



SpencerStuart

2020 U.S.

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 more than 70 offices, over 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, employee engagement 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 board chairs, CEOs and nominating committees on important governance issues. We serve a range of organizations across geographies and scale, from leading multinationals to smaller organizations. In the past year alone, we conducted more than 1,100 director searches worldwide, and in North America almost two-thirds of those assignments were 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 2,600 board director roles and recruited more than 900 minority executives 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 *U.S. Spencer Stuart Board Index (SSBI)*, now in its 35th edition, is just one of our many ongoing efforts. Each year, we sponsor and participate in several acclaimed director education programs, including:

- » Next-Gen Board Leaders (NGBL), an initiative designed to foster a community of current and aspiring directors to spark discussion around the challenges, opportunities and contributions of a younger generation in today's boardrooms
- » 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, Frederic W. Cook & Co., Davis Polk, Lazard and PricewaterhouseCoopers

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Spencer Stuart Perspective for 2020

Corporate boards are facing demands for change. Outside forces, including investors and legislators, are pushing boards to expand the diversity of perspectives around the board table to include more women, racial and ethnic minorities, younger executives, and leaders with the skill sets for emerging business challenges.

- » **Activist investors** continue to pressure boards, and changes to board composition are the most common rationale for activist activity, according to Gibson, Dunn & Crutcher, which tracks activist campaigns. Between 2014 and the first half of 2020, boards that have settled with activists have granted 2.2 board seats on average to activists — or 20% of their board seats after the settlement agreement.
- » In the past several years, major **institutional investors** have pressed boards to ensure director skills and qualifications align with company strategy and to increase gender diversity and, more recently, racial and ethnic diversity, with some voting against nominating committee members on boards with too little diversity.
- » **State legislators**, too, are pushing for progress on diversity. California, for example, passed diversity mandates establishing board quotas for women and underrepresented communities, while Illinois requires companies to disclose board diversity stats and practices for promoting diversity, equity and inclusion (DE&I) in the boardroom.

But boards face a conundrum: how to address calls to increase the perspectives in the boardroom when so few seats open — less than one per S&P 500 board — in a given year.

One option is to increase the size of the board. That is the route some boards take: **Of the 272 boards that appointed new independent directors during the 2020 proxy year, 28% increased the size of the board to add women** (on a net basis after independent director departures). Yet increasing the board size is not a sustainable option and, in our experience, most boards consider around 10 directors the optimal size.

Turnover, then, is going to be required to respond to the external pressures and business need to add directors with different backgrounds and areas of expertise. Turnover during the past five years has been consistently low, and this year is no different. Just over half (55%) of the S&P 500 boards appointed a new independent director in the 2020 proxy year, translating to an overall turnover of 0.84 new directors per board. **One-quarter of boards (25%) had no change to board composition**, neither adding nor losing directors.

The primary tool for encouraging turnover today — mandatory retirement — is unlikely to create many openings in the near future. **Only 16% of sitting independent directors on boards with retirement age caps are within three years of mandatory retirement.** With independent directors averaging 63 years of age, most S&P 500 directors have years of potential service before reaching mandatory retirement.

Term limits, another potential tool for promoting turnover, are rare today. **Only 29 S&P 500 boards (6%) report having explicit term limits for non-executive directors**, and the majority that do set limits at 12 or 15 years.

The preferred method for board refreshment among investors and governance experts is a robust board assessment process that includes director self-assessments and peer evaluations. Boards use the assessment process to understand the forward-looking needs in the boardroom and the performance and contributions of the board as a whole and the individual directors, positioning them to take a multiyear view of departures and strategically plan for board openings.

Director self-assessments and peer evaluations can be uncomfortable for directors because of the long-standing personal relationships among directors, interest in boardroom collegiality and the cultural expectation on many boards that directors serve until they hit the retirement age. For this reason, **some boards use an outside adviser to facilitate individual director assessments.**

To help overcome discomfort and ensure board composition reflects the company's forward-looking needs, boards can openly discuss and forge agreement on appropriate director turnover and refreshment and how it will be achieved. Board leadership can set expectations at the outset of a director's tenure that re-nominations are not simply assumed — they are based on the needs of the board and require the sustained high performance of individual directors. **Boards are better prepared to conduct these reviews when they are disciplined about developing a board composition matrix or similar exercise that identifies gaps or overcapacity of director skills relative to the future-looking company strategies and risks.** In addition to setting clear expectations about director tenure appropriate to the board culture, boards should periodically assess whether tenure-limiting policies are appropriate.

Ultimately, boards may need to get comfortable with the expectation that someone may need to roll off the board every other year to ensure ongoing board refreshment. Ideally, board refreshment and succession planning is an ongoing process that takes into account the company's evolving business model and the changing governance landscape.

For more information and recommendations on board diversity, please reference our latest article: [*Board Diversity Snapshot: Six Recommendations for Becoming a More Diverse and Inclusive Board.*](#)



S&P 500 Boards: Trends over One, Five and 10 Years

	2020 ^a	2019 ^b	2015 ^c	2010 ^d	5-year % change	10-year % change
Board composition						
Average board size	10.7	10.7	10.8	10.7	-1%	0%
Independent directors	85%	85%	84%	84%	1%	1%
Average director tenure in years	7.9	8.0	8.5	8.5	-7%	-7%
Average age of independent directors	63.0	62.7	63.1	62.1	0%	1%
New independent directors						
Total number	413	432	376	302	10%	37%
Women	47%	46%	31%	21%	52%	124%
Minorities	22%	23%	18%	12%	22%	83%
Average age	57.8	57.5	56.8	56.5	2%	2%
Active CEO/chair/president/COO	17%	18%	20%	26%	-15%	-35%
Retired CEO/chair/president/COO	19%	17%	18%	17%	6%	12%
Financial backgrounds	27%	27%	24%	21%	13%	29%
All other corporate executives	22%	23%	25%	18%	-12%	22%
First-time directors						
% of all new directors	28%	27%	26%*	21%*	N/A*	N/A*
Average age	54	54.2	54.2	55.3	0%	2%
# of first-time directors	114	118	99*	63*	N/A*	N/A*
Women directors						
Women as % of all directors	28%	26%	20%	16%	40%	75%
Boards with at least one woman director	100%	99%	97%	90%	3%	11%
CEO profile						
% of CEOs serving on one or more outside boards	42%	41%	43%	46%	-2%	-9%
# of women CEOs	30	25	22	18	36%	67%
Boards where CEO is the only non-independent	63%	62%	61%	53%	3%	19%
Average age	58.1	57.9	57.0	56.1	2%	4%
Average tenure with company	19.6	19.9	18.8	15.5	4%	26%
Chair independence						
CEO is also chair	45%	47%	52%	60%	-13%	-25%
Independent chair	34%	34%	29%	19%	17%	79%
Boards with lead or presiding director	73%	75%	98%	96%	-26%	-24%
Board meetings						
Average number of board meetings	7.9	7.9	8.1	8.6	-2%	-8%
Median number of board meetings	7	7	7	8	0%	-13%

	2020 ^a	2019 ^b	2015 ^c	2010 ^d	5-year % change	10-year % change
Retirement age						
Boards with mandatory retirement age	70%	71%	73%	74%	-4%	-5%
<i>Boards with mandatory retirement age of 75+</i>	48%	46%	34%	19%	41%	153%
<i>Boards with mandatory retirement age of 72+</i>	96%	96%	94%	79%	2%	22%
Committee meetings (average number)						
Audit committees	8.2	8.4	8.8	8.8	-7%	-7%
Compensation committees	5.9	6.0	6.1	6.7	-3%	-12%
Nominating committees	4.5	4.7	4.6	4.5	-2%	0%
Audit committee chair						
Active CEO/chair/president/COO	5%	5%	7%	13%	-29%	-62%
Financial exec/CFO/treas/public acct. exec	36%	43%	40%	30%	-10%	20%
Non-employee director compensation						
Total average compensation ^e	\$308,462	\$304,856	\$277,237	\$215,000	11%	43%
Average annual retainer ^f	\$129,428	\$126,200	\$112,144	\$79,888	15%	62%
Median annual retainer ^f	\$100,000	\$100,000	\$90,000	\$65,000	11%	54%
Boards paying retainer of at least \$100,000	60%	58%	44%	21%	36%	186%
Boards paying board meeting fee	7%	9%	21%	41%	-67%	-83%
Average board meeting fee	\$2,512	\$2,402	\$2,041	\$2,186	23%	15%
Boards offering stock option program	11%	11%	16%	33%	-31%	-67%
Boards paying equity in addition to retainer	78%	77%	77%	79%	1%	-1%
Committee compensation						
Boards paying committee chair retainer	98%	97%	95%	90%	3%	9%
Average committee chair retainer	\$22,768	\$22,132	\$18,659	\$15,058	22%	51%
Boards paying committee member retainer	48%	46%	41%	37%	17%	30%
Average committee member retainer	\$11,893	\$11,854	\$11,062	\$9,639	8%	23%
Boards paying committee meeting fees	9%	12%	26%	44%	-65%	-80%
Average committee meeting fees	\$1,818	\$1,755	\$1,678	\$1,620	8%	12%

^aData based on proxy year May 24, 2019, through May 20, 2020.

^bData based on proxy year May 16, 2018, through May 15, 2019.

^cData based on proxy year May 15, 2014, through May 15, 2015.

^dData based on proxy year May 15, 2009, through May 15, 2010.

^eBased on non-employee director compensation tables included in 494 (2020), 491 (2019), 486 (2015), and 489 (2010) proxies.

^fNot including stock beyond retainer.

^{*}Prior to 2018, first-time directors represented only directors with no prior outside board service.

Editor's Note: The U.S. Spencer Stuart Board Index (SSBI) 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 494 companies filed between May 24, 2019, and May 20, 2020, and responses to our governance survey from 59 nominating/governance committee chairs conducted in the second quarter of 2020. Revenue data were taken from Capital IQ.

Data in tables and charts may not total 100% due to rounding.

Board Composition

2020 SNAPSHOT

413

new independent directors



34%

of S&P 500 boards have a truly independent chair



70%



of boards report a mandatory retirement policy; **48%** set the retirement age at 75 or older

59%



of new independent directors are women and/or minorities



22%

are minorities (**12% men** and **10% women**), a small decline from last year

47%

are women, **the most ever**

Boards add 413 independent directors, a decline

- » Just over half (55%) of the 494 S&P 500 boards included in our index appointed at least one new independent director, and 21% appointed two or more board members.
- » In total, boards added 413 new independent directors during the 2020 proxy season, a decline from 432 in 2019. New directors represent 8% of all S&P 500 directors, consistent with the past several years.
- » New directors range in age from 34 to 73, and the average age is 57.8 — a year older than the 2010 average (56.5).

59% of new independent directors are women and minority men, tying the 2019 record

- » 47% of new directors are women, compared with 46% last year.
- » Of the 272 S&P 500 companies appointing new independent directors over the past year, just under half (48%) increased the number of women directors (on a net basis after independent director departures):
 - 76 companies — 28% — increased the number of women directors by expanding their boards.
 - 54 companies — 20% — increased the number of women directors while maintaining or reducing the number of independent directors.
- » Recruiting of minority directors fell slightly; 22% of new S&P 500 directors are minorities (defined as Black/African American, Asian and Hispanic/Latinx), including 42 minority women (10%). This represents a slight decrease from 23% last year, but a notable increase from 12% a decade ago.
- » Minority men represent 12% of the new directors, compared with 13% last year.
- » One-quarter (24%) of S&P 500 companies in our index report having a commitment to diverse slates when considering new directors.

New women and minority directors are more likely to be first-time directors

- » The profiles of women and minority directors differ from non-minority men. They are more likely to be younger and first-time directors, and less likely to be current or former CEOs or have investment experience.
 - 32% of the diverse directors (women and minorities) are first-time corporate directors, versus 22% of the non-diverse directors.
 - 23% are current or former other line or functional leaders, compared with just 5% of non-diverse directors.
 - 18% are “next gen” (defined as 50 or younger), compared with 16% of non-diverse men.
 - 17% are current or former CEOs, compared with 46% of non-diverse male directors.
 - 5% have investment management/investor experience, versus 10% of non-diverse men.
 - 16% are financial executives — CFOs and treasurers — compared with 12% of the non-diverse men.

New Director Snapshot

	New directors	
	2020	2019
New directors elected	413	432
% female	47%	46%
% minority	22%	23%
<i>% directors who are female and minority</i>	10%	10%
Percentage of newly elected female or minority directors	59%	59%

New Director Backgrounds: First-Time versus Experienced Directors

	First-time directors			Non-first-time directors		
	Active #	Retired #	Total %	Active #	Retired #	Total %
CEOs	7	3	9%	48	62	37%
Presidents/COOs	5	1	5%	9	11	7%
Functional and other line leaders	26	3	25%	13	23	12%
Financial executives/CFOs	10	4	12%	14	31	15%
Division/subsidiary presidents	8	6	12%	4	11	5%
Investment managers/investors	8	2	9%	18	2	7%
Academics/nonprofit executives	5	1	5%	6	0	2%
Legal backgrounds	1	2	3%	3	4	2%
Consultants	3	0	3%	6	2	3%
Bankers/investment bankers	2	5	6%	1	8	3%
Public accounting executives	0	1	1%	0	4	1%
Others	4	7	10%	4	15	6%
Total	79	35	100%	126	173	100%

Most first-time directors are actively employed

- » More than one-quarter (28%) of the S&P 500 directors appointed in the 2020 proxy year are serving on their first public company board, a small increase from 27% in 2019.
- » Most first-time directors — 69% — are actively employed, compared with just 42% of new directors with previous board experience. 6% are actively employed CEOs.
- » The average age of first-time directors is 54, almost four years younger than the average age of new directors overall (57.8).
- » Almost two-thirds (65%) of first-time directors are women or minorities, a decline from 74% in 2019. This year, 54% of first-time directors are women and 25% are minorities, including 13% minority women.

First-Time Director Snapshot

	First-time directors	
	2020	2019
New directors elected	114	118
% female	54%	57%
% minority	25%	31%
<i>% directors who are female and minority</i>	13%	14%
Percentage of newly elected female or minority directors	65%	74%

17% of new directors are 50 and younger

- » 17% of the incoming class of S&P 500 directors are “next-generation” directors, age 50 or younger, essentially flat for the past decade. 56% of these next-gen directors are serving on their first public company board, and half are women.
- » The majority (64%) have backgrounds in three industries: technology (33%), private equity/investments (17%) and consumer (14%).
- » 6% of all S&P 500 directors are next-gen directors.

Increase in directors with global perspective

- » 42% of new directors, compared with 31% in 2019, have global professional experience, defined as having worked at an international location.
- » 17% of new independent directors were born outside the U.S., an increase from 13% in 2019. More than one-quarter (27%) of new directors who were born outside the U.S. are active CEOs, and another 14% are retired CEOs.

More new directors are retired CEOs than active CEOs

- » 16% of new S&P 500 independent directors are retired CEOs, outpacing active CEOs (13%). A decade ago, 24% of new independent directors were active CEOs and 13% were retired CEOs.
- » In addition to retired CEOs, the main profiles of new directors are finance executives and other corporate leaders. 27% of new directors have financial backgrounds, including banking, finance, investment or accounting credentials, versus 21% a decade ago. 29% of new directors are active or retired corporate executives (such as division/subsidiary presidents and functional and other line leaders), compared with 23% in 2010.
- » Almost half (45%) of new directors today are actively employed, compared with 59% a decade ago.
- » 38% of boards include a director skills matrix in their proxies. More boards have adopted the practice in recent years to disclose their composition and highlight the relevant experience, skills and backgrounds of individual directors.

New Independent Director Functional Backgrounds

	Year			2020	
	2020	2015	2010	Men	Women
Retired CEOs	16%	15%	14%	21%	10%
Functional and other line leaders	16%	16%	10%	9%	23%
Financial executives/CFOs/treasurers	14%	7%	8%	13%	16%
Active CEOs	13%	17%	24%	20%	6%
Investment managers/investors	8%	9%	9%	10%	4%
Division/subsidiary presidents	7%	9%	8%	7%	7%
Bankers/investment bankers	4%	6%	2%	4%	4%
Academics/nonprofit executives	3%	5%	8%	0%	6%
Active chairs/presidents/COOs	3%	3%	2%	3%	4%
Consultants	3%	2%	4%	0%	5%
Public accounting executives*	1%	2%	2%	1%	2%
Retired chairs/presidents/COOs	3%	3%	3%	3%	3%
General counsel	2%	0%	0%	2%	3%
Lawyers	0%	1%	2%	0%	0%
Others**	7%	5%	4%	7%	7%

*All former partners or executives of public accounting firms.

**Includes entrepreneurs, physicians, civic and tribal leaders, and private company owners.

- » The technology sector is the largest industry source of new directors, accounting for almost one-quarter (24%) of all new independent directors, a significant increase from 10% a decade ago. The consumer (14%) and the financial services (10%) sectors are other top industry sources for new directors.

New Independent Director Top Industry Backgrounds

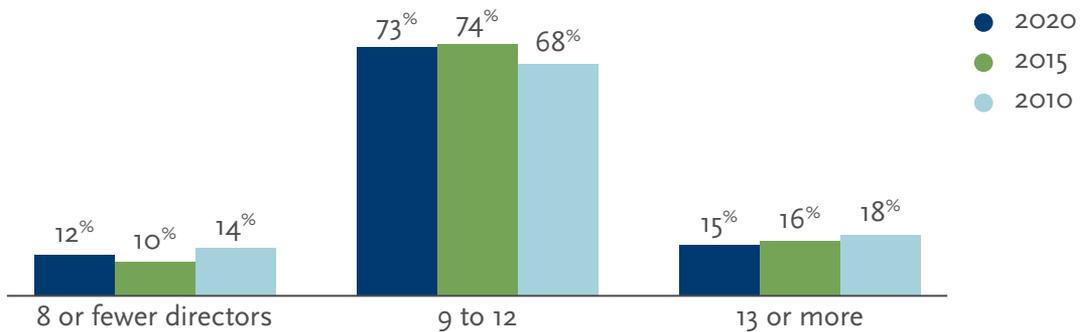
	Year		
	2020	2015	2010
Technology	24%	16%	10%
Consumer goods	14%	14%	14%
Financial services	10%	12%	15%
Private equity/investment management	7%	9%	9%
Energy/utilities	7%	7%	8%
Healthcare	6%	9%	7%
Industrial/manufacturing	6%	4%	8%
Government/military	5%	5%	4%
Transportation	5%	6%	3%
Academics/nonprofit	4%	4%	8%
Public accounting	2%	2%	2%
Consultants	2%	2%	4%
Media/entertainment	2%	4%	2%
Professional services	2%	1%	3%
Real estate construction & services	2%	2%	1%
Conglomerate/holding company	1%	1%	0%
Agriculture/forestry/fishing	1%	1%	0%
Law firms	0%	1%	2%

» The top industry destinations for new independent directors are the technology and industrial sectors, attracting 16% and 13% of new directors, respectively. Each of those sectors represents 14% of S&P 500 companies.

Boards have 10.7 directors on average

» S&P 500 boards range in size from five to 22 members, and average 10.7 directors. Boards have coalesced in the 9 to 12 member range over the past decade; 73% of boards have nine to 12 directors, compared with 68% a decade ago.

Board Size

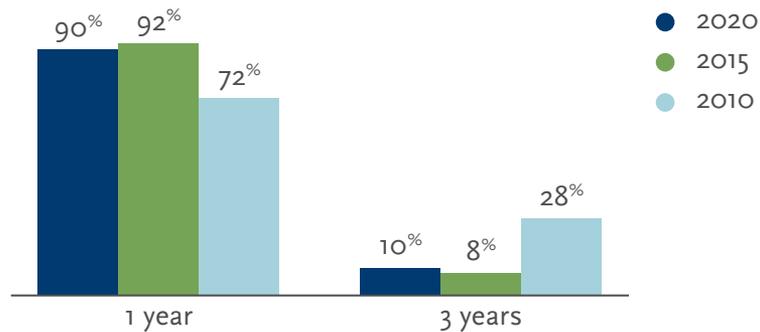


- » 85% of all S&P 500 board directors are independent, consistent with the past several years. Boards average 9.1 independent directors and 1.6 affiliated directors.
- » The CEO is the only non-independent director on 63% of S&P 500 boards, compared with 53% a decade ago.

90% of boards have a declassified board structure

- » Over the past decade, most S&P 500 boards have moved to a declassified board structure, where directors stand for election by shareholders annually. Today, 90% of boards have one-year terms, compared with 72% in 2010. The remaining boards have three-year terms.

Director Term Lengths

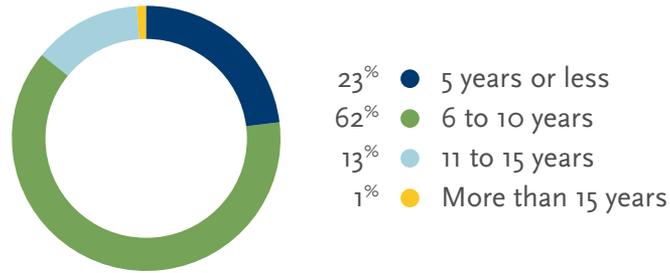


- » Most boards also have policies requiring directors to offer their resignation if they fail to receive a majority vote from shareholders; 89% of boards have such policies today, up from 71% in 2010. Boards retain the discretion to accept or decline a director's resignation.

Average board tenure declines slightly to 7.9 years

- » The average board tenure of independent directors has declined somewhat in the past decade to 7.9 years from 8.5 in 2010. However, after remaining relatively consistent for many years, median tenure fell by two years — to 6.0 years from 8.0 in 2019.
- » The majority of S&P 500 boards, 62%, have an average tenure of between six and 10 years. The longest average board tenure is 36 years. Longer average board tenures — of 11 or more years — were somewhat more common a decade ago, when 19% of boards had an average tenure of more than 10 years, versus 14% today.

Board Average Tenure for Independent Directors



- » The longest-serving director has been on his board for 53 years, although such lengthy tenures are relatively rare; 13% of independent directors have served on their boards for 16 years or more. 46% have served on their boards for five years or less, 25% have served for 6 to 10 years, and 16% for 11 to 15 years.

Most boards have resignation policies for changing director and CEO status

- » 86% of S&P 500 boards require directors who experience a change in employment status or job responsibilities to offer their resignation to the chair and/or the nominating committee, which typically has the discretion to accept or decline the resignation.
- » Less common are policies requiring the CEO to submit his or her resignation from the board when the CEO's employment with the company ends; 35% of boards report having such a policy. A decade ago, just 22% of boards had a resignation policy for CEOs. In all cases, however, boards retain the discretion to accept or decline the resignation.

Most boards limit directors' additional board activity in some way

- » The percentage of S&P 500 boards reporting that they limit directors from accepting other corporate directorships has increased over the past decade, to 77% from 71% in 2010. Limits take different forms; some apply to all directors, while others apply only to audit committee members or directors who are public company CEOs.
- » 65% of boards report having a numerical limit for other board service that applies to all directors. Most of these boards limit members to three or four additional directorships. A decade ago, just over half (55%) set limits on directors' additional board activity.
- » 42% restrict the number of other audit committees on which their audit committee members may serve, nearly all limiting audit committee members to no more than two other audit committees. 41% of boards had such restrictions in place 10 years ago.
- » 23% restrict the additional board activity of directors who are public company CEOs or are otherwise fully employed. Just 15% of boards had similar limits a decade ago.
- » Of the 115 boards that do not report specific limits, 98% require directors to notify the board chair prior to accepting an invitation to join another company board and/or encourage directors to "reasonably limit" their other board service.

- » Less than a quarter (23%) of S&P 500 boards report a specific limit on the number of outside boards on which the CEO may serve. Among those that do, nearly all limit CEOs to one or two outside boards. Two boards allow their CEOs to serve on three outside corporate boards.

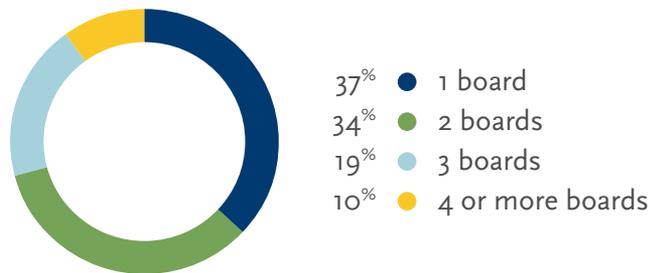
Boards with Limits on Additional Corporate Directorships

Numerical limit	All directors	Audit committee members	Fully employed directors	CEOs
1	0%	0%	10%	10%
2	3%	41%	20%	13%
3	29%	1%	1%	0%
4	30%	0%	0%	0%
5	2%	0%	0%	0%
6	1%	0%	0%	0%
No reported limit	35%	58%	69%	77%

Most independent directors serve on two or more boards

- » 63% of S&P 500 independent directors serve on more than one public company board. 34% have two board affiliations, 19% have three and 10% have four or more. Six directors (less than 1%) serve on six boards.
- » On average, independent directors have 2.0 public corporate board affiliations.

Number of Corporate Board Affiliations for Independent Directors



6% of boards have director term limits, nearly unchanged in a decade

- » Only 29 S&P 500 boards (6%) report having explicit term limits for non-executive directors, compared with 24 boards (5%) in 2010. Term limits range from 10 to 20 years, with 83% of those that have them setting limits at 15 years or less.
- » 64% of boards explicitly state in their corporate governance guidelines that they do not have term limits. 30% do not mention term limits.
- » Hybrid tenure policies are emerging. For example, Microsoft’s tenure policy targets an average tenure of 10 years or less for the board’s independent directors.

Boards with Term Limits

Company	Term limit	Company	Term limit
Target Corporation	20 years	Newmont Corporation	15 years
Vertex Pharmaceuticals	20 years	Qorvo	15 years
The Procter & Gamble Company	18 years	Sysco Corporation	15 years
Globe Life	18 years	Varian Medical Systems	15 years
Evergy	16 years	The Walt Disney Company	15 years
The AES Corporation	15 years	Xcel Energy	15 years
Air Products & Chemicals	15 years	AvalonBay Communities	12 years
Alaska Air Group	15 years	CBRE Group	12 years
Baker Hughes	15 years	CDW Corporation	12 years
Duke Energy Corporation	15 years	Pinnacle West Capital Corporation	12 years
General Electric Company	15 years	Raymond James Financial	12 years
The Hartford Financial Services Group	15 years	Wal-Mart Stores	12 years
Huntington Ingalls Industries	15 years	Allegion Public Limited Company	10 years
MasterCard	15 years	Illumina	10 years
Mondelez International	15 years		

Fewer boards report a mandatory retirement age

- » The number of S&P 500 boards disclosing a mandatory retirement age for directors has declined during the past 10 years; today 70% of boards report a mandatory retirement policy, compared with 74% in 2010. 18% report that they do not have a mandatory retirement age, and 12% do not discuss mandatory retirement in their corporate governance guidelines.
- » At the same time, mandatory retirement ages continue to rise for those boards that have them. Nearly half (48%) of boards with age limits have a mandatory retirement age of 75 or older, compared with just 19% a decade ago.
- » Retirement policies are impacting turnover. More than three quarters (77%) of the independent directors who left S&P 500 boards in the past year served on boards with mandatory retirement ages. The age limits influenced the majority of these departures, with 39% either exceeding or reaching the age cap and another 14% leaving within three years of the retirement age.
- » Over the past year, 425 independent directors left S&P 500 boards, departing at an average age of 68.5 and average tenure of 12.7 years. More than half — 54% — retired at 70 or older, and 37% served on the board for 15 or more years. Fifteen (4%) were 80 or older with an average tenure of 29 years, and 32 (8%) were 55 or younger with an average tenure of six years.
- » A small percentage of sitting independent directors are approaching retirement age. Only 16% of the independent directors on boards with age caps are within three years of mandatory retirement. With independent directors averaging 63 years of age, most S&P 500 directors have years of potential service before reaching mandatory retirement.

Mandatory Retirement Age

	2020	2015	2010
Boards with a retirement policy	70%	73%	74%
70 and younger	3%	5%	20%
71	1%	1%	1%
72	39%	50%	52%
73	3%	4%	4%
74	6%	6%	4%
75 and older	48%	34%	19%

Independent directors average 63 years old

- » The average age of independent directors of S&P 500 companies is 63, roughly a year older than the average a decade ago (62.1).
- » Independent directors range in age from 32 to 95 years old, and half of all directors (50%) are between 60 and 70 years old. 20% are older than 70.
- » 5% are less than 50 years old, including 20 who are younger than 40.
- » The majority of boards (80%) have an average board age in the 60s: 46% of boards have an average age of 60 to 63, and 34% have an average age of 64 to 69. 16% have an average age of 59 or younger, and 3% have an average age of 70 or older.

Average Age of Independent Directors

	2020	2015	2010
Average age of all independent directors	63	63.1	62.1
Youngest average board age	51.3	46	51
Oldest average board age	83.8	75	75

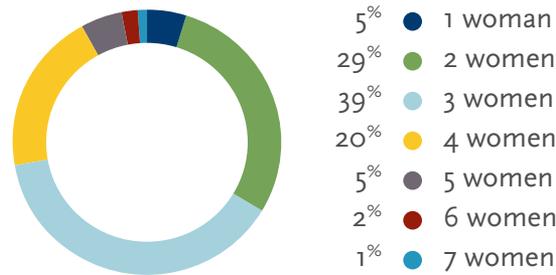
Percentage of all S&P 500 Boards with Average Age by Range

	2020	2015	2010
59 and younger	16%	14%	20%
60 to 63	46%	46%	47%
64 and older	37%	40%	33%

All boards have at least one woman director; female representation hits a new milestone

- » 28% of S&P 500 directors are women, an increase from 26% last year and 16% in 2010. Female representation on boards has continued to tick up, and this is the highest percentage of women directors we have seen since we've been tracking this data in 1999.
- » Boards today have three female directors on average, compared with 1.7 a decade ago. 95% of boards include two or more women directors, an increase from just over half (56%) in 2010. 39% of boards today have three female directors and 28% have four or more, compared with 12% and 6%, respectively, a decade ago.
- » Only 5% of boards only include one woman, a decline from 8% last year and 34% in 2010.
- » Women's progress in board leadership roles is mixed. Women now chair 26% of board committees, including 26% of audit committees (versus 24% last year), 25% of compensation committees (versus 24% last year), and 28% of nominating/governance committees (versus 25% last year). However, only seven women — 4% — serve as independent board chairs, a decline from 5% last year, and 11% of lead/presiding directors are women, compared with 10% last year.

Number of Women on Boards

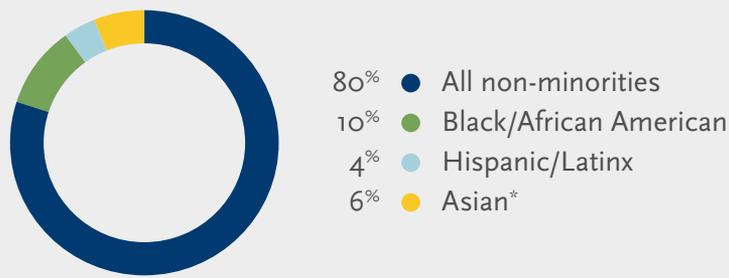


- » As of our May 15, 2020, cut-off date, 30 S&P 500 companies have a woman serving as CEO, five more than in 2019 and just shy of the highest number of female CEOs — 31 in 2017.
- » Companies led by women tend to have more female board directors than those led by men, although the difference is narrowing; on average, 35% of directors on boards of companies with a female CEO are women, versus 28% for companies with a male CEO. Excluding the female CEO from the average, 29% of the remaining directors are women. In 2019, 26% of the directors of companies with male CEOs were women, while 37% of directors of companies with female CEOs were women (and 31%, when the female CEO was excluded).

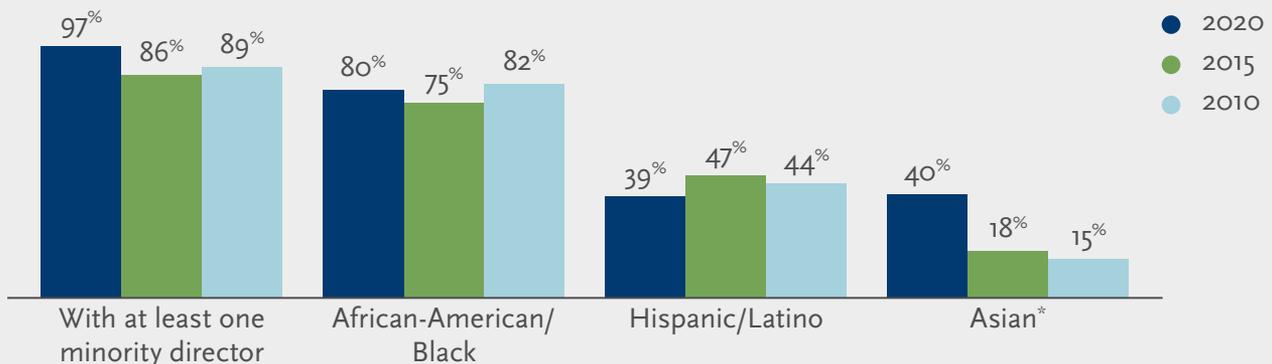
Minority representation increases among the top 200 company boards

- » 97% of the top 200 S&P 500 companies (by annual revenue) have minority directors, defined as Black/African American, Hispanic/Latinx and Asian directors, on their boards, an increase from 93% last year and 89% a decade ago. 71% of these companies have two or more minority directors, compared with 70% last year.
- » 20% of directors in the top 200 companies are minority executives, up from 19% last year and 15% in 2010.
- » 19 (10%) of the top 200 are led by Black/African American, Hispanic/Latino or Asian CEOs, one more than last year. Boards with minority CEOs have a higher average of minority directors (28%) — 21% when the minority CEO is excluded.
- » The industry sectors with the largest representation of minority directors are communication services (25%) and technology (24%). More than one-quarter (27%) of the directors on the board of the one top 200 real estate company are minority directors. The sectors with the lowest minority representation are industrials (18%), utilities (14%) and energy (13%).

Minorities as % of Directors at Top 200 Boards



Top 200 Boards with at Least One Minority Director



*Beginning 2017, Asian category includes individuals of Indian descent, consistent with U.S. Census Bureau methodology.

TWO-THIRDS OF TOP 200 COMPANIES INCLUDE NON-NATIONAL DIRECTORS

- » 66% of the top 200 company boards include at least one director born outside the U.S., compared with 68% last year and just over a half (55%) 10 years ago.
- » While the percentage of top 200 company boards with non-U.S. directors declined slightly from last year, the representation of non-U.S. directors increased to 17% of all directors from 13% in 2019. 20% of non-national directors are women.
- » The top sources for non-U.S. directors are India (18%), U.K. (15%), Canada (8%), France (8%) and Germany (8%). The largest number of female non-national directors are from the U.K.

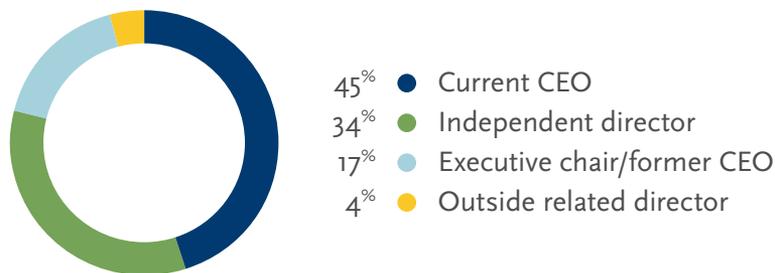
CEOs limit their outside public company activity

- » The majority (58%) of S&P 500 CEOs do not serve on any public corporate boards in addition to their own board, compared with 54% 10 years ago.
- » CEOs who do accept other corporate directorships do so sparingly. 39% of CEOs serve on one outside public company board, and just 2% serve on two. One CEO serves on three outside public boards. A decade ago, 14% of CEOs served on two or more other public company boards.

55% of boards separate the chair and CEO roles

- » For more than a decade, the trend toward separating the chair and CEO roles has been growing steadily. 55% of boards split the chair and CEO roles, compared with 53% last year and 40% in 2010.
- » During the same period, more S&P 500 boards have named an independent chair — a director who meets applicable NYSE or NASDAQ rules for independence. One-third (34%) of boards have an independent chair, unchanged from last year. A decade ago, 19% of boards had an independent chair.
- » 13% of board chairs hold the title “executive chair,” 4% are the former company CEO, and 4% are outside related directors, such as major investors, retired company executives other than the CEO, directors with business relationships with the company and others who receive significant compensation from the company. In 2010, only 1% of board chairs were outside related directors.
- » Among the 102 boards where the chair is separate but not independent, nearly all (95%) have identified a lead or presiding independent director.
- » Five boards do not report having any form of independent board leadership, neither an independent chair nor a lead/presiding director.

Chair's Relationship with the Company



The majority of independent chairs are retired chairs and other top corporate leaders

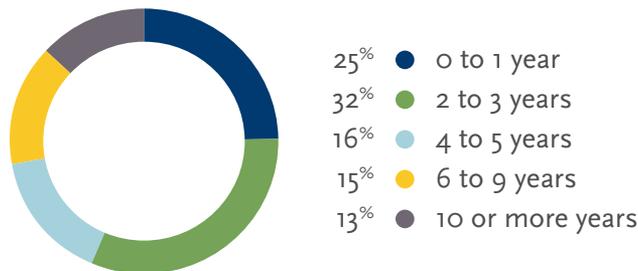
- » 58% of the 170 independent chairs of S&P 500 companies are retired CEOs, chairs, vice chairs, presidents or COOs.
- » Investors and investment managers are the next most common profile, representing 14% of independent chairs.
- » 10 independent chairs, or 6%, are active top executives, including four public company CEOs and six private company CEOs. A decade ago, 93 boards had independent chairs, 10 of whom (11%) were active top executives.

Independent Chair Backgrounds



- » Independent chairs are three years older on average than their fellow directors: 66.1 versus 63.
- » The average tenure of independent chairs is 4.6 years. Tenures range from less than one year to 19 years. 9% of chairs have been in their role for less than a year, 16% for one year and 21% for two years. 16% have been chair for four or five years, and more than one-quarter (28%) for six or more years.
- » 89% of the independent chairs served as directors on the board prior to becoming chair, serving 7.5 years on average before becoming chair.

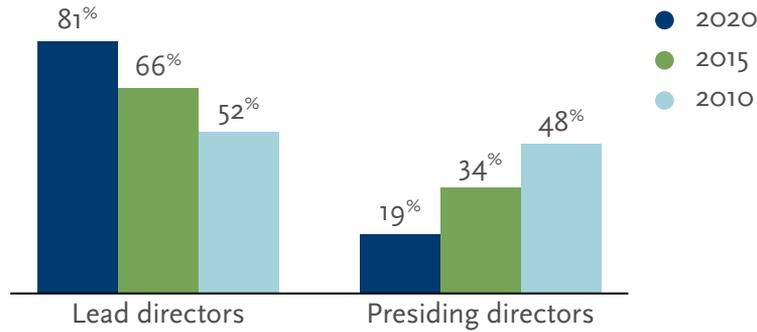
Independent Chair Tenure



Prevalence of lead/presiding directors declines with the rise of independent chairs

- » Fewer boards appoint a lead or presiding director as the independent chair role has become more common. 73% of S&P 500 boards report having an independent lead or presiding director, a decline from 75% last year and 92% a decade ago.
- » Lead directors are preferred over presiding directors. 81% of the 361 boards with one of these roles have lead directors and 19% have presiding directors, including those identified as “chair” of executive sessions. A decade ago, 48% were presiding directors and 52% were lead directors.

Lead versus Presiding Directors



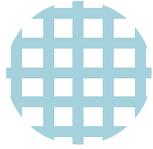
- » 85% of boards with a lead/presiding director disclosed their tenure. On average, lead/presiding directors have served in the role for 4.1 years.
- » Retired CEOs, chairs, vice chairs, presidents or COOs are most likely to serve as lead or presiding director (representing 47% of directors in the role), followed by investors and investment managers (13%). Active CEOs, chairs, vice chairs, presidents and COOs are half as likely as a decade ago to serve as lead or presiding director, 9% versus 17% in 2010.

Lead and Presiding Director Backgrounds



Board Organization and Process

2020 SNAPSHOT



7.9

Average number of board meetings



44%

of boards — up from 29% 10 years ago — disclose that they have some form of **individual director evaluations**



98%

of S&P 500 boards — all but eight — report conducting some sort of **annual performance evaluation**



4.2

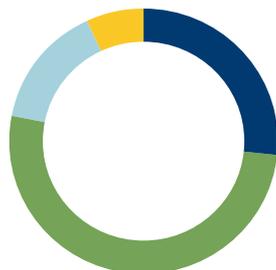
Average number of standing committees on S&P 500 boards



Boards meet 8 times on average

- » S&P 500 boards met in person or telephonically 7.9 times on average. A decade ago, boards met 8.6 times on average. The annual meeting average includes regularly scheduled meetings and special meetings.
- » Boards had as few as three meetings and as many as 37, but most boards (52%) met six to nine times.
- » The share of boards meeting five or fewer times has increased in the past 10 years, to 27% from 16% in 2010.

Distribution of Board Meetings*



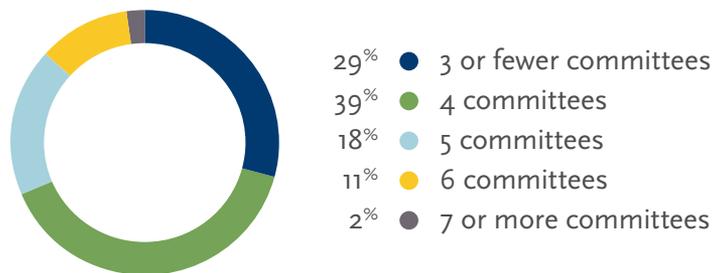
- 27% ● 5 or fewer meetings
- 52% ● 6 to 9 meetings
- 15% ● 10 to 12 meetings
- 7% ● 13 or more meetings

*Includes in-person and telephonic regular and special meetings

Boards have four standing committees on average

- » S&P 500 boards have two to nine standing committees and average just over four (4.2). The average number of committees has remained mostly unchanged for the past decade.
- » 71% have more than the three NYSE-mandated committees (audit, compensation and nominating/governance). In addition to these, the most common committees are the executive committee and finance committee.
- » More boards have a stand-alone risk committee than a decade ago. 13% of boards have risk committees, compared with 4% in 2010. Post-financial crisis regulations require many financial institutions to have a risk committee: 42 of the 62 boards with a stand-alone risk committee are financial services companies. On many other boards, the audit committee oversees the risk management functions.
- » More boards than 10 years ago have an environment, health and safety committee — 11% versus 5% — but fewer have a public policy and social/corporate responsibility committee — 8% versus 14%.
- » Additional committees include science and technology, legal/compliance, strategy and planning, investment/pension and acquisitions/corporate development.

Number of Standing Committees



Prevalence and Independence of Standing Committees

	% with this committee		% composed entirely of independent directors	
	2020	2015	2020	2015
Audit	100%	100%	100%	100%
Compensation	100%*	100%	99.6%	100%
Nominating/Governance	100%	99.2%	99.6%	99.6%
Executive	28%	34%	4%	3%
Finance	28%**	31%	84%	83%
Risk	13%	12%	84%	81%
Public Policy/Social & Corporate Responsibility	8%	10%	95%	84%
Science & Technology	12%	9%	82%	83%
Environment, Health & Safety	11%	8%	89%	90%
Legal/Compliance	5%	5%	88%	91%
Strategy & Planning	1%	3%	43%	50%
Investment/Pension	3%	3%	81%	75%
Acquisitions/Corporate Development	1%	1%	67%	71%

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

**Six boards have a combined finance and risk management committee. They are counted as separate committees for the purpose of this analysis.

Audit committees meet eight times on average

- » S&P 500 audit committees met 8.2 on average, a decline from 8.4 last year and 8.8 a decade ago.
- » The number of audit committee meetings ranged from zero (a new company) to 32. The majority of audit committees (76%) had nine or fewer meetings, including 20% that had eight meetings.
- » Compensation and nominating committees met less often than audit committees, averaging 5.9 and 4.5 annual meetings, respectively.
- » 81% of nominating/governance committees and half (50%) of compensation committees had five or fewer meetings.

Distribution of Committee Meetings*

	Audit committee	Compensation committee	Nominating/governance committee
3 or fewer meetings	1%	8%	20%
4	6%	17%	35%
5	11%	25%	26%
6	10%	21%	11%
7	11%	13%	4%
8 to 10	45%	13%	2%
11 to 13	13%	2%	0%
14 or more	4%	1%	0%
Average	8.2	5.9	4.5
Median	8.0	6.0	4.0
Maximum	32	18	14

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

Retired CEOs and finance leaders are most likely to chair board committees

- » 60% of audit committee chairs have a financial background, including CFOs and other corporate financial leaders, public accounting executives, investors and bankers/investment bankers; another 22% are retired CEOs, chairs, presidents, and COOs and vice chairs.
- » Chairs of S&P 500 compensation and nominating/governance committees are most likely to be retired CEOs, chairs, vice chairs, presidents and COOs; 39% of compensation committee chairs and 36% of nominating committee chairs have these backgrounds.
- » Active CEOs, chairs, presidents and COOs serve as chair of just 5% of audit committees, 10% of compensation committees and 6% of nominating/governance committees.

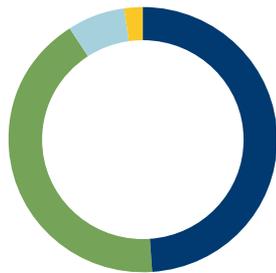
Committee Chair Backgrounds

	% of Chairs		
	Audit committee	Compensation committee	Nominating/governance committee
CEOs/chairs/vice chairs/presidents/COOs	27%	49%	42%
<i>Active</i>	5%	10%	6%
<i>Retired</i>	22%	39%	36%
Other corporate executives	8%	17%	14%
Financial backgrounds	60%	23%	22%
<i>Financial executives/CFOs/treasurers</i>	36%	3%	4%
<i>Bankers/investment bankers</i>	6%	5%	3%
<i>Investors/investment managers</i>	9%	14%	14%
<i>Public accounting executives</i>	9%	1%	1%
Academics/nonprofit executives	2%	3%	6%
Consultants	2%	4%	6%
Lawyers	1%	1%	5%
Others	1%	2%	3%
Total number of chairs listed in proxies	489	488	487

More boards report conducting individual director evaluations

- » 98% of S&P 500 boards — all but eight — report conducting some sort of annual performance evaluation.
- » 44% of boards — up from 29% 10 years ago — disclose that they have some form of individual director evaluations.
- » 21% of boards disclosed they engaged an independent third-party governance expert to facilitate the evaluation process, versus 13% last year. A number of these boards indicate that they use an outside facilitator “periodically” or every two or three years.
- » More than a dozen boards report that they have taken actions as a result of the evaluations.

Board, Committee and Director Evaluations



- 49% ● Full board and committees
- 42% ● Full board, committees and directors
- 7% ● Full board only
- 2% ● Full board and directors

Director Compensation

2020 SNAPSHOT



Stock grants and cash represent the largest share of director compensation, **57%** and **38%** respectively

78%

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



The average total compensation for S&P 500 directors increased

1% to

\$308,462



The average annual retainer for S&P 500 directors increased by about

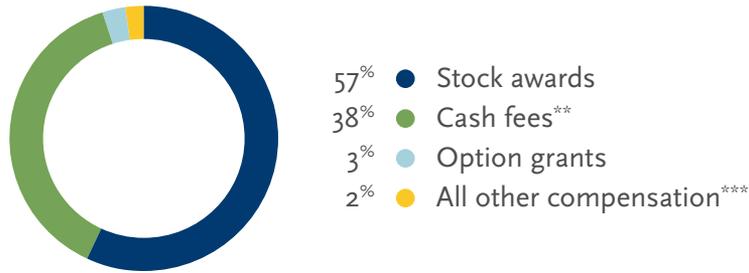
3% to

\$129,428

Average total director compensation increases by 1% to \$308,462

- » The average total compensation for S&P 500 directors rose 1% to \$308,462 from \$304,856 last year. Excluding premium compensation for the independent chair, the average total compensation per director is \$305,065.
- » Stock grants and cash represent the largest share of director compensation, 57% and 38%, respectively. The composition of equity awards has shifted over time, with fewer companies granting options and more awarding stock awards.
- » 70% of boards have deferred compensation plans, a decline from 72% last year and 73% in 2015.

Breakdown of Director Compensation*



*Total average compensation per non-employee director is based on non-employee director compensation tables included in 494 proxies. The number includes all board and committee retainers and meeting fees, supplemental non-executive chair and lead/presiding director fees, the value of equity compensation, and all other compensation paid in fiscal year 2019. Retiring and new directors are included when paid compensation for at least three quarters of the year.

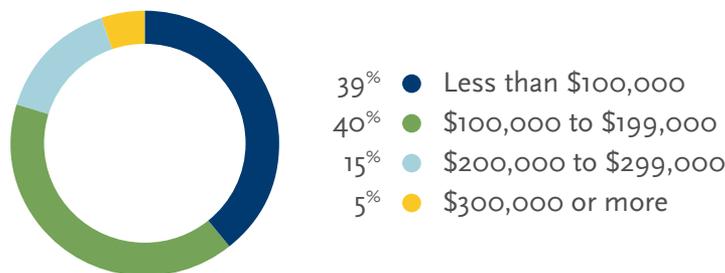
**Includes deferred compensation amounts.

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

Average retainer grows by 3% to \$129,428

- » The average annual retainer for S&P 500 directors increased by about 3% to \$129,428. Over the past five years, the average retainer has increased by 15%.
- » Retainers vary widely by company. 39% pay retainers of less than \$100,000 — including 13 companies with retainers under \$50,000 — while 25 companies (5%) pay retainers of \$300,000 or more.
- » The highest retainer is \$480,000, which is paid partially in equity, and directors do not receive meeting attendance fees.

Annual Retainers



- » Only 7% of boards provide meeting attendance fees today, down from 9% last year, as boards continue to shift director compensation to retainers and stock awards, and away from meeting attendance fees and stock options. 41% of boards provided meeting attendance fees in 2010.
- » Meeting attendance fees range from \$900 to \$15,000 (at a company where meeting fees were paid in lieu of a retainer and capped at \$60,000 per year) and average \$2,512.

Changes in Non-Employee Director Compensation

Type of compensation	% of boards paying this type		Average paid		% of change in value
	2020	2015	2020	2015	2015 to 2020
Board retainer*	100%	100%	\$129,428	\$112,144	15%
Board meeting fee	7%	21%	\$2,512	\$2,041	23%
Committee chair retainer**	98%	95%	\$22,768	\$18,659	22%
Committee member retainer**	48%	41%	\$11,893	\$11,062	8%
Committee meeting fees	9%	26%	\$1,818	\$1,678	8%
Stock option program	11%	16%	\$121,320	\$89,188	36%
Stock grants paid above and beyond retainer	78%	77%	\$175,050	\$148,608	18%

*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.

**Average compensation for three mandated committees.

Director compensation includes stock grants on most boards

- » 78% of S&P 500 boards provide stock grants to directors in addition to a cash retainer, compared with 79% a decade ago. The average targeted dollar value of annual stock grants is \$175,050.
- » Over the same period, many boards have phased out stock option programs for directors. Just 11% of boards grant stock options to directors, versus 33% in 2010. The average disclosed targeted value of annual stock option grants is \$121,320.
- » 94% of boards, versus 78% a decade ago, disclose having share ownership guidelines for directors. 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 with the goal of aligning directors' interests with those of shareholders.

Equity Compensation

	% of S&P 500 boards		
	2020	2015	2010
Stock option program exists	11%	16%	33%
Stock grants provided in addition to retainer	78%	77%	79%
Stock grants provided as a part of retainer	20%	21%	17%
Director can elect to receive compensation in cash, stock or stock units	49%	54%	59%
Director can elect to receive compensation in stock options	3%	3%	6%
Retainer paid fully in stock	2%	2%	2%

Premium for board leadership service varies by role

- » Nearly all (95%) of the 170 independent S&P 500 board chairs receive an additional fee, ranging from \$50,000 to \$654,153 and averaging \$173,606, 4% more than last year. The median premium paid to independent board chairs is \$155,000.
- » 78% of the S&P 500 boards with a lead or presiding director provide additional compensation to directors serving in those roles, averaging \$41,689.

- » Lead directors are more likely than presiding directors to receive additional compensation — 88% versus 34% — and their premiums are higher. The average lead director premium is \$41,689, 22% more than the \$34,239 average premium for presiding directors.

Nearly all boards provide retainers to committee chairs

- » 98% of S&P 500 boards included in our study provide a retainer to one or more committee chairs, compared with 90% a decade ago. Among these boards, 86% pay a higher retainer to the audit committee chair, and 58% pay more to the compensation committee chair.
- » On average, committee chairs receive a retainer of \$22,768, 3% more than last year.
- » 48% of boards pay committee members a retainer, an increase from 41% five years ago. The average committee member retainer is \$11,893, nearly unchanged from last year. Audit committee members receive 16% more on average (\$13,753).

Committee Retainers

	Average committee retainers		% of boards paying this type	
	2020	2015	2020	2015
All committee members	\$11,893	\$11,062	48%	41%
<i>Audit committee members</i>	\$13,753	\$12,426	48%	41%
<i>Compensation committee members</i>	\$11,578	\$11,777	36%	28%
<i>Nominating committee members</i>	\$9,449	\$8,926	35%	26%
All committee chairs	\$22,768	\$18,659	98%	95%
<i>Audit committee chairs</i>	\$27,827	\$24,125	98%	95%
<i>Compensation committee chairs</i>	\$22,013	\$19,972	97%	93%
<i>Nominating committee chairs</i>	\$18,362	\$14,399	96%	92%

- » Similar to board meeting attendance fees, committee meeting fees have declined in usage. 9% of S&P 500 boards pay committee meeting fees, compared with 12% last year and 26% five years ago. The average committee meeting attendance fee is \$1,818.

Average director comp varies widely by sector

- » Average director compensation varies significantly across industries, ranging from a low of \$275,569 in the real estate sector to a high of \$352,162 in healthcare. The average compensation for directors of healthcare companies is 14% more than the S&P 500 average, despite falling by 3% since last year. Average compensation for directors in the real estate sector grew by 5%, though it still is 11% below the S&P 500 average.
- » Cash represents a larger share of compensation in industry sectors such as utilities and materials, 45% and 44%, respectively, and a smaller share in the healthcare and technology sectors, 32% and 33%, respectively.
- » Stock awards account for 64% of director compensation among technology companies, the most of any sector, followed by the consumer discretionary sector (60%). Companies in the materials and utilities sectors rely least on stock awards for director compensation; stock awards represent 52% of director compensation for companies in these sectors.

Average Compensation per Non-Employee Director by Industry*

Industry	Total average compensation	% change versus 2019	% of total compensation			
			Cash fees**	Stock awards	Option grants	All other compensation***
Healthcare	\$352,162	-3%	32%	56%	9%	3%
Technology	\$342,241	3%	33%	64%	2%	1%
Communication services	\$335,206	1%	36%	56%	7%	1%
Energy	\$324,589	0%	40%	57%	1%	2%
Financials	\$299,654	1%	42%	56%	1%	1%
Industrials	\$296,272	0%	42%	53%	2%	3%
Consumer discretionary	\$292,300	4%	37%	60%	1%	2%
Consumer staples	\$287,658	1%	39%	56%	4%	1%
Materials	\$286,592	3%	44%	52%	1%	3%
Utilities	\$282,912	1%	45%	52%	0%	3%
Real Estate	\$275,569	5%	39%	57%	2%	2%
Average	\$308,462	1%	38%	57%	3%	2%

*Based on non-employee director compensation tables in 494 proxies for 2020. Includes all board and committee retainers and meeting fees, non-executive chair 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 2019. 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 incremental cost to the company of products provided to directors.

Director compensation highest among companies in the Northwest after 18% increase

- » Directors of companies headquartered in the Northwest U.S. receive the highest compensation, averaging \$336,280 — 9% more than the S&P 500 average of \$308,462 and 18% more than the lowest regional average: \$285,912 in the Midwest.
- » Average director compensation by company size ranged from a low of \$289,196 for directors of companies with revenue less than \$2.5 billion to a high of \$321,544 for companies with revenue greater than \$10 billion.

Average Director Compensation by Region and by Sales

By region		By sales	
Northwest	\$336,280	Less than \$2.5 billion	\$289,196
West	\$331,978	\$2.5 to \$10 billion	\$294,262
Northeast	\$318,594	Greater than \$10 billion	\$321,544
Southwest	\$308,942		
Southeast	\$290,770		
Midwest	\$285,912		

Nominating/Governance Chair Survey 2020

Board composition and performance:
Diversity rises to the top as a
recruiting priority

We recently surveyed 59 S&P 500 nominating/governance committee chairs to gain a first-person perspective on board trends and priorities. We compared some of this year's findings against similar findings from a survey last year of 113 S&P 500 nominating/governance committee members. This year's survey targeted committee chairs to capture a unique response per company. Here are the results.



Nominating/governance committee priorities

Amid social unrest and growing attention to racial inequality in the United States, boards are prioritizing increasing racial and ethnic representation, while gender diversity declines as a priority. Notably, last year’s top priority, “Expanding director sector/industry experience,” was not ranked in the top five this year.

Top Five Nom/Gov Committee Priorities over the Next Three Years



Nom/Gov Committee Priorities Rank Changes

	2020	2019
Enhancing racial/ethnic diversity	▲1	3
Developing a boardroom succession strategy*	2	n/a
Enhancing board and individual director evaluations	▲3	4
Increasing gender diversity	▼4	2
Adding younger (50 years or younger) directors	5	5

*New option for 2020

▲ - denotes increased rank from prior year ▼ - denotes decreased rank from prior year

61% of nom/gov chairs are not satisfied with the current level of racial/ethnic diversity on their board.

How Boards Are Increasing Diversity



Hiring an executive search firm to help identify minority candidates



Prioritizing diversity as a critical criterion for new searches



Assessing the skills, experience and expertise of existing board members to identify gaps

Board Refreshment

Making progress on diversity will likely be challenging. Nom/gov chairs anticipate low turnover in the next couple years, consistent with findings from our S&P 500 proxy research that only 16% of sitting independent directors on boards with mandatory retirement are within three years of the age caps.

1 Average number of directors nom/gov chairs expect to retire/join their boards in each of the next two years. When looking at turnover during the 2020 proxy year, however, just over half (55%) of S&P 500 boards appointed one or more new independent directors.

35% of nom/gov chairs report that their board had one or more underperforming directors in the past three years. Despite underperforming, directors are not being asked to leave, as more than half said the board addressed the underperformance by working with directors to change their behavior. As a result, performance issues are unlikely to impact board refreshment.

The Biggest Drivers of Board Refreshment



37%

Replacing retiring director(s) due to mandatory retirement or term limits



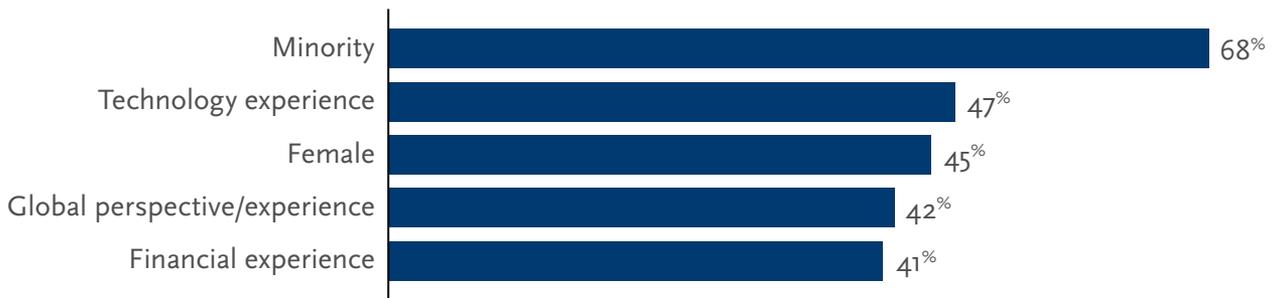
34%

Adding new skills to the boardroom

Recruiting profiles

Nom/gov chairs are keenly aware of the value of diversity in the boardroom, as reflected by the skills and qualifications they expect to be priorities in the next three years. Gender diversity, which was the number-one priority last year, has taken a backseat to racial/ethnic diversity. Global experience, in particular, is in higher demand, perhaps reflecting a sense stemming from the COVID-19 pandemic that the world is more connected than ever.

Top Five Nom/Gov Committee Recruiting Profiles over the Next Three Years



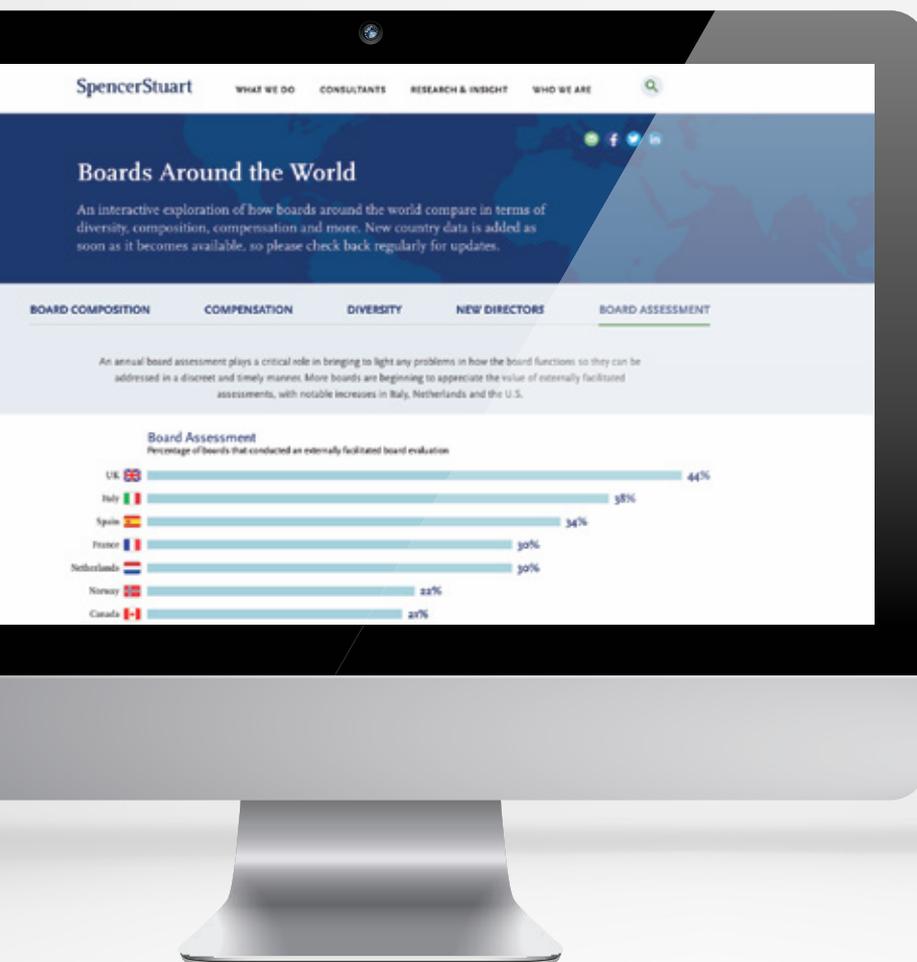
Nom/Gov Committee Recruiting Profiles Rank Changes

	2020	2019
Minority	▲ 1	7
Technology experience	2	2
Female	▼ 3	1
Global perspective/experience	▲ 4	10
Financial experience	▼ 5	4

▲ - denotes increased rank from prior year ▼ - denotes decreased rank from prior year

Boards Around the World

Spencer Stuart publishes Board Indexes covering more than 25 countries around the world. The majority of these Board Indexes are published annually, with a few appearing on alternate years.



We have compiled key data from all these countries into our **Boards Around the World** feature — an interactive data exploration tool.

Compare nationally aggregated data from leading companies from North and South America, Europe and Asia Pacific across a wide range of measures.

Our more detailed **International Comparison** data set, previously published in printed editions of our Board Indexes, is now available online only.

Visit spencerstuart.com/bgt for more details.

Comparative Board Data

Methodology

Based on the S&P 500 as of May 20, 2020. Fiscal year 2019 company sales data obtained from CapitalIQ; industry/sector categories from Capital IQ. All remaining data were pulled from the most recent DEF14A proxy statements released between May 24, 2019, and May 20, 2020. Tenure includes time at company and the company's predecessors. Corporate boards classified as public company boards and all data on the number of corporate boards obtained from BoardEx as of May 15, 2020. Total average compensation per non-employee director is based on non-employee director compensation tables included in 494 proxies. The number includes all board and committee retainers and meeting fees, supplemental non-executive chair and lead/presiding director fees, the value of equity compensation, and all other compensation paid in fiscal year 2019. Total current other corporate board affiliations for new directors were found by counting any public boards a director was on upon appointment to the new S&P 500 board, including executive directorships. This information was found through proxy data and BoardEx data as of company's most recent proxy. First-time directors have not previously served on any public company board, whether their own board or an outside board.

Comparative Board Data

	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION				
	COMPANY SALES (\$ IN MILLIONS)	TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
COMMUNICATION SERVICES															
Advertising															
The Interpublic Group of Companies	8,625.1	9	8	N	63	8	74	7	100,000	b	331,651	35%	60%	0%	5%
Omnicom Group	14,953.7	9	8	N	65	12	75	6	90,000	b,c	292,100	50%	50%	0%	0%
Alternative Carriers															
CenturyLink	22,401.0	11	10	Y	65	10	75	9	75,000	b	295,494	49%	50%	0%	1%
Broadcasting															
Discovery	11,144.0	12	11	Y	69	9	-	9	100,000	b	300,723	49%	50%	0%	1%
Fox Corporation	11,389.0	7	4	Y	58	1	-	5	295,000	d	241,925	31%	69%	0%	0%
ViacomCBS	27,812.0	13	10	Y	65	5	-	12	100,000	b,c	462,704	53%	43%	0%	4%
Cable and Satellite															
Charter Communications	45,764.0	13	12	N	57	8	-	12	120,000	b,c	356,383	30%	70%	0%	0%
Comcast Corporation	108,942.0	10	9	N	64	7	72	5	110,000	b,c	319,278	42%	58%	0%	0%
DISH Network Corporation	12,807.7	9	5	Y	56	6	-	11	60,000	e	136,638	70%	0%	30%	0%
Integrated Telecommunication Services															
AT&T	181,193.0	13	12	N	64	6	72	12	140,000	b,c	387,092	40%	57%	0%	3%
Verizon Communications	131,868.0	9	8	N	62	7	72	8	125,000	b	324,854	46%	54%	0%	0%
Interactive Home Entertainment															
Activision Blizzard	6,489.0	10	8	Y	64	8	-	10	90,000	b	367,656	32%	68%	0%	0%
Electronic Arts	4,950.0	9	8	Y	59	12	72	8	60,000	b,c	352,334	25%	74%	0%	1%
Take-Two Interactive Software	2,668.4	8	7	N	60	7	-	9	275,000	c,d	352,072	35%	65%	0%	0%
Interactive Media and Services															
Alphabet	161,857.0	11	8	Y	65	11	-	10	75,000	b	461,867	18%	82%	0%	0%
Facebook	70,697.0	9	7	N	54	4	72	13	50,000	b	381,373	20%	80%	0%	0%
Twitter	3,459.3	10	8	Y	51	3	-	5	50,000	b,c	293,138	20%	80%	0%	0%
Movies and Entertainment															
Live Nation Entertainment	11,548.0	12	10	Y	58	8	-	4	90,000	b,c	263,392	39%	61%	0%	0%
Netflix	20,156.4	11	10	N	58	9	-	4	-	e,f,g	366,567	0%	0%	100%	0%
The Walt Disney Company	69,570.0	9	8	N	59	4	-	7	115,000	b,c	361,494	38%	53%	0%	9%
Publishing															
News Corporation	10,074.0	11	7	Y	58	6	-	7	265,000	d,h	286,824	41%	59%	0%	0%
Wireless Telecommunication Services															
T-Mobile US	44,998.0	13	5	Y	61	6	-	16	133,333	b	451,502	44%	55%	0%	1%
TOTAL COMMUNICATION SERVICES															
Average		10	8					73	9	114,470	335,206	36%	56%	7%	1%
Median		10	8					72	9	100,000	341,861				

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION				
		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYER DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
CONSUMER DISCRETIONARY															
Apparel Retail															
The Gap	16,580.0	13	11	Y	58	9	75	9	80,000	b	249,086	40%	58%	0%	2%
L Brands	13,237.0	9	7	N	64	6	-	12	223,800	d	273,343	51%	49%	0%	0%
Ross Stores	14,983.5	11	8	Y	64	14	-	5	232,500	d	262,862	41%	59%	0%	0%
The TJX Companies	38,972.9	11	9	Y	68	12	75	5	90,000	b	284,024	44%	56%	0%	0%
Apparel, Accessories and Luxury Goods															
Hanesbrands	6,966.9	8	7	Y	65	9	72	5	105,000	b	122,247	100%	0%	0%	0%
PVH Corporation	9,656.8	11	10	N	61	11	72	5	95,000	b	277,334	42%	58%	0%	0%
Ralph Lauren Corporation	6,313.0	14	11	Y	70	11	-	5	80,000	b	309,075	38%	61%	0%	1%
Tapestry	6,027.1	8	7	N	56	7	-	6	90,000	b,e	270,056	36%	32%	32%	0%
Under Armour	5,267.1	9	7	Y	63	8	75	10	75,000	b,c	249,722	40%	60%	0%	0%
V.F. Corporation	13,848.7	12	11	N	58	7	72	7	95,000	b,c,e	188,504	56%	44%	0%	0%
Auto Parts and Equipment															
Aptiv PLC	14,357.0	11	10	Y	65	6	75	9	265,000	c,d	297,902	34%	66%	0%	0%
BorgWarner	10,168.0	8	7	Y	66	9	72	8	110,000	b	275,422	53%	47%	0%	0%
Automobile Manufacturers															
Ford Motor Company	155,900.0	13	10	Y	63	9	72	7	315,000	c,d,h	359,245	31%	60%	0%	9%
General Motors Company	137,237.0	11	10	N	64	6	72	8	305,000	c,d,h	329,125	50%	42%	0%	8%
Automotive Retail															
Advance Auto Parts	9,709.0	9	8	Y	62	4	72	9	85,000	b	258,125	40%	60%	0%	0%
AutoZone	11,863.7	10	9	N	60	7	75	5	215,000	d,g,i	222,970	8%	92%	0%	0%
CarMax	19,146.0	12	10	Y	56	5	76	5	260,000	d	300,337	40%	58%	0%	2%
O'Reilly Automotive	10,150.0	9	6	Y	62	9	78	4	80,000	b	239,197	61%	39%	0%	0%
Casinos and Gaming															
Las Vegas Sands Corporation	13,739.0	11	6	N	71	5	-	6	150,000	b,e	257,212	60%	39%	0%	1%
MGM Resorts International	12,462.8	11	10	Y	60	9	74	19	90,000	b	303,950	46%	49%	0%	5%
Wynn Resorts Limited	6,611.1	9	8	Y	66	3	75	14	60,000	b	415,683	37%	60%	0%	3%
Computer and Electronics Retail															
Best Buy Co.	42,879.0	10	9	Y	58	7	72	7	95,000	b,c	306,417	36%	64%	0%	0%
Consumer Electronics															
Garmin	3,757.5	6	4	Y	65	7	-	4	85,000	b	241,686	38%	62%	0%	0%
Department Stores															
Kohl's Corporation	20,229.0	11	10	Y	59	10	72	6	125,000	b	278,322	45%	55%	0%	0%
Nordstrom	15,860.0	11	9	Y	55	3	72	5	95,000	b,c	279,806	35%	61%	0%	4%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION				
		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYER DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Distributors															
Genuine Parts Company	19,392.3	12	10	N	64	8	72	5	60,000	b	270,250	33%	67%	0%	0%
LKQ Corporation	12,506.1	11	9	Y	62	6	-	9	100,000	b,c	245,876	53%	47%	0%	0%
Footwear															
NIKE	39,117.0	12	10	N	60	10	72	5	100,000	b	296,436	37%	59%	0%	4%
General Merchandise Stores															
Dollar General Corporation	25,625.0	9	8	Y	60	7	76	5	95,000	b	281,520	37%	62%	0%	1%
Dollar Tree	22,823.3	12	10	Y	66	9	-	8	180,000	b,c,j	284,608	74%	26%	0%	0%
Target Corporation	75,356.0	11	10	N	63	7	72	7	280,000	c,d	290,483	31%	69%	0%	0%
Home Furnishings															
Leggett & Platt	4,752.5	11	9	N	61	8	-	4	240,000	c,d	302,129	36%	50%	0%	14%
Mohawk Industries	9,970.7	8	6	N	66	10	75	6	80,000	b,c	173,953	49%	51%	0%	0%
Home Improvement Retail															
The Home Depot	108,203.0	12	11	N	59	8	72	7	280,000	c,d,h	301,364	21%	76%	0%	3%
Lowe's Companies	71,309.0	11	10	Y	62	5	72	5	90,000	b,c	295,573	35%	65%	0%	0%
Homebuilding															
D.R. Horton	17,592.9	6	5	Y	68	12	75	7	-	b	584,329	13%	87%	0%	0%
Lennar Corporation	22,259.6	12	9	Y	70	16	-	5	130,000	b,c,d	275,899	38%	60%	0%	2%
NVR	7,425.6	12	10	Y	64	11	-	6	75,000	e	87,611	100%	0%	0%	0%
PulteGroup	10,213.0	10	9	Y	60	7	75	6	245,000	d	263,250	43%	57%	0%	0%
Hotels, Resorts and Cruise Lines															
Carnival Corporation	20,825.0	11	9	Y	67	12	75	6	110,000	b	303,188	41%	58%	0%	1%
Hilton Worldwide Holdings	3,766.0	9	7	Y	64	7	75	5	95,000	b	287,458	43%	56%	0%	1%
Marriott International	5,373.0	12	9	Y	65	9	72	4	85,000	b,c	271,253	37%	61%	0%	2%
Norwegian Cruise Line Holdings	6,462.4	10	7	Y	60	4	-	5	100,000	b,c	284,606	51%	49%	0%	0%
Royal Caribbean Cruises Ltd.	10,950.7	11	9	N	66	10	-	5	100,000	b	290,159	36%	61%	0%	3%
Household Appliances															
Whirlpool Corporation	20,419.0	13	12	N	60	8	72	6	145,000	b	312,576	49%	46%	0%	5%
Housewares and Specialties															
Newell Brands	9,714.9	11	10	Y	58	3	75	14	115,000	b,c	290,847	48%	50%	0%	2%
Internet and Direct Marketing Retail															
Amazon.com	280,522.0	10	9	N	64	8	-	6	310,000	d,g	935,167	0%	100%	0%	0%
Booking Holdings	15,066.0	12	10	Y	56	3	-	6	60,000	b	356,593	23%	77%	0%	0%
eBay	10,800.0	13	12	Y	54	6	-	10	80,000	b	373,205	31%	69%	0%	0%
Expedia Group	12,067.0	12	6	Y	52	6	-	5	45,000	b	304,782	18%	82%	0%	0%
Leisure Products															
Hasbro	4,720.2	13	11	N	61	11	72	12	95,000	b,c	366,038	27%	55%	0%	18%
Motorcycle Manufacturers															
Harley-Davidson	5,361.8	9	8	N	58	9	75	9	110,000	b,c	260,000	52%	48%	0%	0%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION				
		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYER DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Restaurants															
Chipotle Mexican Grill	5,586.4	7	6	N	59	7	-	8	260,000	d	283,317	47%	53%	0%	0%
Darden Restaurants	8,510.4	8	7	Y	61	5	73	4	85,000	b,c	256,461	46%	54%	0%	0%
Domino's Pizza	3,618.8	9	8	Y	57	11	72	5	80,000	b	237,837	45%	55%	0%	0%
McDonald's Corporation	21,076.5	12	11	Y	63	10	-	7	115,000	b,c	377,324	41%	56%	0%	3%
Starbucks Corporation	26,508.6	13	11	Y	53	7	75	7	295,000	c,j	312,902	10%	68%	22%	0%
Yum! Brands	5,597.0	12	11	Y	58	5	72	5	260,000	d,g,i	285,000	0%	100%	0%	0%
Specialized Consumer Services															
H&R Block	3,094.9	10	9	Y	64	8	-	8	220,000	d,h	280,963	40%	58%	0%	2%
Specialty Stores															
Tiffany & Co.	4,442.1	10	8	Y	60	8	74	11	95,000	b,e	303,461	33%	37%	30%	0%
Tractor Supply Company	8,351.9	9	8	Y	61	8	72	6	85,000	b	283,595	48%	52%	0%	0%
Ulta Beauty	6,716.6	11	10	Y	62	8	75	13	260,000	d	288,929	48%	52%	0%	0%
TOTAL CONSUMER DISCRETIONARY															
Average		11	9				74	7	139,698		292,300	37%	60%	1%	2%
Median		11	9				73	6	100,000		284,315				
CONSUMER STAPLES															
Agricultural Products															
Archer-Daniels-Midland Company	64,656.0	11	10	N	62	8	75	6	300,000	c,d	310,742	39%	61%	0%	0%
Brewers															
Molson Coors Brewing Company	10,579.4	14	9	Y	63	8	70	10	100,000	b,c	294,392	40%	49%	0%	11%
Distillers and Vintners															
Brown-Forman Corporation	3,324.0	14	7	Y	60	7	71	6	205,000	c,d,h	290,070	62%	37%	0%	1%
Constellation Brands	8,116.0	10	7	Y	60	10	70	8	92,500	b,e	283,972	38%	42%	20%	0%
Drug Retail															
Walgreens Boots Alliance	136,866.0	10	8	Y	61	10	75	10	100,000	b,c	313,889	36%	64%	0%	0%
Food Distributors															
Sysco Corporation	60,113.9	13	12	N	62	7	-	7	100,000	b,c	306,780	36%	64%	0%	0%
Food Retail															
The Kroger Co.	121,852.0	10	9	N	63	10	72	5	90,000	b	301,151	35%	59%	6%	0%
Household Products															
Church & Dwight Co.	4,357.7	9	8	N	60	11	72	10	120,000	d,e,g,i	254,333	23%	26%	51%	0%
The Clorox Company	6,214.0	11	10	N	62	8	72	7	103,000	b,c	262,261	42%	58%	0%	0%
Colgate-Palmolive Company	15,693.0	10	9	N	61	7	72	11	65,000	b,c,e,i	297,229	26%	58%	15%	1%
Kimberly-Clark Corporation	18,450.0	11	10	N	62	8	72	7	100,000	b	295,500	34%	64%	0%	2%
The Procter & Gamble Company	67,684.0	12	11	N	64	8	72	7	120,000	b,c	284,545	38%	62%	0%	0%
Hypermarkets and Super Centers															
Costco Wholesale Corporation	152,703.0	10	8	Y	67	12	-	4	30,000	b	304,449	13%	87%	0%	0%
Walmart	514,405.0	11	7	Y	55	5	75	5	100,000	b,c	311,592	39%	61%	0%	0%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION				
		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Packaged Foods and Meats															
Campbell Soup Company	8,107.0	12	11	Y	60	9	72	37	248,000	c,d	296,400	48%	52%	0%	0%
Conagra Brands	9,538.4	11	10	Y	63	8	72	14	100,000	b	296,847	33%	64%	0%	3%
General Mills	16,865.2	11	10	N	60	6	72	5	75,000	b,c	267,980	33%	67%	0%	0%
The Hershey Company	7,986.3	13	12	N	62	6	72	6	105,000	b,c	278,501	43%	56%	0%	1%
Hormel Foods Corporation	9,497.3	13	12	N	60	8	72	7	80,000	b,c	272,902	37%	60%	0%	3%
The J.M. Smucker Company	7,838.0	12	9	Y	62	11	72	6	100,000	b,c	247,887	42%	55%	0%	3%
Kellogg Company	13,578.0	12	10	N	61	5	72	8	260,000	c,d	273,333	43%	57%	0%	0%
The Kraft Heinz Company	24,977.0	11	9	Y	57	5	-	5	110,000	b,c	250,322	50%	50%	0%	0%
Lamb Weston Holdings	3,756.5	8	7	Y	63	4	75	5	100,000	b,c	262,460	47%	53%	0%	0%
McCormick & Company	5,347.4	11	10	N	62	9	72	7	90,000	b,e	258,403	38%	39%	23%	0%
Mondelēz International	25,868.0	12	11	N	64	7	75	7	110,000	b	306,488	39%	57%	0%	4%
Tyson Foods	42,405.0	12	10	Y	61	8	72	12	105,000	b,c	283,396	41%	57%	0%	2%
Personal Products															
Coty	8,648.5	10	9	Y	60	7	70	11	100,000	b	291,375	63%	37%	0%	0%
The Estee Lauder Companies	14,863.0	16	10	Y	62	13	-	5	175,000	b,d,e	295,588	40%	25%	34%	1%
Soft Drinks															
The Coca-Cola Company	37,266.0	12	10	N	62	8	74	6	290,000	c,d,h	266,663	23%	75%	0%	2%
Monster Beverage Corporation	4,200.8	10	6	N	69	13	-	4	60,000	b	244,308	26%	74%	0%	0%
PepsiCo	67,161.0	12	11	N	61	8	72	5	310,000	c,d	324,212	40%	59%	0%	1%
Tobacco															
Altria Group	19,796.0	11	10	N	67	9	75	7	110,000	b,c	331,637	41%	53%	0%	6%
Phillip Morris International	29,805.0	10	8	Y	66	7	-	6	125,000	b,c	318,333	45%	55%	0%	0%
TOTAL CONSUMER STAPLES															
Average		11	9				72	8	129,652		287,658	39%	56%	4%	1%
Median		11	10				72	7	100,000		291,375				
ENERGY															
Integrated Oil and Gas															
Chevron Corporation	139,865.0	10	9	N	63	6	74	8	150,000	b,c,j	407,937	26%	55%	16%	3%
Exxon Mobil Corporation	255,583.0	10	9	N	66	6	72	10	110,000	b	285,029	40%	60%	0%	0%
Occidental Petroleum Corporation	20,393.0	11	10	Y	64	4	75	11	125,000	b	412,904	31%	62%	0%	7%
Oil and Gas Drilling															
Helmerich & Payne	2,798.5	11	9	Y	64	10	-	5	100,000	b	308,635	37%	61%	0%	2%
Oil and Gas Equipment and Services															
Baker Hughes	23,838.0	9	7	N	60	2	75	8	100,000	b,c	302,770	40%	58%	0%	2%
Halliburton Company	22,408.0	10	9	N	67	8	72	4	115,000	b,c	385,146	34%	45%	0%	21%
National Oilwell Varco	8,479.0	9	8	N	66	11	75	5	100,000	b,c	298,305	35%	65%	0%	0%
Schlumberger Limited	32,917.0	9	6	Y	60	6	70	6	115,000	b	355,928	44%	54%	0%	2%
TechnipFMC plc	13,409.1	14	13	N	63	8	72	7	100,000	b	301,504	42%	58%	0%	0%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION					
		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER POINTS	AVERAGE COMPENSATION PER NON-EMPLOYER DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER	
Oil and Gas Exploration and Production																
Apache Corporation	6,213.0	10	9	Y	61	6	75	8	100,000	b,c	333,042	36%	64%	0%	0%	
Cabot Oil & Gas Corporation	1,985.5	9	8	N	67	6	73	6	75,000	b	342,955	26%	67%	0%	7%	
Concho Resources	4,310.0	10	8	N	65	9	75	8	90,000	b	306,816	33%	66%	0%	1%	
ConocoPhillips	33,346.0	13	12	N	61	4	72	5	115,000	b,c	360,494	37%	61%	0%	2%	
Devon Energy Corporation	5,969.0	11	9	Y	66	9	73	13	100,000	b	337,659	32%	68%	0%	0%	
Diamondback Energy	3,767.0	8	7	Y	61	5	-	10	80,000	b	295,249	39%	61%	0%	0%	
EOG Resources	17,076.1	8	7	N	68	9	80	6	100,000	b	372,537	32%	50%	0%	18%	
Hess Corporation	6,311.0	10	9	Y	64	8	75	9	110,000	b	331,785	46%	53%	0%	1%	
Marathon Oil Corporation	5,125.0	8	7	N	62	4	72	12	150,000	b	343,750	49%	51%	0%	0%	
Noble Energy	4,387.0	9	8	N	63	9	72	14	100,000	b,e	337,308	40%	59%	0%	1%	
Pioneer Natural Resources Company	9,676.0	12	10	Y	65	9	-	15	295,000	d	309,117	25%	74%	0%	1%	
Oil and Gas Refining and Marketing																
HollyFrontier Corporation	17,486.6	10	9	Y	66	7	75	9	120,000	b	327,561	56%	43%	0%	1%	
Marathon Petroleum Corporation	124,112.0	12	11	Y	63	5	72	14	150,000	b	367,625	50%	48%	0%	2%	
Phillips 66	107,293.0	10	9	N	67	6	75	6	125,000	b,c	358,687	41%	56%	0%	3%	
Valero Energy Corporation	102,729.0	10	9	N	65	8	75	6	130,000	b	315,000	44%	56%	0%	0%	
Oil and Gas Storage and Transportation																
Kinder Morgan	13,209.0	16	13	Y	72	8	-	8	200,000	c	200,807	84%	16%	0%	0%	
ONEOK	10,164.4	11	9	Y	66	12	75	9	210,000	c,d	241,023	40%	57%	0%	3%	
The Williams Companies	8,201.0	11	10	Y	65	4	75	7	275,000	d	312,951	38%	59%	0%	3%	
TOTAL ENERGY																
Average		10	9					74	8	131,111		324,589	40%	57%	1%	2%
Median		10	9					75	8	115,000		331,785				
FINANCIALS																
Asset Management and Custody Banks																
Ameriprise Financial	12,890.0	9	8	N	65	7	75	6	250,000	c,d,h	283,597	47%	53%	0%	0%	
The Bank of New York Mellon Corporation	16,487.0	10	9	Y	63	6	75	18	110,000	b,c	296,429	48%	52%	0%	0%	
BlackRock	14,539.0	17	14	N	61	7	75	8	85,000	b,c	359,967	33%	67%	0%	0%	
Franklin Resources	5,774.5	10	7	Y	61	7	75	5	95,000	b,c	262,000	36%	64%	0%	0%	
Invesco	6,117.4	8	7	Y	65	8	75	8	120,000	b	291,941	50%	50%	0%	0%	
Northern Trust Corporation	6,087.6	13	12	N	62	8	72	7	235,000	c,d	239,381	54%	46%	0%	0%	
State Street Corporation	11,702.0	11	10	N	64	8	75	8	90,000	b,c	348,054	37%	56%	0%	7%	
T. Rowe Price Group	5,617.9	11	10	N	66	5	75	6	100,000	b,c	356,208	35%	63%	0%	2%	
Consumer Finance																
American Express Company	39,983.0	13	12	N	64	7	72	6	95,000	b,c	332,772	41%	59%	0%	0%	
Capital One Financial Corporation	22,357.0	12	11	N	60	8	72	19	90,000	b	348,879	45%	52%	0%	3%	
Discover Financial Services	8,228.0	12	11	Y	62	10	-	11	105,000	b	299,490	50%	50%	0%	0%	
Synchrony Financial	9,132.0	11	10	Y	65	5	75	9	210,000	d	277,662	46%	54%	0%	0%	

Comparative Board Data

	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS					BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION				
	COMPANY SALES (\$ IN MILLIONS)	TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Diversified Banks															
Bank of America Corporation	85,582.0	17	16	N	68	8	75	21	100,000	b,c	386,991	29%	62%	0%	9%
Citigroup	66,068.0	16	14	Y	61	5	72	22	75,000	b,c	374,733	60%	40%	0%	0%
JPMorgan Chase & Co.	110,041.0	10	9	N	63	9	72	10	100,000	b,c	413,782	30%	60%	0%	10%
U.S. Bancorp	21,140.0	13	12	N	58	5	72	11	100,000	b,c	291,074	45%	55%	0%	0%
Wells Fargo & Company	82,458.0	12	11	Y	64	3	72	15	75,000	b,c	408,044	54%	46%	0%	0%
Financial Exchanges and Data															
Cboe Global Markets	2,496.1	12	11	N	60	9	73	6	90,000	b	268,131	51%	49%	0%	0%
IntercontinentalExchange	5,202.0	11	10	N	64	11	75	7	100,000	b,c	322,668	39%	60%	0%	1%
MarketAxess Holdings	511.4	12	10	N	60	7	-	7	85,000	b	216,967	48%	51%	0%	0%
Moody's Corporation	4,829.0	9	8	Y	66	9	-	8	105,000	b	307,775	39%	61%	0%	0%
MSCI	1,557.8	10	9	N	59	6	72	9	80,000	b,c	280,086	35%	59%	0%	6%
Nasdaq	4,262.0	10	9	Y	60	6	-	15	75,000	b,c	332,891	5%	95%	0%	0%
S&P Global	6,699.0	12	11	Y	62	8	72	7	90,000	b	295,627	45%	54%	0%	1%
Insurance Brokers															
Aon plc	11,013.0	11	10	Y	68	13	-	7	136,000	b,c	371,024	39%	54%	0%	7%
Arthur J. Gallagher & Co.	6,897.1	10	9	N	67	10	78	10	105,000	b,c	267,588	43%	57%	0%	0%
Marsh & McLennan Companies	16,652.0	13	12	Y	66	9	75	9	120,000	b,c	325,500	46%	54%	0%	0%
Willis Towers Watson Public Limited Company	9,039.0	9	8	Y	67	12	-	12	285,000	c,d	335,164	47%	53%	0%	0%
Investment Banking and Brokerage															
The Charles Schwab Corporation	10,721.0	13	11	Y	67	11	-	11	100,000	b,c,e,j	369,649	46%	32%	22%	0%
E*TRADE Financial Corporation	2,937.0	12	10	Y	64	6	-	15	120,000	b,c	294,243	33%	64%	0%	3%
The Goldman Sachs Group	35,481.0	11	9	N	64	6	75	12	100,000	b,c	604,085	4%	93%	0%	3%
Morgan Stanley	41,419.0	14	11	N	64	5	72	15	80,000	b,c	368,500	32%	68%	0%	0%
Raymond James Financial	7,693.0	12	9	N	60	5	-	4	100,000	b	266,903	43%	56%	0%	1%
Life and Health Insurance															
AFLAC	22,307.0	11	10	N	63	6	75	4	135,000	b,c,e,j,k	305,842	49%	51%	0%	0%
Globe Life	4,527.5	11	9	N	63	8	74	7	100,000	e,k	263,913	39%	44%	17%	0%
Lincoln National Corporation	17,258.0	10	9	Y	69	15	-	5	275,000	c,d,h	332,030	39%	57%	0%	4%
MetLife	69,620.0	12	11	Y	63	7	72	7	300,000	d	336,606	52%	47%	0%	1%
Principal Financial Group	16,222.1	10	9	N	62	11	72	11	275,000	c,d	283,214	42%	58%	0%	0%
Prudential Financial	64,710.0	12	10	N	65	10	74	9	300,000	c,d	330,199	58%	41%	0%	1%
Unum Group	11,998.9	11	10	Y	62	7	72	6	120,000	b,c	317,799	45%	54%	0%	1%
Multi-Line Insurance															
American International Group	49,778.0	12	11	Y	66	6	75	10	295,000	c,d,h	339,162	50%	50%	0%	0%
Assurant	9,923.8	11	10	Y	65	7	75	5	100,000	b,c	288,265	45%	54%	0%	1%
The Hartford Financial Services Group	20,736.0	11	10	N	63	7	75	6	100,000	b,c	277,762	42%	58%	0%	0%
Multi-Sector Holdings															
Berkshire Hathaway	256,100.0	14	8	N	73	14	-	3	-	-	4,090	100%	0%	0%	0%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION				
		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYER DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Property and Casualty Insurance															
The Allstate Corporation	44,675.0	10	9	N	64	7	72	6	125,000	b,c	298,902	48%	52%	0%	0%
Chubb Limited	34,230.0	14	13	N	68	8	75	5	305,000	d	351,286	29%	60%	0%	11%
Cincinnati Financial Corporation	7,924.0	13	10	N	61	13	73	5	80,000	d	218,562	52%	46%	0%	2%
Loews Corporation	14,907.0	12	9	Y	72	13	-	5	100,000	b	237,500	58%	42%	0%	0%
The Progressive Corporation	38,997.7	12	11	Y	65	9	80	5	265,000	d,g,i	295,951	13%	87%	0%	0%
The Travelers Companies	31,581.0	11	10	N	66	9	74	5	130,000	b,c	319,295	45%	55%	0%	0%
W. R. Berkley Corporation	7,902.2	11	9	Y	65	18	-	5	84,000	b	309,854	35%	65%	0%	0%
Regional Banks															
Citizens Financial Group	6,098.0	12	11	N	68	8	75	9	90,000	b	250,263	42%	57%	0%	1%
Comerica	3,275.0	11	10	N	62	11	72	6	100,000	b,c	216,344	51%	49%	0%	0%
Fifth Third Bancorp	7,893.0	14	13	N	63	7	72	13	85,000	b	240,455	48%	52%	0%	0%
First Republic Bank	3,279.7	10	7	N	67	14	-	12	50,000	b	274,967	45%	55%	0%	0%
Huntington Bancshares	4,390.0	13	12	N	61	6	72	12	75,000	b,c	256,401	49%	51%	0%	0%
KeyCorp	5,923.0	12	10	N	64	10	72	6	90,000	b,c	237,304	45%	55%	0%	0%
M&T Bank Corporation	5,967.9	17	14	N	71	12	-	9	110,000	c	176,101	50%	50%	0%	0%
People's United Financial	1,812.9	11	9	N	70	16	-	11	94,000	b,c,j	211,638	55%	45%	0%	0%
The PNC Financial Services Group	17,054.0	12	11	N	62	4	72	10	90,000	b,c	301,803	43%	48%	0%	9%
Regions Financial Corporation	5,516.0	12	11	Y	65	8	72	8	220,000	c,d	245,082	49%	50%	0%	1%
SVB Financial Group	3,220.6	11	10	Y	65	9	75	8	70,000	b	256,759	47%	53%	0%	0%
Truist Financial Corporation	11,953.0	22	19	N	64	7	75	15	75,000	b	262,354	54%	46%	0%	0%
Zions Bancorporation	2,797.0	11	9	N	62	9	72	8	64,000	b,c	194,356	53%	47%	0%	0%
Reinsurance															
Everest Re Group	8,243.0	9	7	Y	69	10	-	4	125,000	b	483,620	26%	69%	0%	5%
TOTAL FINANCIALS															
Average		12	10				74	9	126,662		299,654	42%	56%	1%	1%
Median		12	10				74	8	100,000		295,951				
HEALTHCARE															
Biotechnology															
AbbVie	33,266.0	11	10	N	65	6	75	11	110,000	b,c,j	342,523	37%	55%	0%	8%
Alexion Pharmaceuticals	4,991.1	10	9	Y	63	5	-	11	95,000	b,c	490,608	13%	87%	0%	0%
Amgen	23,362.0	11	10	N	66	6	75	6	100,000	b	353,428	37%	57%	0%	6%
Biogen Idec	14,377.9	12	11	Y	63	10	75	19	125,000	b	457,649	33%	63%	0%	4%
Cilead Sciences	22,449.0	8	7	N	67	6	-	8	75,000	b,c,e	423,102	29%	35%	36%	0%
Incyte Corporation	2,158.8	9	8	N	64	8	-	6	60,000	b,c,e	534,664	2%	34%	64%	0%
Regeneron Pharmaceuticals	7,863.4	12	9	Y	68	15	-	6	90,000	b,e	701,437	14%	17%	69%	0%
Vertex Pharmaceuticals	4,162.8	10	8	Y	58	7	72	10	100,000	b,e,j	521,399	22%	38%	38%	2%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION				
		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Healthcare Distributors															
AmerisourceBergen Corporation	179,589.1	10	8	N	66	10	75	6	100,000	b,c	299,294	38%	60%	0%	2%
Cardinal Health	145,534.0	12	11	Y	65	7	75	6	115,000	b	329,999	38%	62%	0%	0%
Henry Schein	9,985.8	15	10	N	70	9	80	10	90,000	b	300,540	42%	58%	0%	0%
McKesson Corporation	214,319.0	10	9	Y	64	8	75	8	80,000	b	314,180	38%	61%	0%	1%
Healthcare Equipment															
Abbott Laboratories	31,904.0	14	12	Y	63	9	75	7	126,000	b	325,467	42%	54%	0%	4%
ABIOMED	769.4	7	6	N	67	9	-	4	50,000	b	270,494	26%	74%	0%	0%
Baxter International	11,362.0	12	11	N	66	10	75	7	100,000	b,j	330,009	38%	45%	13%	4%
Boston Scientific Corporation	10,735.0	10	9	N	62	6	-	4	115,000	b,c	314,184	41%	59%	0%	0%
Danaher Corporation	17,911.1	12	9	Y	61	13	-	9	125,000	b,c,e	322,703	18%	54%	28%	0%
DexCom	1,476.0	9	8	N	63	8	-	4	300,000	d	345,531	0%	100%	0%	0%
Edwards Lifesciences Corporation	4,348.0	8	7	N	63	5	75	7	75,000	b,c,e,j	327,548	27%	73%	0%	0%
Hologic	3,367.3	8	7	N	59	6	72	9	80,000	b,e	296,646	30%	35%	35%	0%
IDEXX Laboratories	2,406.9	10	8	Y	61	6	73	9	80,000	b,c,e	308,220	30%	35%	35%	0%
Intuitive Surgical	4,478.5	10	9	Y	62	7	-	4	60,000	b,e	332,064	22%	43%	35%	0%
Medtronic	30,557.0	11	10	N	63	10	72	4	175,000	b	377,634	48%	52%	0%	0%
ResMed	2,606.6	8	6	Y	62	7	-	7	65,000	b,e,j,k	314,704	20%	57%	23%	0%
STERIS plc	2,782.2	8	7	Y	63	11	75	5	480,000	c,d,e,j	304,432	27%	54%	19%	0%
Stryker Corporation	14,884.0	10	9	N	59	9	-	8	115,000	b	299,551	42%	58%	0%	0%
Teleflex	2,595.4	9	8	N	65	7	71	6	55,000	c,m	289,079	34%	37%	29%	0%
Varian Medical Systems	3,225.1	10	9	Y	58	5	75	5	100,000	b,c	282,385	41%	58%	0%	1%
Zimmer Biomet Holdings	7,982.2	11	10	Y	61	9	72	12	110,000	b,c,d,h	320,903	34%	63%	0%	3%
Healthcare Facilities															
HCA Healthcare	51,336.0	9	6	Y	66	5	75	5	110,000	b	324,225	45%	55%	0%	0%
Universal Health Services	11,378.3	7	4	N	55	5	-	6	65,000	e	385,849	21%	79%	0%	0%
Healthcare Services															
Cigna Corporation	153,743.0	13	12	Y	64	7	72	8	310,000	c,d	344,829	43%	56%	0%	1%
CVS Health Corporation	255,765.0	13	12	Y	67	7	74	7	310,000	c,d	320,494	18%	81%	0%	1%
DaVita	11,388.5	8	6	Y	63	9	75	13	80,000	b	332,822	47%	53%	0%	0%
Laboratory Corporation of America Holdings	11,554.8	9	8	N	61	10	75	9	110,000	b	301,429	40%	60%	0%	0%
Quest Diagnostics	7,726.0	10	9	N	65	10	-	5	96,500	b,c	302,206	43%	57%	0%	0%
Healthcare Supplies															
Align Technology	2,406.8	11	9	Y	62	11	-	7	50,000	b	384,756	19%	81%	0%	0%
The Cooper Companies	2,653.4	8	6	Y	70	14	-	7	30,000	b	479,070	19%	81%	0%	0%
Dentsply Sirona	4,029.2	11	10	Y	64	7	75	8	100,000	b,c	311,281	34%	66%	0%	0%
Healthcare Technology															
Cerner Corporation	5,692.6	10	9	N	65	8	75	9	66,000	b	351,140	28%	71%	0%	1%

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION				
		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYER DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Life Sciences Tools and Services															
Agilent Technologies	5,163.0	11	10	Y	65	8	75	7	100,000	b,c	357,042	35%	65%	0%	0%
Illumina	3,543.0	10	8	Y	60	3	-	7	65,000	b,c	491,641	19%	81%	0%	0%
IQVIA Holdings	11,088.0	9	8	N	59	5	-	6	100,000	b,c	319,885	38%	62%	0%	0%
Mettler-Toledo International	3,008.7	8	7	Y	59	12	72	5	80,000	b,e	244,022	41%	22%	37%	0%
PerkinElmer	2,883.7	8	7	Y	61	6	72	9	90,000	b	281,333	38%	62%	0%	0%
Thermo Fisher Scientific	25,542.0	12	10	N	62	9	72	7	125,000	b,c	355,213	42%	55%	0%	3%
Waters Corporation	2,406.6	10	9	Y	65	15	72	9	55,000	b,c,e	312,641	30%	35%	35%	0%
Managed Healthcare															
Anthem	104,212.0	10	9	Y	62	7	72	6	125,000	b	371,391	44%	52%	0%	4%
Centene Corporation	70,791.0	12	11	N	70	11	-	11	125,000	c,d,e,h	333,221	17%	74%	0%	9%
Humana	64,888.0	12	11	Y	59	10	73	10	115,000	b,c	315,960	48%	52%	0%	0%
UnitedHealth Group	242,155.0	10	8	Y	67	13	-	11	125,000	b,c	351,910	24%	71%	0%	5%
Pharmaceuticals															
Bristol-Myers Squibb Company	26,145.0	12	11	N	63	4	75	12	100,000	b,c	348,439	40%	53%	0%	7%
Eli Lilly & Company	22,319.5	13	12	N	61	9	72	10	110,000	b,c	313,583	41%	56%	0%	3%
Johnson & Johnson	82,059.0	13	12	N	65	6	72	9	120,000	b	331,979	40%	56%	0%	4%
Merck & Co.	46,840.0	13	12	N	63	8	72	6	120,000	b,c	334,350	39%	0%	0%	61%
Mylan N.V.	11,500.5	13	10	Y	63	7	-	4	100,000	b,e	309,333	47%	53%	0%	0%
Perrigo Company	4,837.4	9	8	Y	64	3	-	8	75,000	b	404,796	24%	76%	0%	0%
Pfizer	51,750.0	13	12	N	63	7	73	9	142,500	b,c	371,478	44%	52%	0%	4%
Zoetis	6,260.0	12	10	Y	68	6	-	10	330,000	d,h	355,000	35%	65%	0%	0%
TOTAL HEALTHCARE															
Average		10	9				74	8	116,627		352,162	32%	56%	9%	3%
Median		10	9				75	7	100,000		330,009				
INDUSTRIALS															
Aerospace and Defense															
The Boeing Company	76,559.0	13	12	Y	61	6	74	10	135,000	b,c	374,831	40%	54%	0%	6%
General Dynamics Corporation	39,350.0	12	11	N	64	7	75	8	95,000	b,c,e	308,108	51%	24%	24%	1%
Howmet Aerospace	14,192.0	10	8	N	59	2	75	24	120,000	b	326,014	54%	46%	0%	0%
Huntington Ingalls Industries	8,899.0	10	9	Y	63	5	76	7	100,000	b	274,832	48%	52%	0%	0%
L3Harris Technologies	18,526.0	12	10	N	67	11	75	11	295,000	b,c	278,870	47%	52%	0%	1%
Lockheed Martin Corporation	59,812.0	12	11	N	65	6	75	8	325,000	c,d	326,128	51%	48%	0%	1%
Northrop Grumman Corporation	33,841.0	12	11	N	68	8	75	9	290,000	c,d,h	317,045	45%	51%	0%	4%
Textron	13,630.0	10	9	N	68	10	75	7	270,000	c,d,h	279,000	51%	48%	0%	1%
TransDigm Group	5,223.2	12	10	Y	61	8	75	6	60,000		289,071	7%	13%	8%	70%
Agricultural and Farm Machinery															
Deere & Company	39,233.0	11	9	Y	63	9	75	4	135,000	b,c	308,509	47%	52%	0%	1%

Comparative Board Data

	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)				PERCENTAGE OF TOTAL COMPENSATION				
	COMPANY SALES (\$ IN MILLIONS)	TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Air Freight and Logistics															
C.H. Robinson Worldwide	15,309.5	9	8	N	62	10	-	4	90,000	b,c	265,445	43%	57%	0%	0%
Expeditors International of Washington	8,175.4	8	6	Y	62	6	72	5	90,000	b	316,653	37%	63%	0%	0%
FedEx Corporation	69,693.0	12	11	N	61	10	75	7	132,000	c,e	308,374	45%	55%	0%	0%
United Parcel Service	74,094.0	12	10	Y	64	10	75	6	110,000	b	292,857	40%	60%	0%	0%
Airlines															
Alaska Air Group	8,781.0	12	10	N	59	8	72	5	185,000	c,d	193,997	44%	52%	0%	4%
American Airlines Group	45,768.0	10	9	N	63	7	75	8	100,000	b	324,272	43%	46%	0%	11%
Delta Air Lines	47,007.0	12	10	Y	63	5	72	11	100,000	b	314,153	32%	59%	0%	9%
Southwest Airlines Co.	22,428.0	11	9	N	71	12	-	6	85,000	b	274,935	42%	58%	0%	0%
United Airlines Holdings	43,259.0	13	9	Y	61	7	75	7	100,000	b	369,120	41%	49%	0%	10%
Building Products															
A. O. Smith Corporation	2,992.7	10	8	Y	65	16	72	10	75,000	b	234,981	46%	54%	0%	0%
Allegion Public Limited Company	2,854.0	7	6	N	62	4	70	5	150,000	b	248,734	60%	40%	0%	0%
Fortune Brands Home & Security	5,764.6	9	7	Y	64	7	72	5	90,000	b,c	270,851	49%	50%	0%	1%
Johnson Controls International	23,968.0	12	11	N	60	4	75	4	315,000	c,d	286,141	45%	55%	0%	0%
Masco Corporation	6,707.0	11	9	Y	61	8	75	8	270,000	d	296,199	52%	47%	0%	1%
Trane Technologies	16,598.9	12	11	N	69	11	75	5	305,000	d	320,969	49%	51%	0%	0%
Construction and Engineering															
Jacobs Engineering Group	12,737.9	10	9	N	68	10	-	11	115,000	b	308,468	47%	52%	0%	1%
Quanta Services	12,112.2	10	9	Y	63	11	73	7	85,000	b	273,043	45%	55%	0%	0%
Construction Machinery and Heavy Trucks															
Caterpillar	53,800.0	11	10	N	65	11	72	6	300,000	c,d	310,184	48%	48%	0%	4%
Cummins	23,571.0	11	10	N	66	12	74	7	275,000	d	307,360	45%	49%	0%	6%
PACCAR	25,599.7	11	8	Y	65	10	72	6	110,000	b,c	301,698	49%	50%	0%	1%
Wabtec Corporation	8,200.0	9	7	Y	64	13	75	12	250,000	d	260,345	42%	58%	0%	0%
Diversified Support Services															
Cintas Corporation	6,892.3	9	7	N	67	9	73	4	58,700	b,c,e	230,592	39%	31%	30%	0%
Copart	2,042.0	9	7	Y	57	11	-	7	70,000	e	330,592	22%	78%	0%	0%
Electrical Components and Equipment															
AMETEK	5,158.6	9	8	N	66	10	75	7	100,000	b,c	273,396	41%	58%	0%	1%
Eaton Corporation	21,390.0	12	10	N	63	9	72	4	300,000	c,d	334,460	50%	45%	0%	5%
Emerson Electric Company	18,372.0	11	10	N	63	7	72	9	265,000	d	328,915	47%	46%	0%	7%
Rockwell Automation	6,694.8	10	9	N	59	5	72	7	215,000	b,c,d	269,066	45%	50%	0%	5%
Environmental and Facilities Services															
Republic Services	10,299.4	10	9	Y	53	5	72	5	100,000	b	352,580	35%	65%	0%	0%
Rollins	2,015.5	8	4	Y	84	36	-	5	80,000	-	94,700	100%	0%	0%	0%
Waste Management	15,455.0	8	7	Y	66	11	75	7	115,000	b	302,186	44%	56%	0%	0%
Human Resource and Employment Services															
Robert Half International	6,074.4	8	6	Y	62	7	-	5	40,000	b	334,458	16%	84%	0%	0%

Comparative Board Data

	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION					
	COMPANY SALES (\$ IN MILLIONS)	TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYER DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Industrial Conglomerates															
3M Company	32,136.0	11	10	N	64	6	74	8	305,000	c,d	317,000	46%	54%	0%	0%
General Electric Company	95,214.0	11	10	N	60	3	75	14	275,000	c,d,h	321,531	22%	78%	0%	0%
Honeywell International	36,709.0	13	12	N	64	8	75	6	100,000	b,c,e	309,322	40%	36%	16%	8%
Roper Technologies	5,366.8	10	9	Y	68	14	80	7	60,000	b	768,552	11%	89%	0%	0%
Industrial Machinery															
Dover Corporation	7,136.4	9	8	Y	66	9	75	6	250,000	d	274,420	51%	49%	0%	0%
Flowserve Corporation	3,944.9	9	8	Y	60	7	72	10	85,000	b,c	247,814	50%	50%	0%	0%
Fortive Corporation	7,320.0	7	6	Y	60	4	-	7	100,000	b,e,k	318,321	13%	69%	18%	0%
IDEX Corporation	2,494.6	10	9	N	61	6	70	7	90,000	b	227,000	40%	58%	0%	2%
Illinois Tool Works	14,109.0	10	9	N	61	11	75	5	135,000	b,c	291,225	50%	50%	0%	0%
Ingersoll-Rand	2,451.9	10	9	Y	57	3	75	13	75,000	b	216,665	42%	58%	0%	0%
Parker-Hannifin Corporation	14,320.3	11	9	N	62	10	72	9	140,000	b	288,221	52%	46%	0%	2%
Pentair plc	2,957.2	8	7	Y	61	8	75	5	90,000	b	285,640	47%	49%	0%	4%
Snap-on	4,067.7	10	9	N	66	10	75	8	100,000	b,c	276,211	41%	48%	0%	11%
Stanley Black & Decker	14,442.2	10	9	Y	61	8	75	8	125,000	b,c	333,251	40%	55%	0%	5%
Xylem	5,249.0	10	9	Y	64	7	72	6	100,000	b,c	259,981	44%	56%	0%	0%
Railroads															
CSX Corporation	11,937.0	11	9	Y	66	8	75	6	275,000	b,c	337,469	36%	57%	0%	7%
Kansas City Southern	2,866.0	10	9	Y	63	7	75	5	75,000	b,c	260,161	44%	48%	0%	8%
Norfolk Southern Corporation	11,296.0	13	12	N	62	6	75	6	100,000	b	281,231	40%	57%	0%	3%
Union Pacific Corporation	21,708.0	11	10	N	66	7	75	6	280,000	c,d,h	315,633	94%	0%	0%	6%
Research and Consulting Services															
Equifax	3,507.6	10	9	Y	61	7	72	10	90,000	b,c	306,084	43%	56%	0%	1%
IHS Markit	4,414.6	7	6	N	66	6	-	7	90,000	b,c	285,731	37%	63%	0%	0%
Nielsen Holdings plc	6,498.0	12	10	Y	65	6	-	15	80,000	b,c	266,250	17%	83%	0%	0%
Verisk Analytics	2,607.1	11	10	N	64	11	75	9	90,000	b,c,e,j	267,009	10%	70%	20%	0%
Trading Companies and Distributors															
Fastenal Company	5,333.7	10	7	Y	59	11	74	4	85,000	e,j	174,250	91%	0%	9%	0%
United Rentals	9,351.0	11	9	Y	59	6	76	7	80,000	b	262,438	43%	57%	0%	0%
W.W. Grainger	11,486.0	11	10	N	61	11	72	5	100,000	b,c	258,975	41%	57%	0%	2%
Trucking															
J.B. Hunt Transport Services	9,165.3	10	6	Y	62	10	72	4	225,000	c	243,705	50%	50%	0%	0%
Old Dominion Freight Line	4,109.1	11	7	Y	65	7	-	5	80,000	b	210,163	43%	56%	0%	1%
TOTAL INDUSTRIALS															
Average		10	9				74	7	147,546		296,272	42%	53%	2%	3%
Median		10	9				75	7	100,000		289,071				

Comparative Board Data

	COMPANY SALES (\$ IN MILLIONS)	NUMBER OF DIRECTORS		INDEPENDENT DIRECTORS				BOARD FEES (\$)			PERCENTAGE OF TOTAL COMPENSATION				
		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
INFORMATION TECHNOLOGY															
Application Software															
Adobe Systems	11,171.3	11	10	N	63	13	-	7	60,000	b,c	387,442	21%	79%	0%	0%
Ansys	1,515.9	9	8	Y	59	4	75	7	40,000	b	365,234	17%	83%	0%	0%
Autodesk	2,569.8	10	9	Y	56	5	-	5	75,000	b,c	356,144	26%	74%	0%	0%
Cadence Design Systems	2,336.3	9	7	Y	63	11	-	7	80,000	b	335,441	41%	58%	0%	1%
Citrix Systems	3,010.6	10	8	Y	61	6	-	17	70,000	b,c	423,999	31%	63%	0%	6%
Intuit	6,784.0	11	8	Y	57	7	75	6	75,000	b,c	375,088	18%	82%	0%	0%
Paycom Software	737.7	7	6	N	66	6	-	4	75,000	b	315,306	29%	71%	0%	0%
salesforce.com	13,282.0	11	9	N	69	10	-	9	50,000	b	588,369	14%	86%	0%	0%
Synopsys	3,360.7	9	7	N	66	14	72	6	125,000	b,j	312,851	44%	56%	0%	0%
Communications Equipment															
Arista Networks	2,410.7	7	5	Y	60	6	-	5	75,000	b	503,776	21%	79%	0%	0%
Cisco Systems	51,904.0	10	9	N	61	8	72	5	80,000	b	342,710	34%	66%	0%	0%
F5 Networks	2,242.4	10	8	Y	62	10	-	11	60,000	b	349,062	26%	74%	0%	0%
Juniper Networks	4,445.4	10	9	Y	62	8	75	8	60,000	b	313,597	31%	69%	0%	0%
Motorola Solutions	7,887.0	8	7	N	61	5	75	5	100,000	b,c	304,000	25%	75%	0%	0%
Data Processing and Outsourced Services															
Alliance Data Systems Corporation	5,581.3	7	6	Y	62	5	75	18	75,000	b,c	314,485	25%	75%	0%	0%
Automatic Data Processing	14,175.2	10	9	Y	60	5	72	5	310,000	c,d,h	324,091	40%	60%	0%	0%
Broadridge Financial Solutions	4,362.2	10	8	Y	63	8	72	5	240,000	d,e	268,753	43%	26%	28%	3%
Fidelity National Information Services	10,333.0	10	9	N	67	4	75	11	100,000	b	393,601	42%	57%	0%	1%
Fiserv	10,187.0	10	8	N	60	6	75	9	78,000	b,c	311,186	33%	67%	0%	0%
FleetCor Technologies	2,648.8	9	8	N	64	10	-	22	250,000	d,g	268,769	7%	93%	0%	0%
Global Payments	4,911.9	12	10	Y	64	9	75	5	320,000	d	329,294	42%	58%	0%	0%
Jack Henry & Associates	1,552.7	9	7	Y	59	8	70	8	40,000	b	286,834	44%	56%	0%	0%
Mastercard	16,883.0	14	13	Y	60	6	72	7	100,000	b	360,143	36%	62%	0%	2%
Paychex	3,772.5	9	7	Y	63	10	-	5	85,000	b,e	276,126	48%	26%	26%	0%
PayPal Holdings	17,772.0	11	10	Y	59	4	-	7	80,000	b,c	388,496	28%	72%	0%	0%
Visa	22,977.0	11	10	N	64	8	75	13	110,000	b	371,879	41%	57%	0%	2%
The Western Union Company	5,292.1	10	9	Y	60	6	74	7	85,000	b,c,e,i,j,k	288,389	39%	53%	4%	4%
Electronic Components															
Amphenol Corporation	8,225.4	8	7	Y	69	11	72	5	90,000	b,c	278,850	43%	57%	0%	0%
Corning	11,503.0	13	12	N	66	10	74	6	110,000	b,c	327,611	46%	53%	0%	1%
Electronic Equipment and Instruments															
FLIR Systems	1,887.0	11	9	Y	68	13	-	7	75,000	b	261,455	39%	61%	0%	0%
Keysight Technologies	4,303.0	9	8	N	67	5	75	6	100,000	b,c	333,913	40%	60%	0%	0%
Zebra Technologies Corporation	4,485.0	8	7	Y	62	10	-	9	80,000	b	317,234	37%	63%	0%	0%

Comparative Board Data

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		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYER DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Electronic Manufacturing Services															
IPG Photonics Corporation	1,314.6	9	6	N	62	8	72	6	40,000	b,e	328,815	20%	52%	28%	0%
TE Connectivity	13,448.0	13	11	Y	60	6	72	6	275,000	d	307,402	39%	59%	0%	2%
Internet Services and Infrastructure															
Akamai Technologies	2,893.6	11	10	Y	62	6	-	6	300,000	d,h	345,580	31%	69%	0%	0%
VeriSign	1,231.7	8	7	N	67	10	-	5	40,000	b	340,117	27%	73%	0%	0%
IT Consulting and Other Services															
Accenture	43,215.0	11	9	Y	60	5	75	9	100,000	b,c	357,156	36%	64%	0%	0%
Cognizant Technology Solutions Corporation	16,783.0	11	10	Y	63	5	-	11	90,000	b	347,718	40%	60%	0%	0%
DXC Technology Company	20,753.0	11	10	N	58	3	72	11	90,000	b,c	315,695	36%	64%	0%	0%
Gartner	4,245.3	10	9	Y	69	15	-	4	60,000	b,d,g,i	326,487	26%	74%	0%	0%
International Business Machines Corporation	77,147.0	14	12	Y	63	6	72	9	325,000	c,d,h	448,182	75%	0%	0%	25%
Leidos Holdings	11,094.0	13	12	N	67	7	75	11	120,000	b,e	284,583	45%	37%	18%	0%
Semiconductor Equipment															
Applied Materials	14,608.0	10	9	Y	58	8	70	5	70,000	b,c	349,425	36%	63%	0%	1%
KLA-Tencor Corporation	4,568.9	10	9	Y	63	10	75	6	90,000	b	337,264	35%	63%	0%	2%
Lam Research Corporation	9,653.6	10	9	Y	62	6	75	8	75,000	b	313,849	35%	62%	0%	3%
Semiconductors															
Advanced Micro Devices	6,731.0	8	7	Y	60	5	72	9	75,000	b	326,806	39%	61%	0%	0%
Analog Devices	5,991.1	10	8	Y	63	7	-	9	80,000	b	366,654	33%	67%	0%	0%
Broadcom	22,597.0	9	7	Y	59	2	75	9	90,000	b	344,606	31%	69%	0%	0%
Intel Corporation	71,965.0	9	8	Y	55	3	72	12	90,000	b,c	338,563	33%	66%	0%	1%
Maxim Integrated Products	2,314.3	9	8	Y	66	10	-	8	70,000	b	303,221	32%	68%	0%	0%
Microchip Technology	5,349.5	5	4	N	71	19	-	5	71,500	b	164,568	51%	49%	0%	0%
Micron Technology	23,406.0	7	6	Y	66	7	75	6	125,000	b,c	375,775	36%	64%	0%	0%
Nvidia Corporation	11,716.0	11	10	Y	65	13	-	7	75,000	b	259,536	29%	71%	0%	0%
Qorvo	3,090.3	9	8	Y	64	5	75	8	80,000	b	294,440	32%	68%	0%	0%
QUALCOMM	24,273.0	10	9	Y	62	4	-	11	100,000	b	364,699	38%	55%	0%	7%
Skyworks Solutions	3,376.8	9	7	Y	61	11	-	5	75,000	b	296,052	35%	65%	0%	0%
Texas Instruments	14,383.0	11	10	N	60	7	70	8	85,000	b,c,e	296,321	28%	34%	34%	4%
Xilinx	3,059.0	10	9	Y	63	8	-	12	72,500	b	300,989	30%	70%	0%	0%
Systems Software															
Fortinet	2,156.2	8	6	N	60	6	-	10	45,000	b	335,038	22%	78%	0%	0%
Microsoft Corporation	125,843.0	13	11	Y	58	4	75	5	325,000	c,d	386,136	38%	62%	0%	0%
NortonLifeLock	4,731.0	8	7	Y	55	6	72	24	50,000	b,c	353,028	23%	77%	0%	0%
Oracle Corporation	39,506.0	15	10	Y	72	12	-	4	52,500	b,e	533,224	17%	83%	0%	0%
ServiceNow	3,460.4	10	8	Y	56	4	-	7	40,000	b	383,367	15%	85%	0%	0%
Technology Distributors															
CDW Corporation	18,032.4	11	10	Y	64	8	-	8	102,500	b	270,750	44%	56%	0%	0%

Comparative Board Data

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		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER
Technology Hardware, Storage and Peripherals															
Apple	260,174.0	7	6	Y	67	12	75	5	100,000	b	402,029	35%	62%	0%	3%
Hewlett Packard Enterprise Company	29,135.0	13	12	Y	62	4	-	6	325,000	b,c,d	353,933	23%	77%	0%	0%
NetApp	6,146.0	7	6	Y	63	9	-	5	75,000	b	355,818	31%	69%	0%	0%
Seagate Technology plc	10,390.0	10	8	Y	59	5	-	4	100,000	b	318,125	41%	59%	0%	0%
Western Digital Corporation	16,569.0	8	7	Y	61	9	72	7	75,000	b	371,167	32%	68%	0%	0%
Xerox Corporation	9,066.0	7	6	Y	53	2	75	16	285,000	b,d,e	409,828	32%	68%	0%	0%
TOTAL INFORMATION TECHNOLOGY															
Average		10	8				73	8	109,886		342,241	33%	64%	2%	1%
Median		10	8				75	7	80,000		335,239				
MATERIALS															
Commodity Chemicals															
Dow	42,951.0	11	10	N	62	8	72	5	125,000	b	347,889	47%	53%	0%	0%
LyondellBasell Industries N.V.	34,727.0	11	10	Y	64	6	75	7	285,000	c,d	366,652	28%	69%	0%	3%
Construction Materials															
Martin Marietta Materials	4,422.3	10	9	N	65	6	75	4	120,000	b,c	293,738	46%	44%	0%	10%
Vulcan Materials	4,929.1	11	10	N	60	5	74	5	110,000	b,c	283,959	43%	53%	0%	4%
Copper															
Freeport-McMoRan	14,402.0	6	5	Y	66	10	-	6	125,000	b,c	319,678	43%	53%	0%	4%
Diversified Chemicals															
Eastman Chemical Company	9,273.0	10	9	N	63	8	75	7	115,000	b,c	291,115	45%	34%	0%	21%
Fertilizers and Agricultural Chemicals															
CF Industries Holdings	4,590.0	11	10	Y	61	7	74	7	100,000	b	254,930	44%	55%	0%	1%
Corteva	13,846.0	12	11	Y	62	6	75	3	285,000	d	257,717	30%	70%	0%	0%
FMC Corporation	4,609.8	11	9	Y	64	11	75	6	100,000	b,c	299,319	37%	47%	0%	16%
The Mosaic Company	8,906.3	13	11	Y	61	7	74	6	90,000	b	281,092	38%	59%	0%	3%
Gold															
Newmont Corporation	9,740.0	11	10	Y	64	6	75	22	115,000	b	333,523	51%	48%	0%	1%
Industrial Gases															
Air Products & Chemicals	8,918.9	8	7	N	65	8	75	10	120,000	b,c	269,420	42%	56%	0%	2%
Linde plc	28,228.0	12	11	Y	66	2	72	5	180,000	b	367,982	60%	40%	0%	0%
Metal and Glass Containers															
Ball Corporation	11,474.0	11	9	N	61	6	-	6	85,000	b	253,691	37%	57%	0%	6%
Paper Packaging															
Amcor	9,458.2	10	9	Y	64	8	-	1	250,000	d	239,016	96%	0%	0%	4%
Avery Dennison Corporation	7,070.1	10	9	N	63	10	72	5	100,000	b,c	267,240	40%	57%	0%	3%
International Paper Company	22,376.0	11	10	N	62	5	72	9	275,000	c,d	308,014	8%	92%	0%	0%
Packaging Corporation of America	6,964.3	11	9	N	61	11	-	5	235,000	d	246,702	69%	28%	0%	3%
Sealed Air Corporation	4,791.1	9	8	Y	58	4	75	8	220,000	c,d	263,979	47%	53%	0%	0%
WestRock Company	18,289.0	13	11	Y	63	4	72	6	115,000	b	261,244	48%	52%	0%	0%

Comparative Board Data

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		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYER DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER	
Specialty Chemicals																
Albemarle Corporation	3,589.4	10	9	N	61	4	-	6	100,000	b	241,611	46%	54%	0%	0%	
Celanese Corporation	6,297.0	10	8	Y	64	8	75	8	105,000	b	266,836	44%	56%	0%	0%	
DuPont de Nemours	21,512.0	12	11	N	58	3	75	13	115,000	b	268,298	35%	64%	0%	1%	
Ecolab	14,906.3	12	11	N	60	7	72	8	120,000	b,c,e	293,621	42%	39%	19%	0%	
International Flavors & Fragrances	5,140.1	11	10	N	64	7	72	9	250,000	d,h	262,844	46%	51%	0%	3%	
PPG Industries	15,146.0	11	10	N	62	6	72	9	280,000	c,d	290,134	49%	50%	0%	1%	
The Sherwin-Williams Company	17,900.8	10	9	N	63	7	72	6	125,000	b,c	303,163	41%	58%	0%	1%	
Steel																
Nucor Corporation	22,588.9	8	7	Y	63	5	72	4	125,000	b,c	293,400	49%	51%	0%	0%	
TOTAL MATERIALS																
Average		11	9					74	7	156,071		286,592	44%	52%	1%	3%
Median		11	10					74	6	120,000		282,525				
REAL ESTATE																
Healthcare REITs																
Healthpeak Properties	1,997.4	8	7	Y	62	6	75	5	85,000	b,c	287,419	44%	56%	0%	0%	
Ventas	3,859.3	10	9	N	63	8	75	7	110,000	b,c	311,791	44%	56%	0%	0%	
Welltower	5,121.3	8	7	N	63	9	75	5	95,000	b	278,924	43%	57%	0%	0%	
Hotel and Resort REITs																
Host Hotels & Resorts	5,483.0	10	8	Y	63	8	-	5	220,000	c,d	286,831	46%	36%	0%	18%	
Industrial REITs																
Duke Realty Corporation	984.5	13	12	N	65	8	-	6	100,000	b,c	231,173	44%	56%	0%	0%	
Prologis	3,530.8	11	10	N	63	12	75	9	120,000	b	331,556	40%	57%	0%	3%	
Office REITs																
Alexandria Real Estate Equities	1,541.4	9	7	Y	60	8	75	10	110,000	b	276,696	50%	43%	0%	7%	
Boston Properties	2,927.4	11	9	Y	68	7	75	8	85,000	b,c	266,435	48%	52%	0%	0%	
SL Green Realty Corporation	1,211.2	9	6	N	68	15	-	4	50,000	b,c	340,071	26%	74%	0%	0%	
Vornado Realty Trust	2,003.6	10	9	N	69	18	-	13	75,000	b	258,055	42%	58%	0%	0%	
Real Estate Services																
CBRE Group	23,894.1	11	10	Y	61	7	-	5	100,000	b,c	305,984	35%	65%	0%	0%	
Residential REITs																
Apartment Investment and Management Company	915.1	9	8	N	66	7	-	6	90,000	b	247,568	36%	64%	0%	0%	
AvalonBay Communities	2,327.5	10	9	N	64	7	75	5	90,000	b,c	261,304	26%	74%	0%	0%	
Equity Residential	2,701.1	12	9	Y	59	7	-	6	240,000	d,e,j	282,347	36%	64%	0%	0%	
Essex Property Trust	1,579.4	9	7	Y	68	8	-	4	80,000	e,k	221,221	39%	8%	53%	0%	
Mid-America Apartment Communities	1,641.0	12	10	N	68	8	75	4	75,000	b,c	227,217	41%	57%	0%	2%	
UDR	1,160.0	8	7	N	70	11	-	5	80,000	b,c	245,503	35%	62%	0%	3%	

Comparative Board Data

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Retail REITs															
Federal Realty Investment Trust	933.8	7	5	Y	63	13	72	5	200,000	d	207,140	41%	58%	0%	1%
Kimco Realty Corporation	1,158.9	8	6	Y	68	12	-	6	60,000	b,c	273,912	36%	64%	0%	0%
Realty Income Corporation	1,491.6	10	9	Y	64	11	-	16	25,000	b	317,718	12%	88%	0%	0%
Regency Centers Corporation	1,164.7	11	9	Y	61	7	75	5	75,000	b,c	244,193	46%	54%	0%	0%
Simon Property Group	5,676.7	13	10	N	68	10	-	6	110,000	b	297,250	42%	58%	0%	0%
Specialized REITs															
American Tower Corporation	7,580.3	11	10	N	67	11	-	7	100,000	b	285,299	37%	63%	0%	0%
Crown Castle International Corp.	5,763.0	12	10	Y	65	15	-	5	85,000	b	296,273	33%	64%	0%	3%
Digital Realty Trust	3,217.3	12	11	Y	60	5	76	10	85,000	b	292,173	19%	81%	0%	0%
Equinix	5,483.2	10	8	Y	62	8	75	10	70,000	b	357,744	30%	70%	0%	0%
Extra Space Storage	1,319.7	9	7	Y	63	5	-	7	65,000	b	238,750	50%	50%	0%	0%
Iron Mountain	4,262.6	13	12	Y	64	8	-	6	80,000	b,c	319,955	38%	50%	0%	12%
Public Storage	2,916.4	12	7	Y	65	12	73	4	120,000	c,e	170,010	78%	0%	22%	0%
SBA Communications Corporation	2,014.6	9	8	Y	64	11	-	6	95,000	b,e	292,557	41%	40%	19%	0%
Weyerhaeuser Company	6,554.0	11	10	Y	64	9	72	4	260,000	c,d	275,870	45%	55%	0%	0%
TOTAL REAL ESTATE															
Average		10	9				74	7	104,355		275,569	39%	57%	2%	2%
Median		10	9				75	6	90,000		278,924				
UTILITIES															
Utilities															
The AES Corporation	10,189.0	10	9	Y	64	3	-	5	80,000	b,c,d,h	303,295	29%	68%	3%	0%
Alliant Energy Corporation	3,647.7	10	9	N	58	8	70	9	245,000	c	253,155	99%	0%	0%	1%
Ameren Corporation	5,646.0	13	12	N	62	7	72	8	100,000	b,c	251,286	46%	54%	0%	0%
American Electric Power Company	15,561.4	13	12	N	66	8	72	9	120,500	b,c	290,736	46%	54%	0%	0%
American Water Works Company	3,610.0	11	10	Y	63	6	75	12	100,000	b	268,929	45%	54%	0%	1%
Atmos Energy Corporation	2,901.8	13	10	Y	66	12	75	4	100,000	b,c	254,910	41%	59%	0%	0%
CenterPoint Energy	12,301.0	8	6	Y	61	6	-	8	110,000	b	271,603	43%	55%	0%	2%
CMS Energy Corporation	6,845.0	11	10	Y	62	6	75	8	110,000	b,c	291,991	49%	51%	0%	0%
Consolidated Edison	12,574.0	10	8	N	66	10	75	9	115,000	b,c	287,778	47%	52%	0%	1%
Dominion Energy	16,572.0	13	12	N	63	8	75	8	265,000	c,d	288,616	43%	57%	0%	0%
DTE Energy Company	12,669.0	12	10	Y	66	9	75	8	120,000	b,c	266,116	50%	49%	0%	1%
Duke Energy Corporation	24,658.0	13	12	N	64	5	71	9	285,000	c,d	301,345	47%	53%	0%	0%
Edison International	12,347.0	11	10	Y	61	5	72	10	122,500	b	310,156	45%	52%	0%	3%
Entergy Corporation	10,878.7	10	9	N	64	7	74	20	112,500	b	322,885	44%	48%	0%	8%
Energy	5,147.8	13	11	Y	63	9	72	6	100,000	b,c	264,067	43%	50%	0%	7%
Eversource Energy	8,526.5	10	9	N	64	9	75	9	250,000	d	264,021	48%	52%	0%	0%
Exelon Corporation	34,438.0	12	11	Y	66	8	75	6	125,000	b	333,387	51%	46%	0%	3%
FirstEnergy Corporation	10,844.0	11	10	Y	63	6	72	12	250,000	c,d	274,413	45%	55%	0%	0%
NextEra Energy	19,204.0	13	12	N	66	10	72	6	275,000	d	311,675	46%	53%	0%	1%
NiSource	5,208.9	12	11	Y	60	6	70	19	235,000	d,h	265,088	46%	52%	0%	2%

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		TOTAL	INDEPENDENT DIRECTORS	SEPARATE CHAIR/CEO	AVERAGE AGE	AVERAGE TENURE (YEARS)	RETIREMENT AGE	MEETINGS PER YEAR ^a	BOARD RETAINER	BOARD RETAINER FOOTNOTES	AVERAGE COMPENSATION PER NON-EMPLOYEE DIRECTOR	CASH	STOCK	OPTIONS	ALL OTHER	
NRG Energy	9,821.0	10	9	Y	61	9	75	7	267,000	d,h	302,861	39%	61%	0%	0%	
Pinnacle West Capital Corporation	3,471.2	11	10	N	68	10	75	8	105,000	b,c	292,986	40%	43%	0%	17%	
PPL Corporation	7,769.0	10	8	Y	66	11	75	7	250,000	c,d,h	275,625	34%	65%	0%	1%	
Public Service Enterprise Group	10,076.0	10	9	N	66	6	75	8	95,000	b,c	297,425	55%	45%	0%	0%	
Sempra Energy	10,829.0	13	11	N	62	6	75	8	85,000	b,c	290,962	42%	48%	0%	10%	
The Southern Company	21,419.0	14	13	N	68	9	-	8	110,000	b,c	261,697	47%	53%	0%	0%	
WEC Energy Group	7,523.1	12	10	Y	67	8	72	7	110,000	b	251,287	42%	54%	0%	4%	
Xcel Energy	11,529.0	14	13	N	65	9	72	6	105,000	b,c	275,305	28%	72%	0%	0%	
TOTAL UTILITIES																
Average		12	10					73	9	155,268		282,912	45%	52%	0%	3%
Median		12	10					75	8	113,750		281,701				
TOTAL S&P 500																
Average		11	9							129,428		308,462	38%	57%	3%	2%
Median		11	9					74		100,000		301,466				

Footnotes

- a: Includes regular, special and telephonic board meetings.
- b: Equity (stock or stock units) is paid in addition to stated retainer.
- c: Directors can elect to receive cash compensation fully or partially in stock.
- d: Equity (stock or stock units) is paid as part of retainer.
- e: Stock option program for directors exists.
- f: Dollar value equivalent for retainer not provided in proxy.
- g: Retainer paid 100% in stock.
- h: Equity portion of retainer paid in deferred 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: Directors can elect to receive stock in lieu of stock option grant.

Research and Insights

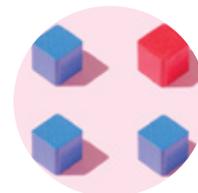
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Building a Better Board and CEO Partnership



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When an Executive Chair Helps or Hinders Company Performance



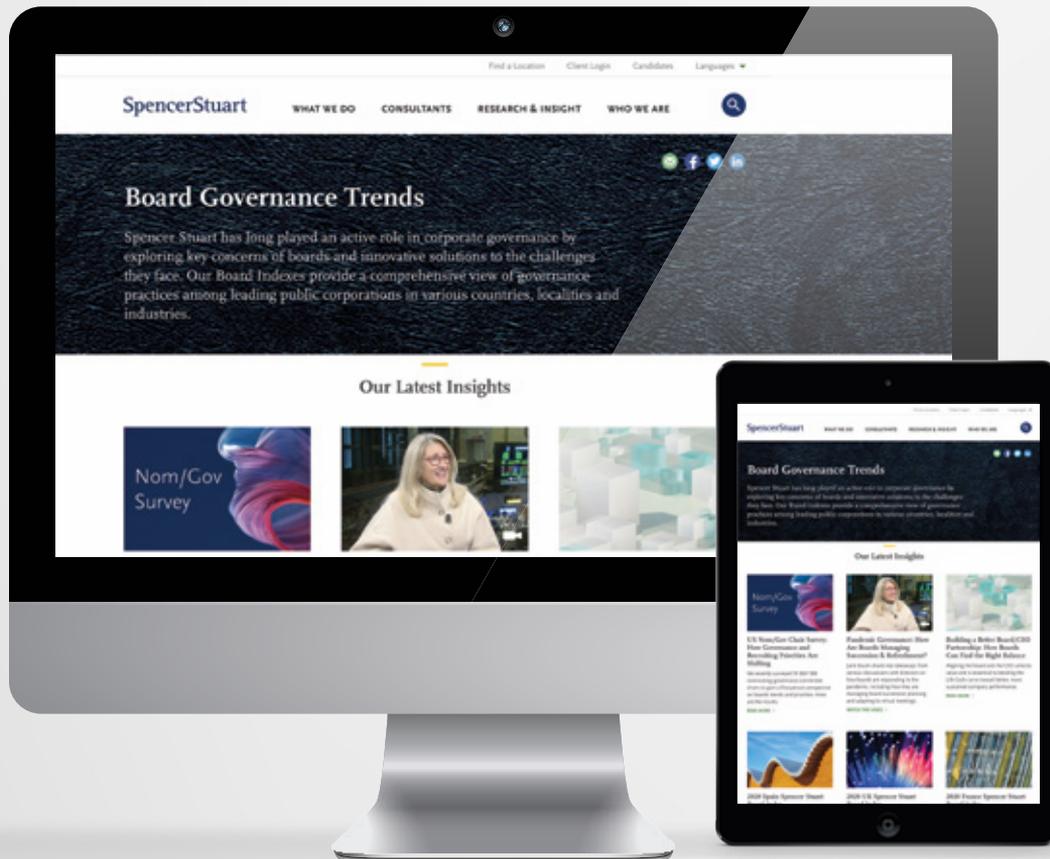
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Board Composition: The Road to Strategic Refreshment and Succession

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