pension fund	51%
Activist shareholder	17%
Mutual fund	16%
Hedge fund/private equity	5%
Other	11%

- > Survey respondents also wrote in more than a dozen additional topics, including company strategy, shareholder engagement, general governance overview and written consent rights (which enable shareholders to take action on important issues that arise between annual meetings).
- > Despite the growing interest by shareholders in board composition, only 7% of survey respondents reported that their companies' large institutional shareholders recommended changes to board composition.
- > The CEO is responsible for representing the board in non-routine matters with the public and investors for most companies responding to the survey. 43% said the chairman/CEO had the responsibility for representing the board and 35% said the CEO had the responsibility when there was a separate chair. Another 35% said the lead director represented the board with investors and the public.

Responsible for Representing the Board in Non-routine Matters with the Public/Investors*

Chairman/CEO (if combined)	43%
CEO (if split)	35%
Lead director	35%
Chairman (if split)	23%
Other	23%

*Multiple answers allowed. Others included CFO, chairs of the governance and compensation committees and the head of investor relations.

LEAD OR PRESIDING DIRECTOR CONTINUES TO BE PREFERRED INDEPENDENT BOARD LEADERSHIP STRUCTURE

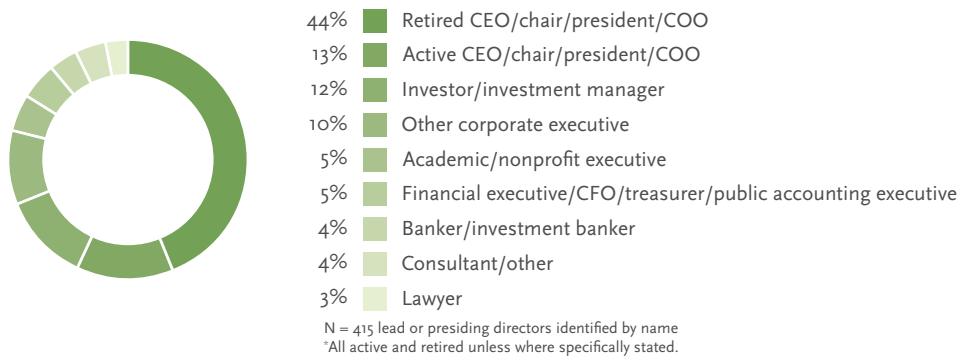
- > 98% of S&P 500 boards without an independent chairman report having a lead or presiding director, nearly all of whom (96%) are identified by name in the proxy. Today only 2% of boards rotate the role among independent directors and committee chairs compared to 7% of boards five years ago.
- > The number of lead and presiding directors has increased slightly over the past decade as boards without an independent chairman have moved toward this model. 96% of S&P 500 boards had a lead or presiding director in 2010, up one percentage point from 95% in 2005.
- > Among the 433 boards with one of these positions, 66% have lead directors and 34% have presiding directors, including those identified as "chair" of executive sessions. Ten years ago, among the boards that had a designated lead or presiding director, the reverse was true: 32% of boards had a lead director and 68% had a presiding director.
- > 87 independent chairs are also identified as the lead or presiding director. Another seven boards report having an independent lead/presiding director in addition to the independent chair.
- > Only eight S&P 500 boards do not report having a form of independent board leadership — neither an independent chairman nor a lead/presiding director. Often, this is a temporary situation during a leadership transition and restructuring.

Lead versus Presiding Directors

	2015	2010	2005
Lead directors	66%	52%	32%
Presiding directors	34%	48%	68%

- > 325 boards disclosed how long their lead/presiding director has been serving in the role, reporting an average tenure of 3.8 years. 29% have served in the role one year or less, 39% have served for two to four years, while 32% have been serving for six years or more.
- > Active CEOs, COOs, presidents and/or chairs are more likely to serve as lead or presiding directors than independent chairmen. Sitting senior executives account for 13% of lead/presiding directors but only 5% of independent chairs. 44% of lead/presiding directors are retired CEOs, chairmen, presidents and/or COOs, 12% are investors or investment managers, and 10% are active or retired other corporate executives.

Lead and Presiding Director Backgrounds*



ADDED PERSPECTIVE

Spencer Stuart Governance Survey: Lead director

- > 71% of survey respondents reported that the lead or presiding director is selected by the full board. The lead or presiding director is chosen by the nominating and governance committee at 14% of responding companies and by independent directors at 12%.
- > Among boards with a lead or presiding director, about half define some term length. Of those that do, 57% have a one-year term, 14% have a two-year term and 17% have a three-year term, according to survey respondents. Other approaches include a three-to-five-year term guideline, a five-year term or a minimum one-year commitment.
- > 92% said the lead/presiding director's term is renewable.

Board Organization and Process

2015 SNAPSHOT



54% of boards meet **six to nine** times annually

71% of boards have **more than the three** NYSE-mandated committees

Only **7%** of audit committee chairs are active **CEOs** and **chairs** versus 21% a decade ago

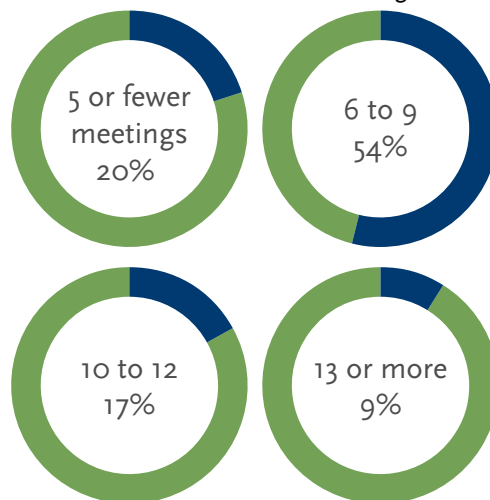


1/3 of boards **conduct an evaluation** of the full board and directors

BOARDS AVERAGE EIGHT MEETINGS ANNUALLY

- > Boards met an average of 8.1 times, the same as last year and down modestly from 8.6 five years ago. The median number of meetings is seven, compared with eight five years ago. This included in-person and telephonic regular and special meetings.
- > The majority of boards, 54%, met six to nine times. Eight boards met 19 times or more.

Distribution of Board Meetings*

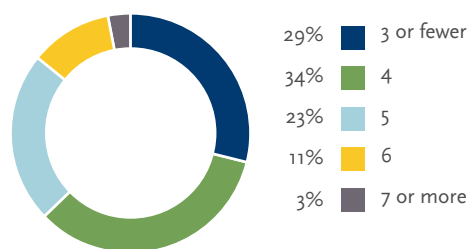


*Includes in-person and telephonic regular and special meetings.

MOST BOARDS HAVE AT LEAST FOUR COMMITTEES

- > S&P 500 boards have an average of 4.3 standing committees and a median of four committees, which has remained consistent during the past decade.
- > A majority of boards, 71%, have more than the three NYSE-mandated committees (compensation/HR, audit and nominating/governance). 14% have six or more standing committees.
- > The most common committees beyond the compensation, audit and nominating committees are the executive committee (34%) and finance committee (31%).
- > Among proxies that addressed cybersecurity, typically the audit committee is responsible for managing risks related to technology. There has not been any discernible increase in boards with technology committees; however, 12% of boards now have a standalone risk committee compared with 9% last year.

Number of Standing Committees



Prevalence and Independence of Standing Committees

	% with this committee		% composed entirely of independent directors	
	2015	2010	2015	2010
Audit	100%	100%	100%	100%
Compensation/HR	100%*	100%	100%	99%
Nominating/governance	99%**	99%	100%	99%
Executive	34%	36%	3%	3%
Finance	31%	33%	83%	67%
Risk	12%	4%	81%	65%
Public policy/social & corporate responsibility	10%	14%	84%	81%
Science & technology	9%	6%	83%	74%
Environment, health & safety	8%	5%	90%	83%
Legal/compliance	5%	4%	91%	89%
Strategy & planning	3%	3%	50%	71%
Investment/pension	3%	2%	75%	67%
Acquisitions/corporate development	1%	2%	71%	44%

*13 boards have a combined compensation and nominating committee. They are counted as separate committees for the purpose of this analysis.

**Includes two boards that have standing corporate governance committees in addition to their nominating committees. Controlled companies are not required to have nominating committees; there are 14 controlled companies this year.

AUDIT STILL THE MOST TIME-CONSUMING COMMITTEE

- > Audit committees averaged 8.8 meetings a year, almost twice as many as the nominating committee (4.6) and roughly a third more often than the compensation committee (6.1).
- > 70% of S&P 500 audit committees met eight or more times annually, including 48% that had eight, nine or 10 meetings. 22% of audit committees met 11 times or more, compared with 25% in 2010 and 35% in 2005.

- > 61% of compensation committees held four, five or six meetings annually.
- > 77% of nominating/governance committees met five times or fewer annually, with one-third meeting four times.

Distribution of Committee Meetings*

	Audit committee	Compensation committee	Nominating/governance committee
3 or fewer meetings	0%	5%	20%
4	4%	14%	33%
5	10%	23%	24%
6	7%	24%	14%
7	9%	13%	6%
8-10	48%	19%	3%
11-13	17%	2%	0%
14 or more	5%	0%	0%
Average	8.8	6.1	4.6
Median	9.0	6.0	4.0
Maximum	21	20	12

*Includes in-person and telephonic regular and special meetings.

ADDED PERSPECTIVE

Spencer Stuart Governance Survey: Cybersecurity

- > Major information security breaches to business or government systems hit the news regularly, and boards increasingly recognize that cyber crime is a risk management issue that affects the entire organization and belongs on the board agenda.
- > 69% of survey respondents said the board has assigned cybersecurity oversight to a specific board committee. Of those, 76% said the audit committee oversees cybersecurity risk, and 14% said the risk committee is responsible.
- > 89% of boards surveyed have discussed the company's response plan for a major information security breach in the past year. A majority of companies, 64%, have insurance that covers cyber risk.
- > In those cases where companies have not purchased insurance, 94% of respondents report directors don't have exposure.

RETIRED EXECUTIVES AND FINANCE PROFESSIONALS LEAD MOST AUDIT COMMITTEES

- > Audit committee chairmen are most likely to be retired CEOs, chairs, presidents and COOs or active/retired financial executives. These two sources account for 54% of audit committee chairs. Retired public accounting executives are the next largest source, representing 13% of audit committee chairs.

- > Reflecting the increased workload and demands of audit committee service, active CEOs, chairs, presidents and COOs are much less likely to head an audit committee than in the past. Just 7% of S&P 500 audit committee chairs are fully employed/active CEOs, chairs, presidents and COOs, compared with 21% a decade ago.
- > 23% of all S&P 500 directors have been identified as audit committee financial experts.

COMMITTEE LEADERSHIP ROLES MOST LIKELY TO BE FILLED BY RETIRED MALE TOP EXECUTIVES

- > Retired CEOs, chairs, presidents and COOs are the most common backgrounds of compensation and nominating/governance committee chairs; 42% of compensation chairs and 31% of nominating/governance committee chairs are retired top senior executives.
- > CEOs and active top senior executives are more likely to serve as chair of the compensation and nominating/governance committees than the audit committee. 17% of directors with these profiles serve as compensation committee chair, and 16% as nominating/governance committee chair. Five years ago, 20% of compensation committee chairs and 15% of nominating/governance committee chairs were filled by active CEOs, chairs, presidents and COOs.
- > Women now represent 20% of all directors, but the rate of women holding committee leadership roles is lower; 16% of nominating committees are chaired by a female director, 13% of audit committees and 10% of compensation committees.

Committee Chairman Backgrounds*

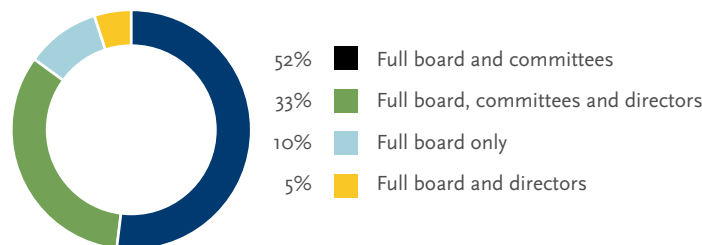
	% of chairmen		
	Audit committee	Compensation committee	Nominating/governance committee
Retired CEO/chair/president/COO	27%	42%	31%
Active CEO/chair/president/COO	7%	17%	16%
Financial executive/CFO/treasurer	27%	1%	3%
Public accounting executive	13%	1%	1%
Investor/investment manager	6%	9%	11%
Other corporate executive	7%	15%	13%
Academic/nonprofit	4%	5%	10%
Consultant	3%	4%	4%
Banker/investment banker	5%	3%	4%
Lawyer	1%	1%	5%
Other	1%	2%	2%
Total number of chairmen listed in proxies	476	478	472

*Except where noted, all categories include active and retired executives.

ALL BUT 2% OF BOARDS REPORT CONDUCTING AN ANNUAL PERFORMANCE EVALUATION

- > Only eight S&P 500 boards, 2%, do not report whether they conduct some sort of annual evaluation.
- > Half of boards, 52%, evaluate the full board and committees, and one-third evaluate the full board, committees and individual directors annually. This represents an increase from 2010, when 24% examined the performance of the board, committees and individual directors as part of their annual evaluations.
- > Four boards disclosed they had engaged an independent third-party to facilitate and conduct all or a portion of the board evaluation process.

Board, Committee and Director Evaluations



N = 478 companies; 8 others did not mention evaluations in their proxies or corporate governance guidelines

ADDED PERSPECTIVE

Spencer Stuart Governance Survey: Board evaluations

- > 40% of survey respondents report that they assess the full board, board committees and individual directors as part of a board evaluation. 61% evaluate the full board and committees, but not individual directors. 14% said only an evaluation of the full board is conducted. Respondents could select multiple responses.
- > Evaluations are most often conducted by a director, typically the chairman, lead director or a committee chair, according to 66% of respondents. A wide range of internal and external parties also are tapped to conduct board assessments, including in-house and external legal counsel, the corporate secretary and board consulting firms. Several respondents said their board uses director self-assessments.

Director Compensation

2015 SNAPSHOT

Average per-director compensation rose **5%** to **\$277,237**

Annual retainers **grew by 4%** over last year 

77% of S&P 500 boards **provide stock grants** to directors in addition to **paying a cash retainer**

Director compensation for the healthcare sector averages

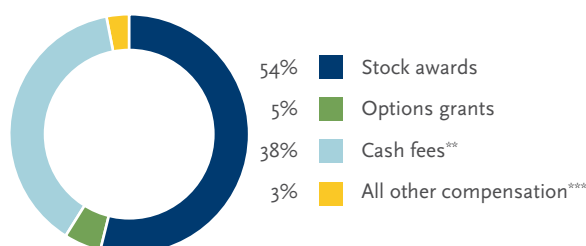
24% higher than the S&P 500 average 

Additional compensation for independent chairmen averages **\$168,780** 

ALL-IN ANNUAL DIRECTOR COMPENSATION GROWS BY 5%

- > The average total compensation for S&P 500 directors is \$277,237, 5% higher than the 2014 average. When compensation for the independent chairman is excluded, the average total compensation per director falls to \$272,497.
- > Stock grants and options represent the largest share of director compensation, 54% and 5%, respectively. In 2010, stock grants represented 43% of director compensation and options accounted for 14%.
- > Cash payments represent 38% of total compensation, down slightly from 40% in 2014.
- > 73% of boards have deferred compensation plans.

Breakdown of Director Compensation*



*Based on non-employee director compensation tables in 486 proxies for 2015. Includes all board and committee retainers and meeting fees, non-executive chairman and lead/presiding director supplemental fees when applicable, the value of equity compensation and all other compensation paid to non-employee directors in 2014. Retiring and new directors are included when paid compensation for at least three quarters of the year.

**Includes deferred compensation amounts.

***Includes, for example, insurance premiums, charitable award programs and incremental cost to company of products provided.

Changes in Non-employee Director Compensation

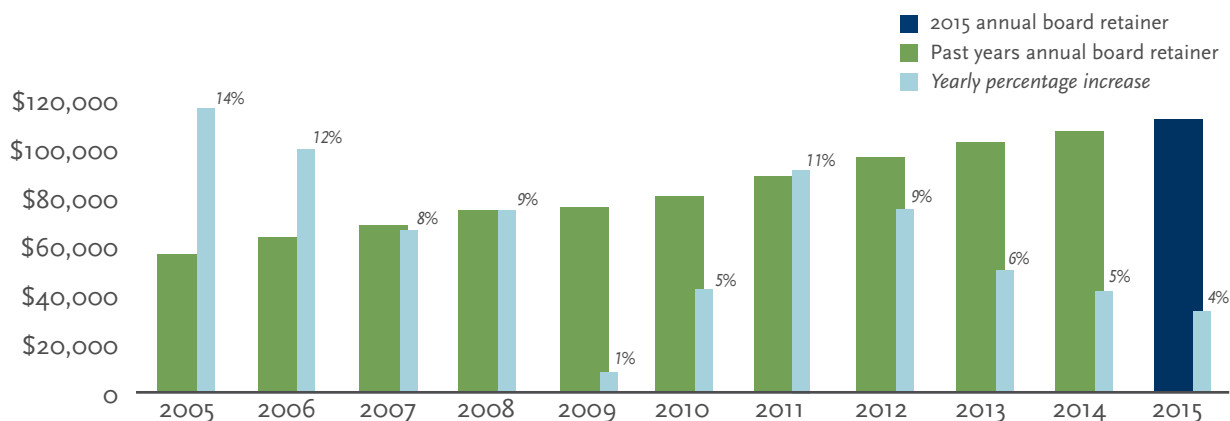
Type of compensation	% of boards paying this type		Average paid		% of change in value
	2015	2010	2015	2010	2010-15
Board retainer*	99.6%	99.6%	\$112,144	\$79,888	40%
Board meeting fee	21%	41%	\$2,041	\$2,186	-7%
Committee chair retainer	95%	90%	\$14,399	\$11,692	23%
Committee member retainer	41%	37%	\$8,926	\$7,917	13%
Committee member meeting fee	26%	44%	\$1,678	\$1,620	4%
Stock option program	16%	33%	n/a	n/a	n/a
Stock grants paid in addition to retainer	77%	79%	n/a	n/a	n/a

*Dollar amounts for retainer do not include boards that do not pay a retainer or boards that do not provide a dollar value equivalent for the retainer equity amount.

ANNUAL BOARD RETAINERS HAVE NEARLY DOUBLED IN 10 YEARS

- > The average annual retainer for S&P 500 directors is \$112,144, 98% more than the 2005 average retainer of \$56,550. During the past decade, one-year increases have ranged from as little as 1% to as much as 14%. The average annual retainer increased 4% from last year's average of \$107,383.
- > The median annual retainer is now \$90,000, up from \$65,000 five years ago and \$50,000 in 2005.
- > 45% of boards provide an annual retainer of \$100,000 or more, up from 23% in 2010 and just 10% in 2005. Three boards pay a retainer of \$300,000 or more (paid partly in equity), but do not provide meeting attendance fees.
- > 5% of boards today have retainers less than \$50,000, compared with 18% five years ago and 45% 10 years ago. Two companies provide no retainer; one of these pays \$900 per meeting and the other, a \$15,000 per-meeting fee (not to exceed \$60,000 per year).

Annual Board Retainers and Yearly Increases



USE OF MEETING ATTENDANCE FEES CONTINUES TO DECLINE

- > Only 21% of S&P 500 boards today pay board meeting attendance fees, down from 25% last year and 62% in 2005.
- > The average board meeting attendance fee declined 8% from last year to \$2,041. Fees range from a low of \$900 to a high of \$15,000 at one company, where meeting fees are paid in lieu of a retainer and capped at \$60,000 per year. 39% of companies pay \$1,500 per meeting, 30% pay \$2,000 and 19% pay more than \$2,000.
- > Among the 103 boards that compensate directors for board meetings, 27 boards (6%) pay a lower fee for telephonic meetings. The average telephonic meeting fee is \$1,097, 8% less than last year and 5% less than in 2010. Four boards only pay a telephonic meeting fee.
- > Among the boards that pay meeting fees, 25 boards pay a fee averaging \$2,118 only for meetings in excess of regularly scheduled board meetings. Eleven other boards pay only for attendance at special board meetings. The average special board meeting fee is \$1,955.

THREE-QUARTERS OF BOARDS INCLUDE STOCK GRANTS IN DIRECTOR COMPENSATION

- > 77% of S&P 500 boards provide stock grants to directors in addition to paying a cash retainer, compared with 60% a decade ago. The average targeted dollar value of annual stock grants is \$148,608.
- > By comparison, stock options for directors have become much less common. 16% of S&P 500 companies now offer option plans, compared with 56% in 2005. The average targeted value of annual stock option grants is \$89,188.
- > More than half of boards, 54%, allow directors to choose to receive their compensation in cash, stock or stock units, but only 3% offer stock options as an alternative choice.
- > Nine boards, 2% of the total, pay director retainers fully in stock.
- > 90% of boards disclose having share ownership guidelines for directors, which are meant to align directors' interests with those of stockholders. Typically, these guidelines require directors to own a certain number of shares or a multiple of the retainer value within a specified number of years.

Equity Compensation

	% of S&P 500 boards providing		
	2015	2010	2005
Stock option program exists	16%	33%	56%
Equity paid in addition to retainer	77%	79%	60%
Equity paid as a part of retainer	21%	17%	24%
Director can elect to receive compensation in cash, stock or stock units	54%	59%	61%
Director can elect to receive compensation in stock options	3%	6%	9%
Retainer paid fully in stock	2%	2%	2%

PREMIUM PAID TO DIRECTORS IN BOARD LEADERSHIP ROLES

- > 96% of the 139 independent chairmen of S&P 500 boards receive an additional fee, which ranges from \$20,000 to \$822,290 and averages \$168,780. The median premium paid to independent chairmen is \$150,000.
- > 62% of the 433 S&P 500 boards with a lead or presiding director provide additional compensation to directors serving in those roles, compared with 44% of boards five years ago.
- > Lead directors are more likely than presiding directors to receive additional compensation: 53% versus 9%. The average lead director premium is \$33,273, 45% more than the \$22,961 average premium for presiding directors.
- > Supplemental compensation for lead and presiding directors ranges from a minimum of \$5,000 to a maximum of \$210,000 and averages \$31,626.

NEARLY ALL BOARDS PROVIDE ADDITIONAL COMPENSATION TO COMMITTEE CHAIRS

- > 95% of S&P 500 boards included in our study provide a retainer to committee chairmen, an increase from 90% in 2010 and 83% in 2005. Among these boards, 88% pay a larger retainer to the audit committee chair, and 57% pay more to the compensation committee chair.
- > The average retainer for all committee chairs is \$14,399, a 2% increase from last year's average of \$14,110. The retainers for audit and compensation committee chairs are higher, averaging \$24,125 and \$19,972, respectively.
- > The lowest committee chair retainer is \$3,000, while the highest committee chair retainer — paid to an audit chair — is \$75,000.

MORE DIRECTORS RECEIVE PREMIUMS FOR COMPENSATION COMMITTEE SERVICE

- > 41% of boards pay a retainer for committee member service, averaging \$8,926. This represents a 6% increase over last year's average.
- > 88% provide a different retainer for audit committee service, which averages \$12,426.
- > 37% of boards now provide a higher premium for compensation committee service, an increase from 23% in 2010 and 10% in 2005. The average compensation committee member retainer is \$11,777.

Committee Retainers

	Average committee retainers		% of boards paying this type	
	2015	2010	2015	2010
All committee members	\$8,926	\$7,822	41%	37%
<i>Compensation committee members</i>	\$11,777	\$10,445	37%	23%
<i>Audit committee members</i>	\$12,426	\$11,157	88%	86%
All committee chairs	\$14,399	\$11,692	95%	90%
<i>Compensation committee chairs</i>	\$19,972	\$16,547	57%	34%
<i>Audit committee chairs</i>	\$24,125	\$20,300	88%	84%

ONE-QUARTER OF BOARDS PAY COMMITTEE MEETING FEES

- > Like board meeting attendance fees, use of committee meeting fees as a component of director compensation is declining. 26% of S&P 500 boards pay committee meeting fees, down from 44% in 2010 and 61% in 2005. The average committee meeting fee is \$1,678, a slight decrease from last year.
- > 14% of the 126 boards that provide committee meeting fees pay a higher amount for audit committee meetings. The \$2,553 average audit committee meeting fee is 52% higher than the average for all committees. Just four companies pay a higher meeting fee for compensation committee meetings, averaging \$2,250.
- > 24% of the boards providing committee meeting fees pay a different amount for telephonic meetings, which averages \$907. One board pays a higher fee for telephonic audit committee meetings, at \$1,000.
- > Only six boards (1%) pay meeting fees to committee chairs, compared with 12% 10 years ago. The average chair committee meeting fee is \$2,530.

SPECIAL COMMITTEE SERVICE GARNERS INCREMENTAL COMPENSATION

- > Eight boards (2%) reported providing additional compensation to directors serving on a special committee. Supplemental retainers for service on special committees provided to chairmen and members ranged in amounts from \$10,000 to \$22,500.
- > Among boards that disclosed the special committee purpose, reasons included CEO search or succession planning (three boards), addressing shareholder demands (one board) and overseeing equity investments (one board).

DIRECTOR COMPENSATION HIGHEST IN THE HEALTHCARE SECTOR

- > Director compensation for the healthcare sector averages \$342,813, 24% higher than the S&P 500 average and 44% higher than the utility sector average, which has the lowest compensation of all sectors.
- > The sectors at the lower end of the compensation spectrum tend to rely more heavily on cash fees for director compensation than others. Cash fees represent 47% of director compensation for utility companies, but just 31% in the information technology sector and 33% for healthcare.
- > Stock awards account for 60% of director compensation among information technology companies, 6% more than the S&P 500 average. By comparison, stock awards represent less than half of director compensation in the materials and healthcare sectors.

Average Compensation per Non-Employee Director by Industry*

Industry	Total average compensation	% of total compensation			
		Cash fees**	Stock awards	Option grants	All other compensation***
Consumer discretionary	\$254,197	39%	53%	5%	3%
Consumer staples	\$278,663	38%	58%	2%	2%
Energy	\$319,619	35%	59%	3%	3%
Financials	\$249,232	42%	53%	2%	3%
Healthcare	\$342,813	33%	49%	16%	2%
Industrials	\$259,356	44%	51%	3%	2%
Information technology	\$311,656	31%	60%	8%	1%
Materials	\$261,457	43%	48%	5%	4%
Telecommunication services	\$271,358	44%	54%	0%	2%
Utilities	\$237,756	47%	50%	0%	3%
Average	\$277,237	38%	54%	5%	3%

* Based on non-employee director compensation tables in 486 proxies for 2015. Includes all board and committee retainers and meeting fees, non-executive chairman and lead/presiding director supplemental fees when applicable, the value of equity compensation and all other compensation paid to non-employee directors in fiscal year 2014. Retiring and new directors are included when paid compensation for at least three quarters of the year.

** Includes deferred compensation amounts.

***Includes insurance premiums, charitable award programs and the incremental cost to the company of products provided to directors.

DIRECTOR COMPENSATION GAINS THE MOST IN THE NORTHEAST

- > The largest one-year increase across regions was 7% for Northeast boards, bringing average director compensation to \$285,403. Boards in the Northwest region had the smallest increase in average director compensation, rising 2% to \$261,076.
- > Average director compensation for companies in the West, already the region with the highest director compensation, rose 3% to \$302,539.
- > Average director compensation in the Southwest region rose 4% to \$295,202.
- > The spread between the highest- and lowest-paying regions has decreased since last year. This year the difference between the regions with the highest and lowest average director compensation was \$51,468, compared with \$54,798 in 2014, \$39,050 in 2013 and \$68,661 in 2012.

DIRECTORS OF MID-SIZED COMPANIES SEE GREATEST GAIN IN COMPENSATION

- > Directors of companies with revenue greater than \$10 billion receive \$287,049 in annual compensation on average, 9% more than the average compensation for directors of companies with revenue less than \$2.5 billion.
- > Average compensation for companies in the mid-range, with revenue of \$2.5 billion to \$10 billion, increased by 7%; whereas, directors at companies with revenues below \$2.5 billion saw their compensation decrease by an average of 7%.

Average Director Compensation by Region and Sales

By region		By sales	
West	\$302,539	Less than \$2.5 billion	\$262,604
Southwest	\$295,202	\$2.5-10 billion	\$267,913
Northeast	\$285,403	Greater than \$10 billion	\$287,049
Northwest	\$261,076		
Southeast	\$260,188		
Midwest	\$251,071		

Comparative Board Data

Methodology:

Based on the S&P 500 as of May 15, 2015. Company sales data obtained from Hoovers as of May 18, 2015. Industry/sector categories obtained from Capital IQ. All remaining data were culled from the most recent proxies released between May 20, 2014, and May 15, 2015. Total average compensation per non-employee director is based on non-employee director compensation tables included in 486 proxies. The number includes all board and committee retainers and meeting fees, supplemental non-executive chairman and lead/presiding director fees, the value of equity compensation, and all other compensation paid in 2014. Retiring and new non-employee directors are included when they received paid compensation for at least three-quarters of fiscal year 2014.

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
CONSUMER DISCRETIONARY														
Advertising														
The Interpublic Group of Companies	7,537.1	10	9	63	74	13	100,000 ^c	-	100,000	277,013	40%	54%	0%	6%
Omnicom Group	15,317.8	13	11	71	-	13	75,000 ^{c,d}	2,000	101,000	264,182	53%	47%	0%	0%
Apparel Retail														
The Gap	16,435.0	10	9	61	72	6	75,000 ^c	-	75,000	243,331	40%	56%	0%	4%
L Brands	11,454.0	12	8	70	-	7	223,800 ^e	-	223,800	233,211	52%	48%	0%	0%
Ross Stores	11,041.7	11	7	60	-	7	185,000 ^e	1,500	195,500	226,315	37%	63%	0%	0%
The TJX Companies	29,078.4	10	9	62	75	7	75,000 ^c	1,500	85,500	268,328	40%	60%	0%	0%
Urban Outfitters	3,323.1	8	6	63	-	4	100,000 ^f	-	100,000	240,400	42%	0%	58%	0%
Apparel, Accessories & Luxury Goods														
Coach	4,806.2	8	7	53	-	6	75,000 ^{c,d,f}	-	75,000	237,906	36%	32%	32%	0%
Fossil	3,509.7	11	8	61	-	4	60,000 ^c	-	60,000	201,257	40%	60%	0%	0%
Hanesbrands	5,324.7	11	10	64	72	6	90,000 ^c	-	90,000	226,929	45%	55%	0%	0%
Michael Kors Holdings Limited	3,310.8	9	5	65	-	4	60,000 ^c	1,500	66,000	229,000	34%	66%	0%	0%
PVH Corporation	8,241.2	11	9	57	72	6	70,000 ^c	-	70,000	227,472	41%	59%	0%	0%
Ralph Lauren Corporation	7,450.0	12	9	69	-	4	60,000 ^{c,f}	-	60,000	180,758	45%	27%	28%	0%
Under Armour	3,084.4	10	8	62	75	10	75,000 ^{c,d}	-	75,000	142,143	47%	53%	0%	0%
V.F. Corporation	12,282.2	11	10	60	72	6	60,000 ^{c,d,f}	1,500	69,000	230,815	40%	29%	30%	1%
Auto Parts & Equipment														
BorgWarner	8,305.1	11	10	66	72	4	80,000 ^c	1,500	86,000	228,693	50%	50%	0%	0%
Delphi Automotive	17,023.0	11	10	66	75	8	250,000 ^{d,e}	-	250,000	280,556	40%	60%	0%	0%
Johnson Controls	42,828.0	10	9	61	72	9	265,000 ^{d,e}	-	265,000	254,309	48%	52%	0%	0%
Automobile Manufacturers														
Ford Motor Company	144,077.0	15	12	62	72	9	250,000 ^{d,e,g}	-	250,000	290,450	37%	52%	0%	11%
General Motors Company	155,929.0	12	9	63	72	11	250,000 ^{d,e,g}	-	250,000	269,226	91%	0%	0%	9%
Automotive Retail														
AutoNation	19,108.8	9	8	54	-	14	50,000 ^c	-	50,000	335,767	20%	80%	0%	0%
AutoZone	9,475.3	11	10	59	75	4	200,000 ^{e,h,i}	-	200,000	248,076	9%	91%	0%	0%
CarMax	12,574.3	11	10	63	76	7	205,000 ^e	1,500	215,500	238,590	43%	54%	0%	3%
O'Reilly Automotive	7,216.1	9	5	68	78	4	42,500 ^c	2,500	52,500	172,597	36%	64%	0%	0%
Broadcasting														
CBS Corporation	13,806.0	14	9	74	-	7	100,000 ^{c,d}	-	100,000	323,762	36%	62%	0%	2%
Discovery Communications	6,265.0	10	8	66	-	13	90,000 ^{c,f}	-	90,000	222,508	46%	26%	26%	2%
Scripps Networks Interactive	2,665.5	12	11	58	72	7	50,000 ^{c,d,f}	2,500	67,500	237,454	36%	32%	32%	0%
Cable & Satellite														
Cablevision Systems Corporation	6,460.9	18	8	75	-	7	100,000 ^c	2,000	114,000	198,985	45%	55%	0%	0%
Comcast Corporation	68,775.0	12	9	65	72	12	100,000 ^{c,d}	-	100,000	335,252	44%	56%	0%	0%

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Computer & Electronics Retail														
Best Buy Co.	40,339.0	9	8	58	75	5	80,000 ^{c,d}	-	80,000	277,221	32%	68%	0%	0%
GameStop Corporation	9,296.0	11	8	61	72	10	140,000 ^c	-	140,000	350,350	40%	40%	0%	20%
Consumer Electronics														
Garmin	2,870.7	6	4	66	-	4	85,000 ^c	-	85,000	166,500	40%	60%	0%	0%
Harman International Industries	5,348.5	9	8	67	75	8	80,000 ^c	1,500	92,000	230,081	46%	54%	0%	0%
Department Stores														
Kohl's Corporation	19,023.0	9	8	58	72	6	100,000 ^c	-	100,000	228,010	56%	44%	0%	0%
Macy's	28,105.0	13	12	61	74	8	70,000 ^{c,d}	-	70,000	264,649	36%	53%	0%	11%
Nordstrom	13,506.0	13	10	60	72	6	85,000 ^{c,d}	-	85,000	308,892	39%	59%	0%	2%
Distributors														
Genuine Parts Company	15,341.6	12	9	64	72	4	60,000 ^c	1,500	66,000	244,461	29%	71%	0%	0%
Footwear														
NIKE	27,799.0	14	11	61	72	5	85,000 ^c	-	85,000	222,517	39%	53%	0%	8%
General Merchandise Stores														
Dollar General Corporation	18,909.6	8	7	58	76	16	85,000 ^c	-	85,000	232,015	47%	21%	32%	0%
Dollar Tree	8,602.2	11	8	64	-	4	180,000 ^{d,i}	-	180,000	191,500	97%	0%	0%	3%
Target Corporation	72,618.0	10	9	57	72	11	260,000 ^{d,e}	-	260,000	306,068	30%	69%	0%	1%
Home Furnishing Retail														
Bed Bath & Beyond	11,881.2	10	7	63	-	7	100,000 ^{c,d}	-	100,000	202,917	56%	44%	0%	0%
Home Furnishings														
Leggett & Platt	3,782.3	11	8	66	72	5	195,000 ^{d,e}	-	195,000	298,428	24%	50%	0%	26%
Mohawk Industries	7,803.4	9	6	66	75	5	80,000 ^{c,d}	-	80,000	181,685	48%	52%	0%	0%
Home Improvement Retail														
The Home Depot	83,176.0	10	9	56	72	8	280,000 ^{d,e,g}	-	280,000	297,300	21%	77%	0%	2%
Lowe's Companies	56,223.0	11	10	63	72	6	80,000 ^{c,d}	-	80,000	239,156	37%	63%	0%	0%
The Sherwin-Williams Company	11,129.5	10	9	61	72	4	110,000 ^{c,d}	-	110,000	222,210	48%	52%	0%	0%
Homebuilding														
D.R. Horton	8,024.9	5	4	63	75	5	- ^{c,f}	15,000 ^k	60,000	130,447	55%	28%	17%	0%
Lennar Corporation	7,779.8	9	8	66	-	5	90,000 ^{e,f}	-	90,000	230,365	37%	54%	7%	2%
PulteGroup	5,822.4	9	8	59	75	6	235,000 ^e	-	235,000	250,625	44%	56%	0%	0%
Hotels, Resorts & Cruise Lines														
Carnival Corporation	15,884.0	9	7	64	75	6	110,000 ^c	-	110,000	242,395	48%	49%	0%	3%
Marriott International	13,796.0	11	8	62	72	5	75,000 ^{c,d}	-	75,000	217,888	39%	57%	0%	4%
Royal Caribbean Cruises Ltd.	8,073.9	11	10	62	-	6	80,000 ^c	-	80,000	212,121	44%	55%	0%	1%
Starwood Hotels & Resorts Worldwide	5,983.0	10	9	62	72	6	80,000 ^{c,e,h,i}	-	80,000	263,625	18%	74%	0%	8%
Wyndham Worldwide Corporation	5,281.0	7	6	65	75	4	210,000 ^{c,d,e}	-	210,000	446,278	30%	46%	0%	24%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Household Appliances														
Whirlpool Corporation	19,872.0	11	9	60	72	8	125,000 ^c	-	125,000	273,061	46%	49%	0%	5%
Housewares & Specialties														
Newell Rubbermaid	5,727.0	12	11	63	72	7	100,000 ^c	-	100,000	247,715	50%	50%	0%	0%
Internet Retail														
Amazon.com	88,988.0	10	9	66	-	5	265,000 ^{e,h}	-	265,000	265,000	0%	100%	0%	0%
Expedia	5,763.5	10	5	64	-	5	45,000 ^{c,d}	-	45,000	319,953	22%	78%	0%	0%
NetFlix	5,504.7	9	8	56	-	5	- ^{f,h,i}	-	in options 100%	333,891	5%	0%	95%	0%
The Priceline Group	8,442.0	11	9	61	-	9	50,000 ^c	-	50,000	336,360	22%	78%	0%	0%
TripAdvisor	1,246.0	9	6	46	-	8	50,000 ^{c,d}	-	50,000	215,564	30%	70%	0%	0%
Leisure Products														
Hasbro	4,277.2	11	10	59	72	12	85,000 ^{c,d}	-	85,000	329,444	24%	56%	0%	20%
Mattel	6,023.8	10	9	59	72	6	100,000 ^c	-	100,000	265,988	43%	49%	0%	8%
Motorcycle Manufacturers														
Harley-Davidson	6,228.5	11	9	65	75	5	100,000 ^{c,d}	-	100,000	218,636	50%	50%	0%	0%
Movies & Entertainment														
Time Warner	27,359.0	12	11	65	75	10	145,000 ^{c,d,f}	-	145,000	289,292	50%	35%	15%	0%
Twenty-First Century Fox	31,867.0	12	7	54	-	8	250,000 ^{e,g}	-	250,000	271,461	45%	55%	0%	0%
Viacom	13,783.0	12	7	62	-	7	100,000 ^{c,d}	-	100,000	308,821	43%	57%	0%	0%
The Walt Disney Company	48,813.0	10	9	59	-	7	105,000 ^{c,d}	-	105,000	293,141	41%	53%	0%	6%
Publishing														
Gannett Co.	6,008.2	10	9	58	-	8	100,000 ^{c,d}	-	100,000	198,169	32%	65%	0%	3%
News Corporation	8,574.0	12	7	51	-	8	225,000 ^{e,g}	-	225,000	237,222	47%	53%	0%	0%
Restaurants														
Chipotle Mexican Grill	4,108.3	9	7	61	-	4	195,000 ^e	2,000	203,000	207,227	42%	58%	0%	0%
Darden Restaurants	6,285.6	12	11	59	73	14	85,000 ^{c,d,j}	-	85,000	284,338	48%	42%	0%	10%
McDonald's Corporation	27,441.3	13	12	65	-	8	100,000 ^{c,d}	-	100,000	248,511	40%	56%	0%	4%
Starbucks Corporation	16,447.8	12	10	61	75	8	240,000 ^{d,j}	-	240,000	235,704	5%	65%	30%	0%
Yum! Brands	13,279.0	12	9	59	72	6	170,000 ^{c,e,f,h,i}	-	170,000	215,034	4%	78%	15%	3%
Specialized Consumer Services														
H&R Block	3,024.3	9	8	61	-	7	190,000 ^{e,g}	2,000 ^m	204,000	247,988	36%	63%	0%	1%
Specialty Stores														
Staples	22,492.4	11	10	58	72	9	75,000 ^c	-	75,000	266,708	29%	71%	0%	0%
Tiffany & Co.	4,249.9	10	7	68	74	6	75,000 ^{c,f}	-	75,000	267,626	32%	28%	28%	12%
Tractor Supply Co.	5,711.7	9	8	62	72	5	65,000 ^c	-	65,000	178,786	50%	50%	0%	0%

		NUMBER OF DIRECTORS	INDEPENDENT DIRECTORS				BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
	COMPANY SALES (\$ IN MILLIONS)	TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Tires & Rubber														
The Goodyear Tire & Rubber Company	18,138.0	13	11	62	72	8	120,000 ^{c,d}	-	120,000	261,506	51%	49%	0%	0%
TOTAL CONSUMER DISCRETIONARY														
Average		10.6	8.5	61.9	73.2	7.1	121,662		122,891	254,197	39%	53%	5%	3%
Median		11.0	9.0	62.0	72.0	7.0	100,000		100,000	243,331				
CONSUMER STAPLES														
Agricultural Products														
Archer-Daniels-Midland Company	81,201.0	13	11	60	72	7	275,000 ^{d,e}	-	275,000	305,880	35%	65%	0%	0%
Brewers														
Molson Coors Brewing Company	4,146.3	13	8	59	-	5	100,000 ^{c,d}	-	100,000	272,924	42%	46%	0%	12%
Distillers & Vintners														
Brown-Forman Corporation	2,991.0	12	6	60	71	8	175,000 ^{d,e,g}	-	175,000	223,339	59%	41%	0%	0%
Constellation Brands	6,028.0	10	8	60	70	6	70,000 ^{c,f}	2,500	85,000	224,679	45%	32%	23%	0%
Drug Retail														
CVS Health Corporation	139,367.0	11	10	63	72	8	280,000 ^{d,e}	-	280,000	327,849	27%	73%	0%	0%
Walgreens Boots Alliance	33,010.8	12	9	59	72	14	85,000 ^{c,d}	-	85,000	326,537	37%	54%	0%	9%
Food Distributors														
Sysco Corporation	46,516.7	10	8	69	-	12	100,000 ^{c,d}	-	100,000	337,771	44%	55%	0%	1%
Food Retail														
The Kroger Co.	108,465.0	11	10	64	72	5	85,000 ^c	-	85,000	266,829	38%	62%	0%	0%
Household Products														
The Clorox Company	5,591.0	11	9	64	72	7	95,000 ^{c,d}	-	95,000	228,593	45%	55%	0%	0%
Colgate-Palmolive Company	17,277.0	10	9	64	72	9	50,000 ^{c,d,f,i}	-	50,000	280,717	23%	59%	16%	2%
Kimberly-Clark Corporation	19,724.0	11	10	63	72	6	100,000 ^c	-	100,000	257,536	35%	63%	0%	2%
The Procter & Gamble Company	83,062.0	11	10	61	70	10	110,000 ^{c,d}	-	110,000	293,222	40%	60%	0%	0%
Hypermarkets & Super Centers														
Costco Wholesale Corporation	112,640.0	14	8	72	-	4	30,000 ^c	1,000	34,000	313,693	12%	88%	0%	0%
Wal-Mart Stores	485,651.0	15	10	58	75	5	75,000 ^{c,d}	-	75,000	286,317	37%	61%	0%	2%
Packaged Foods & Meats														
Campbell Soup Company	8,268.0	14	13	64	72	6	225,000 ^{d,e}	-	225,000	263,571	50%	50%	0%	0%
ConAgra Foods	17,702.6	12	11	65	72	8	85,000 ^c	-	85,000	256,675	33%	64%	0%	3%
General Mills	17,909.6	13	12	67	74	6	75,000 ^{c,d}	-	75,000	293,682	28%	61%	0%	11%
The Hershey Company	7,421.8	11	10	63	72	7	100,000 ^{c,d}	-	100,000	266,800	48%	51%	0%	1%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Packaged Foods & Meats (continued)														
Hormel Foods Corporation	9,316.3	14	12	59	72	8	70,000 ^{c,d}	-	70,000	257,428	34%	62%	0%	4%
The J.M. Smucker Company	5,610.6	13	8	62	72	4	80,000 ^{c,d}	-	80,000	205,000	44%	56%	0%	0%
Kellogg Company	14,580.0	13	11	64	72	9	100,000 ^{c,d}	-	100,000	261,599	41%	59%	0%	0%
Keurig Green Mountain	4,707.7	11	10	60	75	6	205,000 ^{d,e}	2,000	217,000	230,353	50%	50%	0%	0%
Kraft Foods Group	18,205.0	10	9	61	75	9	110,000 ^c	-	110,000	254,931	47%	49%	0%	4%
McCormick & Company	4,243.2	9	8	59	72	8	75,000 ^{c,f}	-	75,000	238,002	39%	41%	20%	0%
Mead Johnson Nutrition Company	4,409.3	13	10	62	75	9	100,000 ^c	-	100,000	320,070	40%	60%	0%	0%
Mondelez International	34,244.0	12	11	65	75	12	110,000 ^c	-	110,000	277,736	42%	54%	0%	4%
Tyson Foods	37,580.0	9	6	61	72	15	80,000 ^{c,d}	-	80,000	225,469	45%	55%	0%	0%
Personal Products														
The Estee Lauder Companies	10,968.8	15	9	61	-	6	150,000 ^{c,e,f}	-	150,000	266,372	35%	28%	37%	0%
Soft Drinks														
The Coca-Cola Company	45,998.0	15	13	64	74	5	250,000 ^{d,e,g}	-	250,000	267,102	22%	75%	0%	3%
Coca-Cola Enterprises	8,264.0	12	11	61	72	5	230,000 ^{d,e}	-	230,000	242,806	50%	49%	0%	1%
Dr Pepper Snapple Group	6,121.0	9	8	61	70	10	100,000 ^c	-	100,000	236,250	41%	59%	0%	0%
PepsiCo	66,683.0	14	13	62	72	6	275,000 ^{d,e}	-	275,000	284,667	41%	58%	0%	1%
Tobacco														
Altria Group	24,522.0	11	10	65	75	7	100,000 ^{c,d}	-	100,000	312,180	40%	56%	0%	4%
Phillip Morris International	80,106.0	12	10	65	-	6	125,000 ^{c,d}	-	125,000	339,688	48%	52%	0%	0%
Reynolds American	8,471.0	12	9	62	72	20	60,000 ^{c,d}	1,500	90,000	476,999	32%	67%	0%	1%
TOTAL CONSUMER STAPLES														
Average		11.9	9.7	62.5	72.5	7.9	123,857		125,600	278,663	38%	58%	2%	2%
Median		12.0	10.0	61.9	72.0	7.0	100,000		100,000	266,829				
ENERGY														
Coal & Consumable Fuels														
CONSOL Energy	3,726.8	11	8	63	75	8	120,000 ^{c,d}	-	120,000	282,500	47%	53%	0%	0%
Integrated Oil & Gas														
Chevron Corporation	211,970.0	12	11	63	72	6	150,000 ^{c,d,j}	-	150,000	397,611	35%	59%	4%	2%
Exxon Mobil Corporation	411,939.0	12	11	65	72	10	110,000 ^c	-	110,000	363,240	31%	69%	0%	0%
Occidental Petroleum Corporation	21,947.0	10	9	64	75	6	125,000 ^c	-	125,000	398,804	29%	68%	0%	3%
Oil & Gas Drilling														
Diamond Offshore Drilling	2,814.7	11	6	70	-	9	50,000 ^f	1,500	63,500	169,693	42%	25%	33%	0%
Ensc0 plc	4,564.5	9	8	63	70	6	100,000 ^c	-	100,000	399,952	25%	68%	0%	7%

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Helmerich & Payne	3,719.7	10	8	66	-	4	80,000 ^{d,f}	-	80,000	236,607	37%	0%	63%	0%
Noble Corporation	3,232.5	8	7	58	72	5	50,000 ^{c,d}	2,500	62,500	336,584	31%	69%	0%	0%
Transocean Ltd.	9,174.0	11	10	59	72	8	100,000 ^c	-	100,000	377,259	31%	56%	0%	13%
<i>Oil & Gas Equipment & Services</i>														
Baker Hughes	24,551.0	13	12	67	72	15	100,000 ^{c,j}	-	100,000	295,877	40%	59%	0%	1%
Cameron International Corporation	10,381.0	11	9	62	72	7	50,000 ^{c,d}	2,500	67,500	337,675	26%	74%	0%	0%
FMC Technologies	7,942.6	12	11	65	73	6	60,000 ^{c,d}	-	60,000	336,531	20%	79%	0%	1%
Halliburton Company	32,870.0	12	10	63	72	9	115,000 ^{c,d}	-	115,000	408,312	29%	44%	0%	27%
National Oilwell Varco	21,440.0	9	8	62	72	6	75,000 ^{c,f}	1,500	84,000	274,588	36%	64%	0%	0%
Schlumberger Limited	10,774.0	11	10	62	70	4	100,000 ^c	-	100,000	389,488	41%	59%	0%	0%
<i>Oil & Gas Exploration & Production</i>														
Anadarko Petroleum Corporation	18,470.0	10	9	61	72	8	110,000 ^{c,d}	2,000	126,000	362,162	29%	70%	0%	1%
Apache Corporation	13,851.0	11	10	60	75	15	100,000 ^{c,d}	-	100,000	270,923	43%	57%	0%	0%
Cabot Oil & Gas Corporation	2,173.0	6	1	69	73	7	75,000 ^c	-	75,000	295,175	29%	68%	0%	3%
Chesapeake Energy Corporation	20,951.0	10	9	62	80	10	100,000 ^{c,d}	-	100,000	410,991	23%	77%	0%	0%
Cimarex Energy Co.	2,424.2	9	7	70	-	6	250,000 ^e	1,800	260,800	280,970	36%	64%	0%	0%
ConocoPhillips	55,517.0	11	10	61	72	6	115,000 ^{c,d}	-	115,000	367,223	37%	60%	0%	3%
Devon Energy Corporation	19,566.0	9	7	63	73	7	70,000 ^c	2,000	84,000	366,752	29%	71%	0%	0%
EOG Resources	18,035.3	7	6	70	80	5	140,000 ^{c,d}	-	140,000	374,505	37%	41%	8%	14%
EQT Corporation	2,469.7	11	10	65	74	7	60,000 ^{c,d}	1,500	70,500	259,796	30%	62%	0%	8%
Hess Corporation	11,439.0	14	13	65	75	10	110,000 ^c	-	110,000	297,535	46%	53%	0%	1%
Marathon Oil Corporation	11,258.0	8	7	62	72	7	150,000 ^c	-	150,000	345,144	49%	51%	0%	0%
Murphy Oil Corporation	5,476.1	12	10	62	72	8	60,000 ^c	2,000	76,000	340,039	35%	59%	0%	6%
Newfield Exploration Company	2,288.0	8	7	63	72	4	75,000 ^c	-	75,000	289,998	31%	69%	0%	0%
Noble Energy	5,101.0	10	9	64	75	11	75,000 ^{c,f}	2,000	97,000	303,706	40%	33%	27%	0%
Pioneer Natural Resources Company	5,055.0	11	9	61	-	15	275,000 ^e	-	275,000	288,057	18%	82%	0%	0%
QEP Resources	3,414.3	7	6	63	72	8	70,000 ^c	-	70,000	277,222	28%	72%	0%	0%
Range Resources Corporation	2,711.7	10	8	66	-	10	50,000 ^{c,d}	1,000	60,000	321,687	22%	78%	0%	0%
Southwestern Energy Company	4,038.0	9	7	64	75	9	50,000 ^{c,f}	1,500	63,500	271,674	33%	43%	21%	3%
<i>Oil & Gas Refining & Marketing</i>														
Marathon Petroleum Corporation	98,102.0	10	9	65	72	8	150,000 ^c	-	150,000	328,636	52%	46%	0%	2%
Phillips 66	164,093.0	8	6	65	75	6	115,000 ^{c,d}	-	115,000	334,838	41%	51%	0%	8%
Tesoro Corporation	40,633.0	9	8	66	75	8	270,000 ^{d,e}	-	270,000	294,468	49%	50%	0%	1%
<i>Oil & Gas Storage & Transportation</i>														
Kinder Morgan	16,226.0	16	13	68	-	8	200,000 ^d	-	200,000	200,000	100%	0%	0%	0%
ONEOK	12,195.1	10	8	63	73	12	200,000 ^{d,e}	-	200,000	225,809	39%	61%	0%	0%

Comparative Board Data

COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		BOARD FEES (\$)					PERCENTAGE OF TOTAL COMPENSATION			
	TOTAL	INDEPENDENT	AVERAGE AGE	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER

Oil & Gas Storage & Transportation (continued)

Spectra Energy Corporation	5,903.0	11	10	64	74	7	225,000 ^e	-	225,000	237,589	48%	51%	0%	1%
The Williams Companies	7,637.0	13	12	61	75	16	250,000 ^e	-	250,000	304,684	46%	51%	0%	3%

TOTAL ENERGY

Average	10.3	8.7	63.9	73.4	8.2	118,250		122,383	319,619	35%	59%	3%	3%
Median	10.0	9.0	63.4	72.5	8.0	100,000		100,000	313,186				

FINANCIALS

Asset Management & Custody Banks

Affiliated Managers Group	2,510.9	8	8	53	-	6	80,000 ^{c,f}	-	80,000	257,314	44%	24%	32%	0%
Ameriprise Financial	12,268.0	9	8	66	75	7	205,000 ^{d,e}	-	205,000	273,530	37%	47%	0%	16%
The Bank of New York Mellon Corporation	16,386.0	14	13	65	75	21	110,000 ^{c,d}	-	110,000	279,633	50%	47%	0%	3%
BlackRock	11,081.0	18	14	65	75	7	75,000 ^{c,d,e}	1,500	85,500	267,408	19%	81%	0%	0%
Franklin Resources	8,491.4	10	7	59	75	5	85,000 ^{c,d}	-	85,000	230,490	35%	65%	0%	0%
Invesco	84.9	9	8	66	75	11	120,000 ^c	-	120,000	257,516	49%	51%	0%	0%
Legg Mason	2,741.8	12	11	66	72	6	50,000 ^{c,i}	- ⁿ	52,000	229,477	42%	57%	0%	1%
Northern Trust Corporation	4,512.6	11	10	58	72	10	220,000 ^{d,e}	-	220,000	213,889	52%	47%	0%	1%
State Street Corporation	10,285.0	12	11	62	75	8	75,000 ^{c,d}	1,500	87,000	293,902	34%	60%	0%	6%
T. Rowe Price Group	3,982.1	12	9	67	72	7	100,000 ^{c,d,fo}	-	100,000	343,122	36%	49%	12%	3%

Consumer Finance

American Express Company	35,999.0	12	9	63	72	9	95,000 ^{c,d}	-	95,000	309,800	40%	50%	0%	10%
Capital One Financial Corporation	23,869.0	10	8	62	72	13	90,000 ^c	-	90,000	327,778	45%	52%	0%	3%
Discover Financial Services	9,611.0	11	10	62	-	12	90,000 ^c	-	90,000	235,161	45%	55%	0%	0%
Navient Corporation	2,946.0	13	12	62	75	6	100,000 ^c	1,500	109,000	292,901	48%	37%	0%	15%

Diversified Banks

Bank of America Corporation	95,181.0	13	11	64	72	26	80,000 ^{c,d}	-	80,000	276,332	35%	65%	0%	0%
Citigroup	90,572.0	13	12	63	72	21	75,000 ^{c,d}	-	75,000	342,955	56%	44%	0%	0%
Comerica	2,618.0	9	8	58	72	9	45,000 ^{c,d}	1,500	58,500	169,674	56%	44%	0%	0%
JPMorgan Chase & Co.	102,102.0	11	10	64	72	10	75,000 ^{c,d}	-	75,000	323,000	30%	70%	0%	0%
U.S. Bancorp	21,392.0	14	13	63	72	8	90,000 ^{c,d}	-	90,000	251,803	44%	56%	0%	0%
Wells Fargo & Company	88,372.0	16	15	64	70	9	75,000 ^{c,d}	2,000	93,000	305,073	48%	52%	0%	0%

Healthcare REITs

HCP	2,266.3	8	7	67	-	13	75,000 ^{c,d}	-	75,000	231,034	46%	54%	0%	0%
Health Care REIT	3,343.5	9	8	65	75	5	80,000 ^c	- ^p	81,500	198,371	52%	48%	0%	0%
Ventas	3,075.7	11	9	63	75	7	90,000 ^{c,d}	-	90,000	239,722	46%	54%	0%	0%

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Hotel & Resort REITs														
Host Hotels & Resorts	5,354.0	9	7	64	-	5	180,000 ^{d,e}	-	180,000	237,742	35%	49%	0%	16%
Industrial REITs														
ProLogis	1,760.8	10	9	63	72	4	95,000 ^c	-	95,000	251,136	41%	58%	0%	1%
Insurance Brokers														
Aon plc	12,045.0	11	10	66	-	6	115,000 ^{c,d}	-	115,000	319,401	35%	56%	0%	9%
Marsh & McLennan Companies	12,951.0	12	11	64	75	11	110,000 ^{c,d}	-	110,000	273,273	48%	51%	0%	1%
Investment Banking & Brokerage														
The Charles Schwab Corporation	6,058.0	15	13	67	-	7	100,000 ^{c,d,f,j}	-	100,000	272,266	46%	27%	26%	1%
E*TRADE Financial Corporation	2,019.0	11	10	65	-	13	50,000 ^c	2,500	82,500	259,000	54%	46%	0%	0%
The Goldman Sachs Group	40,085.0	13	10	61	75	14	75,000 ^{c,e,h,i}	-	75,000	599,666	4%	93%	0%	3%
Morgan Stanley	37,953.0	14	11	62	72	16	75,000 ^{c,d}	-	75,000	347,652	28%	72%	0%	0%
Life & Health Insurance														
AFLAC	22,728.0	13	9	65	75	5	115,000 ^{c,d,f,j,o}	-	115,000	264,522	49%	26%	24%	1%
Lincoln National Corporation	13,554.0	11	10	69	75	4	247,000 ^{d,e,g}	-	247,000	303,689	37%	57%	0%	6%
MetLife	73,316.0	12	11	62	72	7	260,000 ^e	-	260,000	281,291	52%	47%	0%	1%
Principal Financial Group	10,477.6	11	9	63	72	9	225,000 ^{d,e}	-	225,000	236,548	51%	49%	0%	0%
Prudential Financial	54,105.0	11	9	64	74	10	300,000 ^{d,e}	-	300,000	319,500	53%	47%	0%	0%
Torchmark Corporation	3,964.3	11	9	65	74	5	210,000 ^{d,e,f,j}	-	210,000	202,089	46%	49%	5%	0%
Unum Group	10,509.7	14	12	64	72	7	95,000 ^{c,d}	-	95,000	264,966	44%	53%	0%	3%
Multi-line Insurance														
American International Group	64,406.0	13	12	65	75	16	280,000 ^{d,e,g}	-	280,000	293,402	64%	34%	0%	2%
Assurant	10,381.7	10	9	64	73	7	100,000 ^{c,d}	-	100,000	228,444	53%	44%	0%	3%
Genworth Financial	9,565.0	10	9	65	73	8	230,000 ^{d,e,g}	-	230,000	270,167	36%	60%	0%	4%
The Hartford Financial Services Group	18,614.0	11	10	61	75	12	100,000 ^{c,d}	-	100,000	303,323	44%	55%	0%	1%
Loews Corporation	14,325.0	14	11	68	-	7	100,000 ^f	-	100,000	180,879	64%	36%	0%	0%
Multi-sector Holdings														
Berkshire Hathaway	194,673.0	12	8	68	-	3	-	900	2,700	4,236	100%	0%	0%	0%
Leucadia National Corporation	11,486.5	11	8	65	-	12	120,000 ^c	-	120,000	252,813	53%	47%	0%	0%
Office REITs														
Boston Properties	2,397.0	11	8	67	75	9	60,000 ^{c,d}	1,500	73,500	203,433	44%	56%	0%	0%
SL Green Realty Corporation	1,520.0	8	5	68	-	5	50,000 ^{c,d}	1,500	57,500	410,625	27%	73%	0%	0%
Vornado Realty Trust	2,635.9	9	7	74	-	10	75,000 ^c	-	75,000	184,730	51%	49%	0%	0%
Property & Casualty Insurance														
ACE Limited	19,171.0	14	13	64	74	6	260,000 ^{d,e}	-	260,000	329,366	32%	54%	0%	14%
The Allstate Corporation	35,239.0	10	9	61	72	6	105,000 ^{c,d}	-	105,000	238,002	35%	65%	0%	0%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Property & Casualty Insurance (continued)														
The Chubb Corporation	14,098.0	14	13	65	74	8	90,000 ^{c,d}	-	90,000	263,229	45%	49%	0%	6%
Cincinnati Financial Corporation	4,945.0	15	10	60	73	5	80,000 ^e	4,500 ^q	102,500	193,184	49%	45%	0%	6%
The Progressive Corporation	19,391.4	10	9	63	80	8	225,000 ^{e,h}	-	225,000	241,678	0%	100%	0%	0%
The Travelers Companies	27,162.0	12	11	66	74	5	118,942 ^{c,d}	-	118,942	291,169	45%	55%	0%	0%
XL Group	6,602.3	11	10	67	-	7	105,000 ^{c,d,f}	-	105,000	294,766	49%	51%	0%	0%
Real Estate Services														
CBRE Group	9,049.9	10	9	68	-	4	75,000 ^{c,d}	-	75,000	235,413	36%	64%	0%	0%
Regional Banks														
BB&T Corporation	9,926.0	18	16	65	72	13	60,000 ^c	1,500	79,500	164,532	57%	43%	0%	0%
Fifth Third Bancorp	6,504.0	12	11	60	70	9	50,000 ^{c,d}	2,000	68,000	269,211	53%	42%	0%	5%
Huntington Bancshares	2,955.6	11	9	61	72	12	35,000 ^{c,d}	2,000	59,000	231,193	52%	48%	0%	0%
KeyCorp	4,351.0	14	13	59	72	8	50,000 ^{c,d}	1,500	62,000	159,129	50%	50%	0%	0%
M&T Bank Corporation	4,736.2	13	10	71	-	13	85,000 ^d	2,000	111,000	151,457	46%	54%	0%	0%
People's United Financial	1,348.0	12	9	67	76	12	24,000 ^{c,d}	950	35,400	178,964	48%	52%	0%	0%
The PNC Financial Services Group	16,281.0	13	12	65	72	11	60,000 ^{c,d}	1,500 ^r	73,500	299,707	37%	44%	0%	19%
Regions Financial Corporation	5,409.0	12	11	65	72	12	155,000 ^{d,e}	1,500	173,000	206,229	54%	46%	0%	0%
SunTrust Banks	8,707.0	12	11	65	72	5	60,000 ^c	-	60,000	230,200	46%	52%	0%	2%
Zions Bancorporation	2,361.6	13	11	62	72	22	35,000 ^{c,d}	1,500	68,000	167,058	58%	42%	0%	0%
Residential REITs														
Apartment Investment and Management Company	984.4	7	6	68	-	4	- ^{e,h,i}	1,000	4,000 ^{plus stock}	170,940	13%	87%	0%	0%
AvalonBay Communities	1,685.1	10	9	63	72	6	60,000 ^{c,d}	-	60,000	191,135	28%	69%	0%	3%
Equity Residential	2,614.7	12	10	59	72	6	180,000 ^{e,f,j}	-	180,000	202,583	41%	39%	20%	0%
Essex Property Trust	969.3	13	11	65	-	5	30,000 ^{f,o}	1,000	35,000	107,125	43%	12%	45%	0%
Retail REITs														
General Growth Properties	2,535.6	9	8	55	-	9	175,000 ^{c,d}	-	175,000	180,004	46%	54%	0%	0%
Kimco Realty Corporation	993.9	8	6	73	-	8	50,000 ^{c,d}	-	50,000	248,030	40%	60%	0%	0%
The Macerich Co.	1,105.2	12	9	63	-	11	60,000 ^{c,d}	-	60,000	207,469	45%	55%	0%	0%
Realty Income Corporation	933.5	8	7	62	-	17	15,000 ^c	1,000	32,000	224,993	23%	77%	0%	0%
Simon Property Group	4,870.8	10	7	68	-	11	70,000 ^c	2,000	92,000	206,183	56%	44%	0%	0%
Specialized Finance														
CME Group	3,112.5	25	19	63	-	8	60,000 ^{c,d}	-	60,000	193,562	40%	60%	0%	0%
IntercontinentalExchange	3,092.0	10	9	67	75	6	85,000 ^{c,d}	-	85,000	326,556	32%	54%	0%	14%
McGraw-Hill Financial	5,051.0	12	10	65	72	10	70,000 ^{c,d}	1,500	85,000	229,249	49%	50%	0%	1%
Moody's Corporation	3,334.3	9	8	64	-	11	75,000 ^c	-	75,000	241,961	36%	63%	0%	1%
The Nasdaq OMX Group	3,500.0	11	10	58	-	14	80,000 ^{c,d}	1,500	101,000	243,902	41%	59%	0%	0%

	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
	COMPANY SALES (\$ IN MILLIONS)	TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER

Specialized REITs

American Tower Corporation	4,100.0	9	8	62	-	8	75,000 ^{c,f}	-	75,000	246,886	40%	30%	30%	0%
Crown Castle International Corp.	3,689.9	11	9	64	-	5	75,000 ^c	-	75,000	221,272	37%	60%	0%	3%
Plum Creek Timber Company	1,476.0	10	9	65	-	7	60,000 ^{c,d}	2,000	74,000	204,085	46%	54%	0%	0%
Public Storage	2,195.4	8	5	64	70	6	120,000 ^f	-	120,000	211,807	54%	0%	46%	0%

Thriffs & Mortgage Finance

Hudson City Bancorp	1,278.1	9	7	70	75	19	50,000 ^c	1,500	78,500	235,592	54%	32%	0%	14%
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TOTAL FINANCIALS

Average		11.5	9.8	64.1	73.3	9.2	103,734		107,774	249,232	42%	53%	2%	3%
Median		11.0	9.0	64.3	72.0	8.0	85,000		90,000	241,961				

HEALTHCARE

Biotechnology

Alexion Pharmaceuticals	2,233.7	10	8	65	-	9	95,000 ^{c,f}	-	95,000	402,452	24%	38%	38%	0%
Amgen	20,063.0	13	12	65	72	7	100,000 ^c	-	100,000	357,456	37%	56%	0%	7%
Biogen Idec	9,703.3	11	10	60	75	10	65,000 ^c	2,500	90,000	405,970	29%	70%	0%	1%
Celgene Corporation	7,670.4	9	8	67	-	7	75,000 ^{c,f}	-	75,000	829,342	14%	23%	63%	0%
Gilead Sciences	24,890.0	10	9	72	-	4	75,000 ^{c,d,f}	-	75,000	422,222	28%	36%	36%	0%
Regeneron Pharmaceuticals	2,819.6	12	9	70	-	7	55,000 ^f	-	55,000	1,767,782	4%	0%	96%	0%
Vertex Pharmaceuticals	580.4	10	9	58	-	10	50,000 ^f	-	50,000	820,234	9%	91%	0%	0%

Healthcare Technology

Cerner Corporation	3,402.7	9	7	69	75	4	66,000 ^c	-	66,000	369,463	23%	77%	0%	0%
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Healthcare Distributors

AmerisourceBergen Corporation	119,569.1	10	8	64	75	4	100,000 ^{c,d}	-	100,000	246,877	45%	53%	0%	2%
Cardinal Health	91,084.0	11	10	62	75	9	90,000 ^c	-	90,000	258,037	37%	62%	0%	1%
Henry Schein	10,371.4	15	10	73	-	8	50,000 ^c	2,000	66,000	267,275	31%	69%	0%	0%
McKesson Corporation	137,609.0	9	8	67	75	10	75,000 ^c	1,500	90,000	293,239	42%	52%	0%	6%
Patterson Companies	4,063.7	9	8	61	75	6	62,000 ^{c,f}	-	62,000	169,256	41%	59%	0%	0%

Healthcare Equipment

Abbott Laboratories	20,247.0	11	10	63	75	7	126,000 ^{c,d}	-	126,000	272,033	49%	46%	0%	5%
Baxter International	16,671.0	13	12	68	72	8	65,000 ^{c,f}	2,000	81,000	291,696	43%	38%	17%	2%
Becton, Dickinson and Company	8,446.0	14	13	65	72	12	92,000 ^{c,d}	-	92,000	263,203	34%	65%	0%	1%
Boston Scientific Corporation	7,380.0	11	10	61	-	6	90,000 ^{c,d,j}	-	90,000	292,227	37%	63%	0%	0%
C.R. Bard	3,323.6	11	9	67	74	6	50,000 ^{c,d}	1,650	59,900	245,225	38%	32%	0%	30%
Edwards Lifesciences Corporation	2,322.9	9	8	67	75	7	40,000 ^{c,d,f,j}	-	40,000	251,333	9%	78%	13%	0%
Intuitive Surgical	2,131.7	8	2	63	-	5	50,000 ^{c,f}	-	50,000	333,413	21%	43%	36%	0%
Medtronic	17,005.0	10	9	61	72	6	80,000 ^c	-	80,000	231,559	40%	60%	0%	0%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Healthcare Equipment (continued)														
St. Jude Medical	5,622.0	8	7	62	75	5	100,000 ^{c,d}	-	100,000	257,559	42%	58%	0%	0%
Stryker Corporation	9,675.0	9	8	59	-	9	60,000 ^{c,f}	-	60,000	307,331	44%	28%	28%	0%
Varian Medical Systems	3,049.8	10	8	60	75	5	100,000 ^{c,d}	-	100,000	299,145	47%	53%	0%	0%
Zimmer Holdings	4,673.3	10	9	58	72	11	95,000 ^{c,d,e,g}	-	95,000	294,877	34%	64%	0%	2%
Healthcare Facilities														
HCA Holdings	36,918.0	11	10	60	75	7	100,000 ^c	-	100,000	322,584	37%	63%	0%	0%
Tenet Healthcare Corporation	16,615.0	10	9	66	75	9	95,000 ^{c,d}	-\$	101,000	339,625	48%	52%	0%	0%
Universal Health Services	8,065.3	7	4	68	-	6	40,000 ^f	-	40,000	312,640	18%	0%	82%	0%
Healthcare Services														
DaVita Healthcare Partners	12,795.1	9	8	62	75	13	80,000 ^{c,f}	-	80,000	303,555	42%	33%	25%	0%
Express Scripts Holding Co.	100,887.1	12	11	64	75	5	40,000 ^{c,f}	2,000	50,000	269,150	26%	37%	37%	0%
Laboratory Corporation of America Holdings	6,011.6	9	8	59	75	10	90,000 ^c	-	90,000	246,708	38%	62%	0%	0%
Quest Diagnostics	7,435.0	11	10	64	-	8	55,000 ^{c,d,j}	1,500	67,000	271,372	32%	67%	1%	0%
Healthcare Supplies														
DENTSPLY International	2,922.6	10	9	65	75	6	45,000 ^{c,d,f}	1,500	54,000	197,000	34%	33%	33%	0%
Life Sciences Tools & Services														
Agilent Technologies	6,981.0	9	8	68	75	6	90,000 ^{c,d}	-	90,000	300,714	40%	60%	0%	0%
PerkinElmer	2,237.2	8	7	63	72	8	80,000 ^c	-	80,000	245,000	37%	41%	22%	0%
Thermo Fisher Scientific	16,889.6	11	10	60	72	6	100,000 ^{c,d}	-	100,000	285,600	44%	53%	0%	3%
Waters Corporation	1,989.3	9	8	61	72	8	75,000 ^{c,d,f}	1,500	87,000	352,110	29%	43%	28%	0%
Managed Healthcare														
Aetna	58,003.2	13	11	68	76	11	85,000 ^{c,d}	-	85,000	305,685	34%	53%	0%	13%
Anthem	73,874.1	10	9	65	72	9	95,000 ^c	-	95,000	323,191	42%	54%	0%	4%
CIGNA Corporation	34,914.0	11	10	61	72	7	275,000 ^{d,e}	-	275,000	319,787	43%	56%	0%	1%
Humana	48,500.0	10	9	58	73	8	105,000 ^{c,d}	-	105,000	286,882	43%	49%	0%	8%
UnitedHealth Group	130,474.0	10	8	69	-	10	125,000 ^{c,d}	-	125,000	331,784	50%	45%	0%	5%
Pharmaceuticals														
AbbVie	19,960.0	9	8	64	75	17	126,000 ^{c,d,j}	-	126,000	292,748	46%	49%	0%	5%
Actavis plc	13,062.3	12	10	63	-	17	65,000 ^c	4,000	133,000	385,380	23%	62%	0%	15%
Bristol-Myers Squibb Company	15,879.0	11	9	63	75	8	90,000 ^{c,d}	-	90,000	312,384	41%	55%	0%	4%
Eli Lilly & Company	19,615.6	14	13	63	72	9	100,000 ^{c,d}	-	100,000	271,533	42%	53%	0%	5%
Endo International plc	2,616.9	9	8	63	-	4	140,000 ^{c,d}	-	140,000	536,990	44%	56%	0%	0%
Hospira	4,463.7	10	9	67	-	10	65,000 ^{c,d}	-	65,000	297,386	32%	68%	0%	0%
Johnson & Johnson	74,331.0	11	10	64	72	7	110,000 ^c	-	110,000	261,047	43%	54%	0%	3%
Mallinckrodt Public Limited Company	2,540.4	12	11	63	72	9	100,000 ^c	-	100,000	357,551	33%	67%	0%	0%
Merck & Co.	42,237.0	12	11	64	72	8	100,000 ^{c,d}	-	100,000	279,776	40%	60%	0%	0%

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Perrigo Company Public Limited Company	3,539.8	11	10	62	72	10	75,000 ^c	-	75,000	328,395	31%	69%	0%	0%
Pfizer	49,605.0	11	10	62	73	16	137,500 ^{c,d}	-	137,500	328,680	48%	49%	0%	3%
Zoetis	4,785.0	10	8	63	-	13	270,000 ^{e,g}	-	270,000	266,042	47%	53%	0%	0%

TOTAL HEALTHCARE														
Average		10.4	9.0	63.9	73.7	8.3	89,991		93,674	342,813	33%	49%	16%	2%
Median		10.0	9.0	63.4	75.0	8.0	90,000		90,000	298,266				

INDUSTRIALS

Aerospace & Defense

The Boeing Company	90,762.0	10	9	63	74	7	130,000 ^{c,d}	-	130,000	302,630	43%	50%	0%	7%
General Dynamics Corporation	30,852.0	11	9	63	75	8	70,000 ^{c,d,f}	3,000	94,000	250,741	51%	24%	24%	1%
Honeywell International	40,306.0	13	12	63	72	7	100,000 ^{c,d,f}	-	100,000	285,902	66%	13%	13%	8%
L-3 Communications Holdings	12,124.0	10	9	69	-	10	110,000 ^{c,d}	-	110,000	240,445	50%	50%	0%	0%
Lockheed Martin Corporation	45,600.0	11	10	65	75	9	260,000 ^{d,e}	-	260,000	269,928	52%	47%	0%	1%
Northrop Grumman Corporation	23,979.0	12	11	65	72	9	255,000 ^{d,e,g}	-	255,000	272,325	49%	48%	0%	3%
Precision Castparts Corporation	9,616.0	8	7	64	71	5	80,000 ^{c,d}	-	80,000	241,857	42%	58%	0%	0%
Raytheon Company	22,826.0	10	9	64	74	11	90,000 ^{c,d}	1,500	106,500	292,713	48%	50%	0%	2%
Rockwell Collins	4,979.0	9	8	66	74	6	100,000 ^{c,d}	-	100,000	222,194	44%	54%	0%	2%
Textron	13,878.0	11	10	68	75	6	215,000 ^{d,e,g}	-	215,000	250,312	58%	40%	0%	2%
United Technologies Corporation	65,100.0	11	10	68	72	8	280,000 ^{d,e,g}	- ^t	285,000	283,069	17%	83%	0%	0%

Agricultural & Farm Machinery

Deere & Company	36,066.9	12	11	65	72	5	120,000 ^{c,d}	-	120,000	244,943	50%	49%	0%	1%
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Air Freight & Logistics

C.H. Robinson Worldwide	13,470.1	9	8	61	-	5	80,000 ^{c,d}	-	80,000	143,889	65%	35%	0%	0%
Expeditors International of Washington	6,564.7	10	8	65	72	8	30,000 ^c	1,000	38,000	269,458	26%	74%	0%	0%
FedEx Corporation	45,567.0	12	11	59	72	7	111,000 ^f	-	111,000	266,975	44%	56%	0%	0%
United Parcel Service	58,232.0	12	10	60	72	6	100,000 ^c	-	100,000	265,385	40%	60%	0%	0%

Airlines

American Airlines Group	42,650.0	11	10	62	75	13	90,000 ^c	-	90,000	415,892	27%	68%	0%	5%
Delta Air Lines	40,362.0	16	13	65	72	7	90,000 ^c	-	90,000	300,039	40%	55%	0%	5%
Southwest Airlines Co.	18,605.0	10	9	68	75	6	70,000 ^c	1,500	79,000	205,003	51%	49%	0%	0%

Building Products

Allegion Public Limited Company	2,045.6	6	5	61	70	5	140,000 ^c	-	140,000	245,768	85%	4%	0%	11%
Masco Corporation	8,521.0	11	9	60	72	8	230,000 ^e	-	230,000	264,296	54%	45%	0%	1%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Construction & Engineering														
Fluor Corporation	21,531.6	11	10	63	75	5	115,000 ^c	-	115,000	261,318	47%	52%	0%	1%
Jacobs Engineering Group	12,695.2	10	9	65	-	7	88,000 ^{c,f}	-	88,000	256,567	35%	35%	30%	0%
Quanta Services	7,851.3	10	9	62	73	8	75,000 ^c	-	75,000	246,697	41%	59%	0%	0%
Construction Machinery & Heavy Trucks														
Caterpillar	55,184.0	12	11	60	72	7	275,000 ^{d,e}	-	275,000	289,544	54%	42%	0%	4%
Cummins	19,221.0	10	9	62	72	5	250,000 ^e	-	250,000	281,739	40%	55%	0%	5%
Joy Global	3,778.3	9	8	66	-	9	85,000 ^c	1,500	98,500	235,375	49%	51%	0%	0%
PACCAR	18,997.0	11	9	60	72	4	100,000 ^{c,d}	-	100,000	228,305	56%	44%	0%	0%
Diversified Support Services														
Cintas Corporation	4,551.8	9	6	63	73	6	46,000 ^{c,d,f}	3,150	64,900	162,629	46%	27%	27%	0%
Iron Mountain	3,117.7	10	9	59	75	11	70,000 ^{c,d}	-	70,000	244,648	42%	55%	3%	0%
Electrical Components & Equipment														
AMETEK	4,022.0	9	8	66	75	7	70,000 ^{c,d,f}	-	70,000	179,936	42%	33%	25%	0%
Eaton Corporation	22,552.0	12	11	62	72	4	290,000 ^{d,e}	-	290,000	308,174	50%	43%	0%	7%
Emerson Electric Company	24,537.0	13	11	63	72	11	240,000 ^e	1,500	256,500	247,581	45%	50%	0%	5%
Rockwell Automation	6,623.5	11	10	63	72	7	150,000 ^{c,d,e}	-	150,000	219,581	45%	52%	0%	3%
Environmental & Facilities Services														
Republic Services	8,788.3	10	9	61	-	6	80,000 ^c	-	80,000	352,756	30%	70%	0%	0%
Stericycle	2,555.6	10	8	66	-	4	125,000 ^{f,h,i}	-	125,000	103,822	0%	0%	100%	0%
Waste Management	13,996.0	9	8	65	72	7	110,000 ^c	-	110,000	279,643	47%	53%	0%	0%
Human Resource & Employment Services														
Robert Half International	4,695.0	6	4	64	-	6	40,000 ^c	1,500	49,000	345,870	19%	81%	0%	0%
Industrial Conglomerates														
3M Company	31,821.0	10	9	64	72	9	270,000 ^{d,e}	-	270,000	283,195	47%	53%	0%	0%
Danaher Corporation	19,913.8	10	7	65	72	13	100,000 ^{c,d,f}	-	100,000	243,746	38%	42%	20%	0%
General Electric Company	148,589.0	16	15	62	75	14	250,000 ^{d,e,g}	-	250,000	273,381	24%	76%	0%	0%
Roper Technologies	3,549.5	10	9	65	76	6	42,500 ^c	2,000	54,500	622,036	10%	90%	0%	0%
Industrial Machinery														
Dover Corporation	7,752.7	12	11	66	75	11	240,000 ^e	-	240,000	256,818	52%	48%	0%	0%
Flowserve Corporation	4,877.9	11	10	61	72	12	60,000 ^{c,d}	-	60,000	224,098	44%	56%	0%	0%
Illinois Tool Works	14,484.0	11	10	59	75	5	135,000 ^{c,d}	-	135,000	279,711	54%	46%	0%	0%
Ingersoll-Rand	12,891.4	12	11	65	75	6	285,000 ^e	-	285,000	302,253	53%	47%	0%	0%
Pall Corporation	2,789.1	11	10	61	72	11	55,000 ^{c,d}	-	55,000	210,322	37%	62%	0%	1%
Parker-Hannifin Corporation	13,216.0	12	11	62	75	7	120,000 ^c	-	120,000	255,180	49%	50%	0%	1%
Pentair Ltd.	3,456.7	11	10	60	72	5	123,000 ^{c,f}	-	123,000	261,290	60%	20%	20%	0%
Snap-on	3,492.6	10	9	62	75	8	85,000 ^{c,d}	-	85,000	250,334	39%	52%	0%	9%
Stanley Black & Decker	11,338.6	11	10	63	72	5	125,000 ^{c,d}	-	125,000	262,432	52%	47%	0%	1%
Xylem	3,916.0	10	9	62	72	7	100,000 ^{c,d}	-	100,000	238,787	47%	53%	0%	0%

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Office Services & Supplies														
Pitney Bowes	3,821.5	10	9	64	72	8	75,000 ^c	-	75,000	215,588	49%	47%	0%	4%
Railroads														
CSX Corporation	12,669.0	13	11	64	72	7	75,000 ^{c,d}	-	75,000	268,262	31%	56%	0%	13%
Kansas City Southern	2,577.1	8	7	64	75	8	50,000 ^{c,d}	4,000	82,000	226,824	52%	39%	0%	9%
Norfolk Southern Corporation	11,624.0	13	11	61	72	6	50,000 ^c	-	50,000	273,878	37%	55%	0%	8%
Union Pacific Corporation	23,988.0	12	10	68	75	6	250,000 ^{d,e,g}	-	250,000	304,412	87%	0%	0%	13%
Research & Consulting Services														
The Dun & Bradstreet Corporation	1,681.8	9	8	56	72	8	70,000 ^{c,d,f}	-	70,000	229,092	40%	52%	0%	8%
Equifax	2,436.4	10	9	63	72	4	75,000 ^{c,d}	-	75,000	222,580	40%	60%	0%	0%
Security & Alarm Services														
The ADT Corporation	3,408.0	9	8	61	72	12	80,000 ^c	-	80,000	230,345	47%	53%	0%	0%
Tyco International	10,340.0	11	9	63	72	10	100,000 ^c	-	100,000	237,618	49%	51%	0%	0%
Trading Companies & Distributors														
Fastenal Company	3,733.5	9	6	57	74	4	55,000	4,000	71,000	99,714	100%	0%	0%	0%
United Rentals	5,685.0	12	11	63	-	6	80,000 ^c	-	80,000	250,662	46%	54%	0%	0%
W.W. Grainger	9,965.0	11	10	63	75	5	85,000 ^{c,d}	-	85,000	222,143	42%	57%	0%	1%
Trucking														
Ryder System	6,638.8	11	10	61	72	7	65,000 ^{c,d}	-	65,000	243,336	44%	55%	0%	1%
TOTAL INDUSTRIALS														
Average		10.6	9.3	63.1	73.1	7.4	124,008		126,783	259,356	44%	51%	3%	2%
Median		11.0	9.0	63.0	72.0	7.0	100,000		100,000	250,741				
INFORMATION TECHNOLOGY														
Application Software														
Adobe Systems	4,147.1	13	12	62	72	5	60,000 ^{c,d}	-	60,000	328,445	27%	73%	0%	0%
Autodesk	2,512.2	10	9	59	-	4	75,000 ^{c,d}	-	75,000	546,742	16%	84%	0%	0%
Citrix Systems	3,142.9	10	9	56	-	12	40,000 ^c	-	40,000	338,680	23%	77%	0%	0%
Intuit	4,506.0	9	6	61	75	4	60,000 ^{c,d}	-	60,000	387,573	28%	72%	0%	0%
salesforce.com	5,373.6	11	8	63	-	9	50,000 ^c	-	50,000	629,424	13%	87%	0%	0%
Communications Equipment														
Cisco Systems	47,142.0	10	8	61	70	5	75,000 ^c	-	75,000	294,164	37%	63%	0%	0%
F5 Networks	1,732.0	9	8	58	-	9	50,000 ^c	-	50,000	285,308	30%	70%	0%	0%
Harris Corporation	5,012.0	12	11	64	72	6	55,000 ^{c,d}	2,000	67,000	232,096	46%	53%	0%	1%
Juniper Networks	4,627.1	10	7	59	75	19	55,000 ^c	-	55,000	340,618	25%	75%	0%	0%

Comparative Board Data

		NUMBER OF DIRECTORS	INDEPENDENT DIRECTORS	BOARD FEES (\$)							PERCENTAGE OF TOTAL COMPENSATION			
	COMPANY SALES (\$ IN MILLIONS)	TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Communications Equipment (continued)														
Motorola Solutions	5,881.0	8	7	64	72	15	100,000 ^{c,d}	-	100,000	254,396	29%	70%	0%	1%
QUALCOMM	26,487.0	15	13	67	-	9	100,000 ^{c,d}	-	100,000	364,926	34%	56%	0%	10%
Data Processing & Outsourced Services														
Alliance Data Systems Corporation	5,302.9	8	7	68	75	8	75,000 ^{c,d}	1,500	87,000	266,751	24%	75%	0%	1%
Automatic Data Processing	12,206.5	9	8	60	72	5	230,000 ^{d,e,g}	-	230,000	248,133	40%	56%	0%	4%
Computer Sciences Corporation	12,998.0	8	7	59	72	5	90,000 ^c	-	90,000	269,313	40%	60%	0%	0%
Fidelity National Information Services	6,413.8	11	8	63	-	5	80,000 ^{c,f}	2,000	90,000	438,902	46%	27%	27%	0%
Fiserv	5,066.0	10	9	60	75	5	60,000 ^{c,d,f}	-	60,000	218,902	36%	32%	32%	0%
MasterCard	9,473.0	13	12	59	72	5	100,000 ^c	-	100,000	287,066	45%	54%	0%	1%
Paychex	2,518.9	9	7	64	-	5	70,000 ^{c,f}	-	70,000	211,043	52%	25%	23%	0%
Total System Services	2,446.9	14	12	68	75	7	70,000 ^{c,f}	-	70,000	206,284	48%	27%	25%	0%
Visa	12,702.0	11	10	64	75	11	105,000 ^c	-	105,000	328,644	42%	53%	0%	5%
The Western Union Company	5,607.2	11	10	64	74	8	85,000 ^{c,d,j,f,o}	-	85,000	269,378	39%	39%	18%	4%
Xerox Corporation	19,540.0	9	8	63	70	7	210,000 ^{e,g}	-	210,000	214,821	39%	61%	0%	0%
Electronic Components														
Amphenol Corporation	5,345.5	9	8	70	72	5	70,000 ^{c,d}	-	70,000	211,342	41%	59%	0%	0%
Corning	9,715.0	14	12	62	74	7	60,000 ^{c,d}	1,750	72,250	274,970	50%	49%	0%	1%
Electronic Equipment & Instruments														
FLIR Systems	1,530.7	10	8	64	75	5	70,000 ^{c,f}	1,500	77,500	243,985	42%	29%	29%	0%
Electronic Manufacturing Services														
TE Connectivity	13,912.0	11	10	60.6	72	8	250,000 ^e	-	250,000	291,315	37%	56%	0%	7%
Home Entertainment Software														
Electronic Arts	3,575.0	9	7	54	72	6	60,000 ^{c,d,f}	-	60,000	338,042	7%	80%	13%	0%
Internet Software & Services														
Akamai Technologies	1,963.9	10	7	61	-	6	300,000 ^{e,g}	-	300,000	292,996	20%	80%	0%	0%
eBay	17,902.0	15	13	58	-	12	80,000 ^c	-	80,000	291,974	25%	75%	0%	0%
Equinix	2,443.8	8	6	60	75	9	60,000 ^c	-	60,000	339,558	26%	74%	0%	0%
Facebook	12,466.0	8	5	54	70	12	50,000 ^c	-	50,000	385,551	17%	83%	0%	0%
Google	66,001.0	11	8	62	-	8	75,000 ^c	-	75,000	428,787	18%	82%	0%	0%
VeriSign	1,010.1	7	6	70	-	6	40,000 ^c	-	40,000	324,134	26%	74%	0%	0%
Yahoo	4,618.1	9	7	62	-	22	60,000 ^{c,d}	-	60,000	312,979	11%	71%	18%	0%
IT Consulting & Other Services														
Accenture	31,874.7	11	10	60	75	5	90,000 ^{c,d}	-	90,000	292,702	37%	63%	0%	0%
Cognizant Technology Solutions Corporation	10,262.7	9	7	67	-	8	90,000 ^{c,f}	-	90,000	272,883	26%	37%	37%	0%
International Business Machines Corporation	92,793.0	14	12	65	72	9	250,000 ^{d,e,g}	-	250,000	318,001	80%	0%	0%	20%
Teradata Corporation	2,732.0	11	10	64	-	9	50,000 ^{c,d}	-	50,000	312,174	12%	88%	0%	0%

		NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS			BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
	COMPANY SALES (\$ IN MILLIONS)	TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Semiconductor Equipment														
Applied Materials	9,072.0	10	8	61	70	6	65,000 ^{c,d}	-	65,000	282,447	31%	69%	0%	0%
KLA-Tencor Corporation	2,929.4	11	10	63	72	9	90,000 ^c	-	90,000	239,746	49%	51%	0%	0%
Lam Research Corporation	4,607.3	11	9	60	75	8	60,000 ^c	-	60,000	277,189	28%	69%	0%	3%
Semiconductors														
Altera Corporation	1,932.1	9	8	64	-	6	65,000 ^{c,d}	-	65,000	232,296	33%	67%	0%	0%
Analog Devices	2,864.8	11	9	64	-	12	60,000 ^{c,f}	-	60,000	269,916	34%	33%	33%	0%
Avago Technologies Limited	4,269.0	9	8	62	70	9	65,000 ^c	-	65,000	278,527	31%	39%	30%	0%
Broadcom Corporation	8,428.0	9	7	64	-	9	70,000 ^c	-	70,000	382,006	22%	78%	0%	0%
First Solar	3,391.8	11	9	64	-	10	225,000 ^e	-	225,000	245,059	46%	54%	0%	0%
Intel Corporation	55,870.0	11	9	59	72	10	90,000 ^{c,d}	-	90,000	322,678	26%	69%	0%	5%
Linear Technology Corporation	1,388.4	7	5	72	-	4	60,000 ^c	1,500	66,000	195,580	38%	62%	0%	0%
Microchip Technology	1,931.2	5	4	67	-	7	63,000 ^c	3,000	84,000	159,085	43%	57%	0%	0%
Micron Technology	16,358.0	8	7	59	70	6	100,000 ^{c,d}	-	100,000	368,676	35%	65%	0%	0%
Nvidia Corporation	4,681.5	12	11	62	-	5	75,000 ^{f,j,o}	-	75,000	284,971	26%	62%	12%	0%
Skyworks Solutions	2,291.5	8	7	60	-	10	60,000 ^c	-	60,000	288,241	26%	69%	5%	0%
Texas Instruments	13,045.0	11	10	61	70	9	80,000 ^{c,d,f}	-	80,000	289,000	30%	35%	35%	0%
Xilinx	2,382.5	8	7	67	-	4	60,000 ^c	-	60,000	244,415	34%	66%	0%	0%
Systems Software														
CA	4,515.0	11	10	62	75	10	325,000 ^{e,g,h,i}	-	325,000	304,495	25%	71%	0%	4%
Microsoft Corporation	86,833.0	10	8	57	75	12	250,000 ^{d,e}	-	250,000	273,630	41%	59%	0%	0%
Oracle Corporation	38,275.0	11	7	68	-	6	52,500 ^f	3,000 ^u	68,500	670,727	23%	0%	77%	0%
Red Hat	1,789.5	9	8	62	75	9	50,000 ^{c,d}	-	50,000	332,878	18%	82%	0%	0%
Symantec Corporation	6,676.0	9	8	59	-	12	50,000 ^{c,d}	-	50,000	335,834	30%	70%	0%	0%
Technology Hardware, Storage & Peripherals														
Apple	182,795.0	7	6	62	75	6	100,000 ^c	-	100,000	334,065	28%	71%	0%	1%
EMC Corporation	24,440.0	12	10	63	-	12	50,000 ^c	3,000	86,000	352,548	32%	68%	0%	0%
Hewlett-Packard Company	111,454.0	12	9	59	-	17	275,000 ^{d,e,j}	- ^v	289,000	309,011	25%	61%	12%	2%
NetApp	6,325.1	10	9	63	70	9	60,000 ^{d,f,j,o}	-	60,000	331,129	25%	37%	38%	0%
SanDisk Corporation	6,627.7	8	6	65	70	7	50,000 ^{c,f}	-	50,000	368,127	25%	34%	41%	0%
Seagate Technology Public Limited Company	13,724.0	11	10	64	-	5	80,000 ^c	-	80,000	402,494	27%	73%	0%	0%
Western Digital Corporation	15,130.0	9	8	62	72	7	75,000 ^{c,d}	-	75,000	336,358	31%	69%	0%	0%
TOTAL INFORMATION TECHNOLOGY														
Average		10.1	8.5	62.3	72.7	8.2	94,780		97,004	311,656	31%	60%	8%	1%
Median		10.0	8.0	62.0	72.0	8.0	70,000		75,000	292,849				

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
MATERIALS														
Aluminum														
Alcoa	23,906.0	12	11	66	75	8	240,000 ^d	-	240,000	256,386	95%	0%	0%	5%
Commodity Chemicals														
LyondellBasell Industries	45,608.0	11	9	62	-	4	285,000 ^e	-	285,000	341,728	39%	55%	0%	6%
Construction Materials														
Martin Marietta Materials	2,958.0	10	8	68	75	7	32,500 ^{c,d}	1,250	41,250	225,405	31%	49%	0%	20%
Vulcan Materials	2,994.2	13	11	62	74	6	45,000 ^{c,d}	5,000	75,000	221,208	42%	57%	0%	1%
Diversified Chemicals														
The Dow Chemical Company	58,167.0	13	12	62	72	11	115,000 ^c	-	115,000	266,296	49%	51%	0%	0%
Eastman Chemical Company	9,527.0	11	10	64	75	8	100,000 ^{c,d}	-	100,000	247,361	45%	31%	0%	24%
FMC Corporation	4,037.7	10	9	61	72	8	100,000 ^{c,d}	-	100,000	213,988	16%	78%	0%	6%
Diversified Metals and Mining														
Freeport-McMoRan	21,438.0	16	13	68	-	6	75,000 ^{c,d}	3,000	93,000	448,322	31%	60%	0%	9%
Fertilizers & Agricultural Chemicals														
CF Industries Holdings	4,743.2	9	8	62	74	13	100,000 ^c	-	100,000	246,109	46%	54%	0%	0%
Monsanto Company	15,855.0	13	12	60	75	8	245,000 ^{d,e,g}	-	245,000	244,582	50%	50%	0%	0%
The Mosaic Company	9,055.8	12	11	60	72	8	90,000 ^{c,i}	-	90,000	276,245	38%	60%	0%	2%
Forest Products														
Weyerhaeuser Company	7,403.0	10	9	61	72	9	200,000 ^{d,e}	-	200,000	246,265	51%	49%	0%	0%
Gold														
Newmont Mining Corporation	7,292.0	9	8	62	75	15	115,000 ^c	-	115,000	316,750	56%	44%	0%	0%
Industrial Gases														
Air Products & Chemicals	10,439.0	11	10	63	72	12	100,000 ^{c,d}	-	100,000	277,902	56%	44%	0%	0%
Airgas	5,072.5	11	9	66	75	6	40,000 ^f	-	40,000	214,785	29%	0%	71%	0%
Praxair	12,273.0	10	9	66	72	6	100,000 ^{c,d}	-	100,000	275,094	40%	58%	0%	2%
Metal & Glass Containers														
Ball Corporation	8,570.0	9	7	64	-	5	85,000 ^c	- ^w	85,000	248,775	32%	52%	0%	16%
Owens-Illinois	6,784.0	12	10	63	-	9	67,500 ^{c,d}	2,000	85,500	213,002	53%	47%	0%	0%
Paper Packaging														
Avery Dennison Corporation	6,330.3	9	8	60	72	5	90,000 ^{c,d}	-	90,000	220,913	44%	53%	0%	3%
Sealed Air Corporation	7,750.5	10	9	65	75	8	185,000 ^{d,e}	-	185,000	217,036	28%	72%	0%	0%
Paper Products														
International Paper Company	23,617.0	12	11	63	72	11	230,000 ^{d,e}	-	230,000	259,945	23%	74%	0%	3%
Specialty Chemicals														
Ecolab	14,280.5	16	15	61	72	6	105,000 ^{c,d,f}	-	105,000	240,284	46%	30%	24%	0%
International Flavors & Fragrances	3,088.5	10	9	64	72	6	225,000 ^{e,g}	-	225,000	232,116	51%	46%	0%	3%
PPG Industries	15,360.0	10	9	62	72	10	250,000 ^{d,e}	-	250,000	266,911	50%	47%	0%	3%

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		MEETINGS PER YEAR ^a	BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION			
		TOTAL	INDEPENDENT DIRECTORS	AVERAGE AGE	RETIREMENT AGE		BOARD RETAINER	MEETING ATTENDANCE FEE	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Sigma-Aldrich Corporation	2,785.0	10	9	62	72	15	80,000 ^{c,f}	- ^x	92,000	301,531	33%	29%	38%	0%
<i>Steel</i>														
Allegheny Technologies	4,223.4	11	10	65	72	8	225,000 ^e	-	225,000	222,432	54%	43%	0%	3%
Nucor Corporation	21,105.1	8	7	63	72	4	95,000 ^{c,d}	-	95,000	240,367	42%	58%	0%	0%

TOTAL MATERIALS														
Average		11.0	9.7	63.2	73.1	8.2	134,074		137,287	261,457	43%	48%	5%	4%
Median		11.0	9.0	62.5	72.0	8.0	100,000		100,000	246,735				

TELECOMMUNICATION SERVICES

Alternative Carriers

Level 3 Communications	6,777.0	11	10	63	73	10	75,000 ^c	-	75,000	273,583	37%	63%	0%	0%
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Integrated Telecommunication Services

AT&T	132,447.0	12	11	61	72	10	95,000 ^{c,d}	2,000	115,000	315,394	48%	48%	0%	4%
CenturyLink	18,031.0	12	10	64	75	9	65,000 ^c	2,000	83,000	287,311	42%	58%	0%	0%
Frontier Communications Corporation	4,772.5	12	10	61	-	7	215,000 ^{d,e,i}	-	215,000	190,556	52%	48%	0%	0%
Verizon Communications	127,079.0	11	10	59	72	11	100,000 ^c	- ^y	108,000	272,132	44%	55%	0%	1%

TOTAL TELECOMMUNICATION SERVICES														
Average		11.6	10.2	61.3	73.0	9.4	110,000		119,200	271,358	44%	54%	0%	2%
Median		12.0	10.0	61.4	72.5	10.0	95,000		108,000	273,583				

UTILITIES

Utilities

The AES Corporation	17,146.0	10	9	62	72	9	80,000 ^{c,d,e,g}	-	80,000	281,637	30%	70%	0%	0%
AGL Resources	5,385.0	15	14	67	75	8	190,000 ^{d,e}	-	190,000	197,169	44%	56%	0%	0%
Ameren Corporation	6,053.0	11	10	63	72	6	55,000 ^{c,d}	2,000	67,000	218,298	53%	46%	0%	1%
American Electric Power Company	17,020.0	12	11	62	72	8	100,000 ^{c,d}	-	100,000	261,833	45%	55%	0%	0%
CenterPoint Energy	9,226.0	9	7	61	73	7	90,000 ^c	-	90,000	227,631	43%	55%	0%	2%
CMS Energy Corporation	7,179.0	11	10	63	75	8	95,000 ^{c,d}	-	95,000	217,566	53%	46%	0%	1%
Consolidated Edison	12,919.0	10	8	65	75	15	90,000 ^{c,d}	-	90,000	263,741	52%	47%	0%	1%
Dominion Resources	12,436.0	10	8	62	72	12	205,000 ^{d,e}	2,000	229,000	283,809	46%	45%	0%	9%
DTE Energy Company	12,301.0	12	11	65	75	6	75,000 ^{c,d}	2,000	87,000	215,087	50%	49%	0%	1%
Duke Energy Corporation	23,925.0	14	13	67	71	11	200,000 ^{d,e}	2,000	222,000	301,493	56%	42%	0%	2%
Edison International	13,413.0	9	8	62	72	11	65,000 ^c	2,000	87,000	249,690	43%	46%	0%	11%

Comparative Board Data

	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS		BOARD FEES (\$)						PERCENTAGE OF TOTAL COMPENSATION			
	COMPANY SALES (\$ IN MILLIONS)	TOTAL	INDEPENDENT	AVERAGE AGE	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER ^b	MEETING ATTENDANCE FEE ^c	ANNUAL BOARD FEES ^b	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
<i>Utilities (continued)</i>														
Entergy Corporation	12,494.9	12	11	66	74	11	50,000 ^c	1,500	66,500	237,801	46%	44%	0%	10%
Eversource Energy	7,741.9	12	11	67	75	7	100,000 ^c	-	100,000	205,930	51%	49%	0%	0%
Exelon Corporation	27,429.0	13	11	65	75	8	80,000 ^c	2,000	96,000	276,825	60%	37%	0%	3%
FirstEnergy Corporation	15,049.0	13	12	65	72	10	230,000 ^{d,e}	-	230,000	239,226	46%	51%	0%	3%
NextEra Energy	17,021.0	13	12	63	72	7	210,000 ^e	2,000	224,000	243,396	46%	54%	0%	0%
NiSource	6,470.6	11	10	63	-	14	210,000 ^e	-	210,000	241,738	47%	50%	0%	3%
NRG Energy	15,868.0	13	11	59	-	6	225,000 ^{d,e,g}	-	225,000	258,313	41%	59%	0%	0%
PG&E Corporation	17,090.0	12	11	71	72	10	70,000 ^{c,d}	1,750	87,500	223,745	53%	47%	0%	0%
Pinnacle West Capital Corporation	3,491.6	10	9	67	-	7	95,000 ^{c,d}	-	95,000	232,798	42%	43%	0%	15%
PPL Corporation	11,499.0	13	12	63	75	8	235,000 ^{d,e,g}	-	235,000	238,730	45%	54%	0%	1%
Public Service Enterprise Group	10,886.0	10	9	66	72	9	85,000 ^{c,d}	-	85,000	236,529	49%	51%	0%	0%
SCANA Corporation	4,951.0	10	9	60	70	10	181,500 ^{d,e}	-	181,500	187,722	42%	58%	0%	0%
Sempra Energy	11,035.0	13	12	67	75	11	85,000 ^{c,d}	-	85,000	258,470	58%	42%	0%	0%
Southern Company	18,467.0	15	14	64	72	7	100,000 ^{c,d}	-	100,000	231,621	48%	51%	0%	1%
TECO Energy	2,566.4	9	7	70	75	9	65,000 ^{c,d}	- ^z	71,000	180,689	53%	44%	0%	3%
Wisconsin Energy Corporation	4,997.1	9	8	64	72	10	75,000 ^{c,d}	-	75,000	187,764	43%	48%	0%	9%
Xcel Energy	11,686.1	11	10	62	72	6	80,000 ^{c,d}	-	80,000	211,026	22%	78%	0%	0%
TOTAL UTILITIES														
Average		11.5	10.3	64.3	73.1	9.0	122,196		127,982	237,756	47%	50%	0%	3%
Median		11.5	10.5	64.1	72.0	8.5	92,500		95,000	237,165				
TOTAL S&P 500														
Average		10.8	9.2	63.1	73.1	8.1	112,144		115,214	277,237	38%	54%	5%	3%
Median		11.0	9.0	63.0	72.0	7.0	90,000		92,000	266,334				

FOOTNOTES

- a Includes regular, special and telephonic board meetings.
- b Retainer plus board meeting fees assuming full attendance (does not include committee or special fees).
- c Equity (stock or stock units) is paid in addition to stated retainer.
- d Directors can elect to receive cash compensation fully or partially in stock.
- e Equity (stock or stock units) is paid as part of retainer.
- f Stock option program for directors exists.
- g Equity portion of retainer paid in deferred stock.
- h Retainer paid 100% in stock.
- i Directors can elect to receive equity retainer fully or partially in cash.
- j Directors can elect to receive cash and/or stock compensation in stock options.
- k Not to exceed \$60,000 per year.
- l Dollar value equivalent for retainer not provided in proxy.
- m Subject to a maximum of 10 board meetings per fiscal year.
- n Per-meeting fee of \$2,000 for in-person meetings and \$1,000 per telephonic meeting beginning with the sixth meeting in the year. Annual board fees include one in-person meeting at \$2,000.
- o Directors can elect to receive stock in lieu of stock option grant.
- p Per-meeting fee of \$1,500 for meetings in excess of four per year. Annual board fees include one excess meeting at \$1,500.
- q Cash meeting fees are matched with stock up to a maximum of \$60,000 per year.
- r Per-meeting fee of \$750 for quarterly scheduled telephonic meetings. Annual board fees include four telephonic meetings at \$750 each.
- s Per-meeting fee of \$3,000 for meetings in excess of seven per year. Annual board fees include two excess board meetings at \$3,000 each.
- t Per-meeting fee of \$5,000 for special meetings. Annual board fees include one special board meeting.
- u Per-meeting fee of \$2,000 for special meetings. Annual board fees include two special meetings at \$2,000 each.
- v Per-meeting fee of \$2,000 for meetings attended in excess of 10 per year. Annual board fees include seven excess meetings at \$2,000.
- w Board retainer includes \$15,000 cash annual incentive achieved for 2014.
- x Per-meeting fee of \$2,000 for meetings in excess of nine per year. Annual board fees include six excess board meetings at \$2,000 each.
- y Per-meeting fee of \$2,000 for meetings held on any other date except the day before or the day of a regularly scheduled board meeting. Annual board fees include four meetings at \$2,000 each.
- z Per-meeting fee of \$1,500 for meetings in excess of five per year. Annual board fees include four excess board meetings at \$1,500 each.

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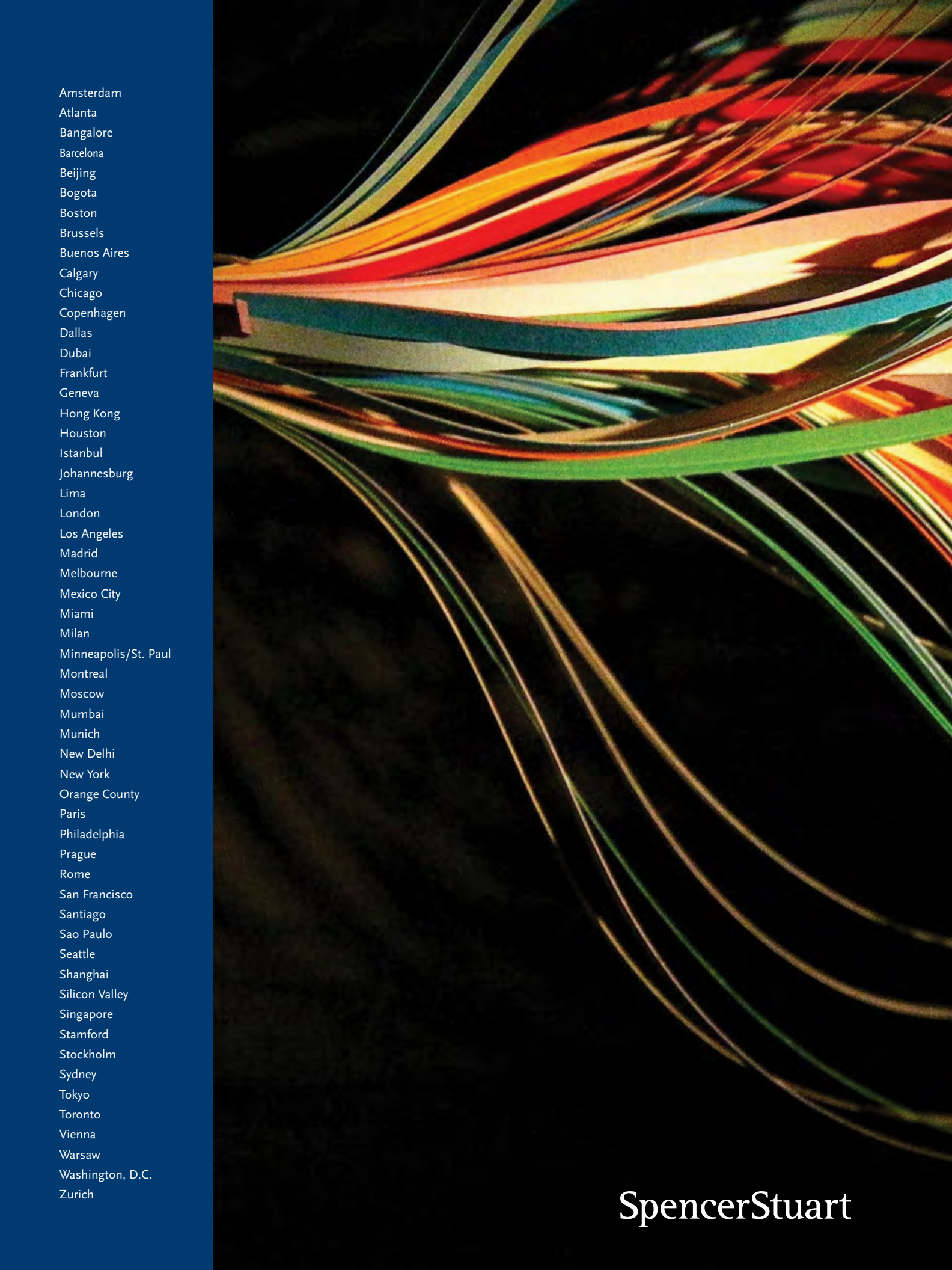
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