

SpencerStuart

12<sup>th</sup> Annual  
Retail & Apparel  
Board Index

## ABOUT SPENCER STUART'S GLOBAL RETAIL, APPAREL & LUXURY GOODS PRACTICE

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Over the past decade, Spencer Stuart's global Retail, Apparel & Luxury Goods Practice has successfully conducted more than 1,800 assignments, recruiting and placing board directors, CEOs and senior functional executives for leading organizations in the industry. Our team knows and has deep relationships with the most sought-after global executives in retail and from across other industries. We serve as trusted advisers to our clients, who turn to us for our retail sector and functional expertise, access to exceptional executives, and ability to assess the talent and marketplace issues that face companies within this sector.

Spencer Stuart's global omnichannel expertise includes the following sectors:

- » Mass Retail
- » Department Stores
- » Specialty Retail
- » Fashion and Luxury Goods
- » Grocery, Drug and Convenience

## ABOUT SPENCER STUART

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At Spencer Stuart, we know how much leadership matters. We are trusted by organizations around the world to help them make the senior-level leadership decisions that have a lasting impact on their enterprises. Through our executive search, board and leadership advisory services, we help build and enhance high-performing teams for select clients ranging from major multinationals to emerging companies to nonprofit institutions. Privately held since 1956, we focus on delivering knowledge, insight and results through the collaborative efforts of a team of experts — now spanning 56 offices, 30 countries and more than 50 specialties. Boards and leaders consistently turn to Spencer Stuart to help address their evolving leadership needs in areas such as senior-level executive search, board recruitment, board effectiveness, succession planning, in-depth senior management assessment and many other facets of organizational effectiveness. For more information on Spencer Stuart, please visit [www.spencerstuart.com](http://www.spencerstuart.com).

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# Introduction

93%

Retail boards with at least one female director

The retail landscape has changed dramatically over the past few years. The emphasis on a robust brick-and-mortar presence has decreased, while the need for a strong digital presence has become crucial. This shift has altered retail dynamics — customers can take their time to research products, and they demand a smooth digital experience. But the digital revolution has also provided companies with insightful analytics that illuminate customer preferences. This allows retail companies to focus their strategies, deepen engagement and increase brand loyalty. It's a complex ecosystem, and the marketplace is as competitive as ever.

Now in its 12th year, Spencer Stuart's *Retail & Apparel Board Index* explores governance trends affecting the boards of the largest U.S. retail and apparel companies, helping board members understand and respond to the key issues impacting their boards. The 2016 index examines the board practices of 121<sup>1</sup> of the nation's top retail and apparel companies, all of which have revenues of at least \$1 billion. The index compares data from the 2016 proxy year to 2015 findings, as well as previous years, when noteworthy. We also provide comparisons between retail and apparel companies and the S&P 500, where relevant.

96

New independent directors

Many companies we work with are asking: Is our board performing at the highest levels of leadership, stewardship and governance? Are we attracting directors who bring a diverse range of backgrounds and areas of expertise? Are we applying enough rigor to issues such as term length for members, gender and racial diversity, as well as director compensation and independence? These issues, along with other factors, set the stage for effective corporate governance.

Note: there are some changes from last year's study, and one potential reason for this change is that we've altered our criteria for selecting companies this year. We have identified retailers and e-commerce companies with revenues of \$1 billion and greater that are traded on NASDAQ or NYSE. Previously, we have focused on companies with a brick-and-mortar presence headquartered in the United States.

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<sup>1</sup> Companies that were added since 2015 include Amazon.com, Barnes & Noble Education, Big 5 Sporting Goods, The Cato Corporation, Cencosud, Companhia Brasileira de Distribuicao, Delhaize Group, Diplomat Pharmacy, FTD Companies, JD.com, Lands' End, Liberty Interactive, Lululemon Athletica, Michael Kors Holdings Limited, Outerwall, Overstock.com, Party City Holdco, Sears Canada, Tailored Brands, Vipshop and Wayfair. Companies that appeared in the analysis from 2015 but are not included in the 2016 list include Aeropostale (went bankrupt) ANN (acquired), Belk (taken private), Family Dollar Stores (acquired), Fresh Market (acquired), Lumber Liquidators Holdings (did not meet retail revenue requirement), Men's Wearhouse (now Tailored Brands), Pep Boys Manny Moe & Jack (taken private), Publix Super Markets (acquired) and Roundys (acquired).

## KEY FINDINGS FROM THIS YEAR'S INDEX INCLUDE:

- » This year's study includes data from 121 of the nation's top retail and e-commerce companies with revenue of at least \$1 billion. There are 21 companies in each of the following three categories: revenue greater than \$20 billion, revenue between \$10 billion and \$20 billion, and revenue between \$5 billion and \$10 billion. The study features 41 companies with revenue between \$2 billion and \$5 billion, and 17 with revenue between \$1 billion and \$2 billion.
- » The trend toward splitting the roles of chairman and CEO continues — 63% of retail and apparel companies split the role, compared with 54% last year. That number is higher than the S&P 500 figure of 48%, which has also grown: the percentage of S&P 500 companies that split the roles was 41% in 2011 and 33% in 2006.
- » The percentage of retail and apparel companies that identify a lead/presiding director has remained relatively constant — the figure was 55% in 2016, which deviates only a percentage point from the previous two years. Meanwhile, 87% of S&P 500 boards identify a lead or presiding director, which remains constant from 2015.
- » The percentage of retail and apparel boards that have at least one female director (93%) is down compared with last year (95%). Overall, though, the percentage of women directors is rising: Women constitute 23% of all retail and apparel directors, an increase from last year's figure of 21%. In 2016, women make up 21% of S&P 500 boards, up from last year's 20%.
- » The percentage of new directors increased from 2015: 11% of the 906 independent directors on retail and apparel boards are new to their boards this year, up from 10% in 2015.
- » The average cash retainer for retail and apparel boards continues to climb — this year's average retainer is \$71,525, up 7% from last year's average of \$66,860. The S&P 500 average was \$118,521, a 6% increase from the 2015 figure of \$112,144.

# 63%

Split the duties of chairman and CEO

# Board Composition

We've altered our criteria for selecting companies this year. We have identified retailers and e-commerce companies with revenues of \$1 billion and greater that are traded on NASDAQ and NYSE. Previously, we have focused on companies with a brick-and-mortar presence headquartered in the United States.

## RETAIL BOARDS ARE SMALLER THAN S&P 500 BOARDS

- » The average size of retail and apparel boards this year decreased slightly to 9.5, down from last year's average of 9.6. This number is still smaller than the average for S&P 500 boards, which average 10.8 members.
- » The number of directors on retail and apparel boards ranges from as few as five members to as many as 14, with only 10% of boards having 12 or more directors.
- » Target has the largest board with 14 directors, followed by Costco, Macy's and Nike with 13 directors. The smallest boards belong to Express, Overstock.com, and Sears Hometown and Outlet Stores with only six directors, while JD.com and Weis Markets have five directors.

### Board Size

Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
9.5	10.5	10.7	9.5	8.7	9.1	10.8

## NEARLY 80% OF DIRECTORS ARE INDEPENDENT

- » This year, there are a total of 1,155 directors represented on retail boards, up from 1,047 total directors last year. Of this year's total, 78% are independent, an increase of a single percentage point from last year. Eighty-five percent of S&P 500 boards are independent, a figure that has remained largely consistent over the past several years.

## NUMBER OF NEW DIRECTORS INCREASES

- » Of the 121 retailers in this year's study, 57 hired new independent directors for a total of 96 new independent directors. Last year, 67 of the boards hired new directors, adding a total of 88 new independent directors. Of the 906 independent directors on retail and apparel boards, 11% are new to their boards, an increase of one percentage point from last year.

### Outside Directors\*

Directors	Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
Inside	22%	17%	18%	24%	25%	21%	15%
Outside	78%	83%	82%	77%	75%	79%	85%

\*Figures may not total 100% due to rounding

## CHAIRMAN/CEO SPLIT DEPENDS ON COMPANIES' REVENUES

- » Splitting the chair and CEO roles has become increasingly common overall, although the practice varies based on company revenue. Sixty-three percent of retail boards split the responsibilities of the chairman and CEO, up from 54% last year. Forty-eight percent of S&P 500 companies split the chairman and CEO roles, the same figure as last year.
- » Seventy-six percent of retailers with revenues between \$1 billion and \$2 billion split the chairman and CEO roles. That percentage shrinks as the companies' revenue grows: The percentage splitting the roles dips to 66% among retailers with revenues between \$2 billion and \$5 billion, and 62% for companies in the \$5 billion to \$20 billion revenue ranges. For companies whose revenues are greater than \$20 billion, just 48% split the roles.

### Companies Splitting the Chairman and CEO Roles

Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
63%	48%	62%	62%	66%	76%	48%

## AVERAGE AGE OF OUTSIDE DIRECTORS HAS DECLINED

- » The average age of outside retail and apparel board directors is 61, a slight decrease from the previous two years when the average was 62. S&P 500 directors are slightly older on average, at 63.
- » The largest percentage of retail and apparel boards have an average age of 60 to 63 years old, with 39% of the companies falling in this range. Similarly, the largest segment of S&P 500 boards (48%) average 60 to 63 years old.
- » Ralph Lauren and L Brands have the oldest boards, with an average age of 71, while Wayfair has the youngest board with an average age of 44.

### Average Age of Outside Directors\*

Directors	Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B
Under 50	2%	0%	0%	5%	2%	0%
50-56	14%	19%	0%	5%	24%	12%
57-59	17%	38%	14%	19%	0%	29%
60-63	39%	24%	62%	24%	41%	41%
64-69	27%	19%	19%	43%	32%	18%
70 & up	2%	0%	5%	5%	0%	0%

\*Figures may not total 100% due to rounding

## NUMBER OF WOMEN DIRECTORS INCREASES

- » The total number of female directors on retail and apparel boards stands at 263, up from 230 in 2015.
- » Ninety-three percent of retail and apparel boards have at least one female director, down slightly from 95% last year. That's less than the 99% average of S&P 500 boards.
- » This year, women make up 23% of all retail and apparel board directors, an increase from 21% last year. By comparison, 21% of S&P 500 directors are women.

### Female Directors as a Percentage of All Directors

Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
23%	28%	19%	20%	23%	27%	21%

## LEAD/PRESIDING DIRECTORS FAR LESS COMMON THAN IN S&P 500

- » This year, 55% of retail boards identify a lead or presiding director, up from 54% last year. Meanwhile, 87% of S&P 500 boards identify a lead or presiding director.
- » Sixty-two percent of retail companies with revenues between \$5 billion and \$10 billion identify a lead or presiding director, down from 80% in 2015. Seventy-one percent of companies with revenues greater than \$20 billion identify the leading and presiding director, compared to 59% last year.
- » Fifty-seven percent of companies with revenues between \$10 billion and \$20 billion identify a lead or presiding director. This percentage is slightly up from the 2015 average of 55%, but well below the 82% of 2011.

### Companies with Leading/Presiding Director

Directors	Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
Yes	55%	71%	57%	62%	51%	35%	87%
No	45%	29%	43%	38%	49%	65%	13%



# Board Organization and Process

## RETAIL AND APPAREL BOARDS CONVENE LESS THAN S&P 500

- » Retail boards held an average of 7.5 meetings in 2016, almost one less on average than the S&P 500 of 8.4.
- » The number of meetings held by retail boards ranged from 0 to 26: Chico's FAS had the most meetings at 26, followed by Lithia Motors and The Children's Place, which each had 18 meetings.

### Average Number of Meetings

	Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
Number	7.5	7.9	7.0	7.0	7.6	8.3	8.4

## PERCENTAGE OF RETAIL BOARDS OFFERING ONE-YEAR TERM DECREASES

- » The average term length on retail boards is 1.6 years.
- » The percentage of retail and apparel boards with a one-year term decreased to 68% in 2016, down from 80% in 2015. The remaining 32% have a three-year term, and none of the retail and apparel boards reported having a two-year term. In the S&P 500, 92% of boards have a one-year term, while the remainder of boards have three-year terms.

### Average Term Length

	Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B
Years	1.6	1.2	1.4	1.6	2.0	1.7

## FEWER RETAIL AND APPAREL BOARDS HAVE A MANDATORY RETIREMENT AGE COMPARED WITH S&P 500

- » Fifty-nine, or 49%, of retail and apparel companies set a mandatory retirement age, compared with 73% of S&P 500 boards. The proportion of retail companies with a stated mandatory retirement age decreased slightly from 52% in 2015.
- » Forty-four percent of the retail boards that report a mandatory retirement age set that number at 72, nearly the same as the S&P 500 (45%). Thirty-two percent of retail boards set the mandatory age at 75, and the oldest mandatory retirement age is 80.

### Companies That Have a Mandatory Retirement Age

Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
49%	81%	57%	48%	32%	41%	73%

## FEWER BOARD COMMITTEES THAN S&P 500

- » The average number of retail committees is 3.7, less than the S&P 500's average of 4.2 committees.
- » Retailers with revenues greater than \$20 billion reported the highest number of committees at 4.3, down slightly from 4.6 last year.
- » All of the retail and apparel boards have audit committees and all but two have compensation committees. Every S&P 500 company has audit and compensation committees.
- » This year, 94% of retail and apparel boards have a governance or nominating committee, compared with 99.6% of S&P 500 boards.
- » Twenty-four percent of retail and apparel boards have an executive committee, down from 32% last year. Thirty-three percent of S&P 500 boards have an executive committee.
- » Twenty-one percent of retail and apparel boards have finance committees, compared with 24% last year and 31% of S&P 500 boards.

### Average Number of Committees

Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
3.7	4.3	3.7	3.5	3.5	3.5	4.2

# Director Compensation

## AVERAGE CASH RETAINER INCREASES NOTABLY FROM 2015 FIGURE

- » Ninety-eight percent of retail and apparel boards offer cash retainers, the same percentage as last year. The average cash retainer of \$71,525 is 7% higher than the 2015 average of \$66,860, which was 5% more than the 2014 average.
- » Meanwhile, retainers paid by S&P 500 boards average \$118,521, up 6% from the 2015 average of \$112,144.
- » The majority of retail and apparel boards (67%) pay an annual cash retainer of more than \$60,000, with the next highest amount at between \$50,000 and \$59,999 (16%).
- » The highest board cash retainers in 2016 were \$180,000 by Dollar Tree and \$150,000 by Pier 1 Imports.

### Average Board Cash Retainer

	Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
2016 Average	\$71,525	\$74,938	\$87,160	\$70,716	\$67,648	\$59,235	\$118,521
2015 Average	\$66,860	\$74,529	\$73,431	\$72,500	\$60,882	\$60,882	\$112,144

### Board Cash Retainer Distribution

Cash Retainer	% of Companies
0	3%
\$1-\$34,999	2%
\$35,000-\$39,999	4%
\$40,000-\$49,999	8%
\$50,000-\$59,999	16%
\$60,000 & up	67%

## USE OF MEETING FEES CONTINUES TO DROP

- » Only 21% of retail and apparel boards have reported meeting attendance fees, compared with 41% in 2011.
- » Similarly, fewer S&P 500 boards are providing meeting attendance fees: 16% of S&P boards paid meeting attendance fees, compared with 37% in 2011.
- » The overall average meeting attendance fee of \$2,191 was down 7% from last year's figure of \$2,352, and is virtually identical to the S&P 500 board average of \$2,155.
- » The median attendance fee for retail and apparel boards was \$2,000 in 2016, up from \$1,500 in 2011.
- » The maximum meeting attendance fee for retail and apparel boards was \$7,500 by Dick's Sporting Goods. Whole Foods provided the next highest meeting attendance fee at \$7,317.

### Meeting Attendance Fees

	Overall	>\$20B	\$10B-\$20B	\$5B-\$10B	\$2B-\$5B	\$1B-\$2B	S&P 500
Average	\$2,191	\$1,000	\$2,663	\$3,500	\$1,766	\$1,833	\$2,155

Note: This year's study includes data on retailers and e-commerce companies with revenues of \$1 billion and greater that are traded on NASDAQ or NYSE. Previously, we have focused on companies with a brick-and-mortar presence headquartered in the United States.

# Comparative Board Data

# Comparative Board Data

COMPANY NAME REVENUES (\$ IN MILLIONS)	NUMBER OF DIRECTORS					BOARD COMPOSITION					COMPENSATION			
	TOTAL	WOMEN	OUTSIDE	INSIDE	LENGTH OF TERM	AVERAGE AGE (OUTSIDE DIRECTORS)	RETIREMENT AGE	MANDATORY	MEETINGS PER YEAR	CEO/CHAIR SAME?	BOARD CASH RETAINER	MEETING ATTENDANCE FEE (REGULAR)	COMPENSATION	CHAIR
Abercrombie & Fitch (\$3,518.7)	10	3	10	0	1	68	75	10	N		\$65,000	N/A	\$265,000	\$120,000
Advance Auto Parts (\$9,737.0)	11	2	9	2	1	54	72	14	N		\$85,000	N/A	\$185,000	\$125,000
Amazon.com (\$107,006.0)	10	3	9	1	1	66	N/A	4	Y		N/A	N/A	N/A	\$265,000
American Eagle Outfitters (\$3,521.8)	7	1	6	1	3	65	75	9	Y		\$65,000	N/A	N/A	\$150,000
Apple (\$233,715.0)	8	2	7	1	1	63	75	4	N		\$100,000	N/A	\$300,000	\$250,000
Asbury Automotive Group (\$6,588.3)	9	1	8	1	3	61	74	8	N		\$40,000	\$2,000	\$170,000	\$94,984
Ascena Retail Group (\$4,802.9)	8	3	5	3	3	61	N/A	10	N		\$75,000	N/A	N/A	\$68,050
AutoNation (\$20,862.0)	10	2	9	1	1	51	N/A	15	Y		\$50,000	N/A	N/A	\$300,200
AutoZone (\$10,187.3)	11	2	10	1	1	60	75	4	Y		N/A	N/A	N/A	\$200,000
Barnes & Noble (\$6,069.5)	9	2	7	2	3	65	N/A	8	N		\$65,000	N/A	N/A	\$120,000
Bed Bath & Beyond (\$12,103.9)	10	2	7	3	1	65	N/A	5	N		\$100,000	N/A	N/A	\$90,000
Best Buy Co. (\$39,528.0)	10	4	9	1	1	57	75	4	Y		\$80,000	N/A	N/A	\$185,000
Big 5 Sporting Goods Corp. (\$1,029.1)	8	2	7	1	3	58	N/A	7	Y		\$30,000	\$2,500	N/A	\$61,572
Big Lots (\$5,190.6)	9	4	8	1	1	59	72	5	N		\$80,000	N/A	\$170,000	\$110,000
The Bon-Ton Stores (\$2,789.5)	9	2	6	3	1	60	N/A	6	N		\$50,000	N/A	N/A	\$70,000
Buckle (\$1,119.6)	9	1	6	3	1	66	N/A	5	N		\$12,000	\$3,000	N/A	\$114,278
Burlington Stores (\$5,129.8)	9	2	8	1	3	57	N/A	4	Y		\$50,000	N/A	N/A	\$100,000
Cabela's (\$3,997.7)	10	2	7	3	N/A	65	75	N/A	N		\$50,000	N/A	N/A	\$125,000
Caleres (\$2,577.4)	10	4	9	1	3	63	72	7	Y		\$75,000	N/A	N/A	\$125,000
CarMax (\$15,149.7)	11	2	10	1	1	63	76	5	N		\$75,000	N/A	\$175,000	\$130,000
Carter's (\$3,013.9)	9	2	8	1	3	67	N/A	4	Y		\$60,000	\$2,500	N/A	\$130,000
Casey's General Store (\$7,767.2)	9	2	7	2	3	64	N/A	11	Y		\$80,000	N/A	N/A	\$100,000
Cato Corp (\$1,011.1)	7	0	6	1	3	60	72	4	Y		\$40,000	\$1,500	N/A	\$50,000
Cencosud S.A. (\$16,794.8)	8	1	8	0	3	63	N/A	N/A	N		\$149,016	N/A	\$298,033	\$0
Chico's FAS (\$2,642.3)	9	4	8	1	3	64	75	26	N		\$75,000	N/A	\$150,000	\$130,000
The Children's Place (\$1,725.8)	11	4	10	1	1	63	N/A	18	N		\$60,000	N/A	\$160,000	\$100,000

COMPANY NAME REVENUES (\$ IN MILLIONS)	NUMBER OF DIRECTORS					BOARD COMPOSITION				COMPENSATION			
	TOTAL	WOMEN	OUTSIDE	INSIDE	LENGTH OF TERM	AVERAGE AGE (OUTSIDE DIRECTORS)	MANDATORY RETIREMENT AGE	MEETINGS PER YEAR	CEO/CHAIR SAME?	BOARD CASH RETAINER	MEETING ATTENDANCE FEE (REGULAR)	COMPENSATION CHAIR	TOTAL \$ VALUE OF ANNUAL EQUITY AWARDS
Coach (\$4,191.6)	8	2	7	1	1	53	N/A	6	N	\$75,000	N/A	\$200,000	\$150,000
Columbia Sportswear Company (\$2,326.2)	11	3	8	3	1	68	N/A	6	N	\$60,000	N/A	N/A	\$120,000
Conn's (\$1,613.2)	8	1	6	2	1	51	72	14	Y	\$70,000	N/A	N/A	\$75,000
Costco Wholesale Corporation (\$116,199.0)	13	2	7	6	3	68	N/A	5	N	\$30,000	\$1,000	N/A	\$313,296
CST Brands (\$11,444.0)	12	3	10	2	3	60	75	10	Y	\$95,000	N/A	N/A	\$135,000
CVS Health Corporation (\$153,290.0)	11	3	10	1	1	64	74	8	N	\$70,000	N/A	\$138,750	\$210,000
Delhaize Group (\$27,066.3)	9	2	7	2	3	59	72	13	N	\$88,760	N/A	\$221,900	\$0
Dick's Sporting Goods (\$7,271.0)	9	1	8	1	3	59	N/A	5	Y	\$40,000	\$7,500	N/A	\$110,000
Dillard's (\$6,754.5)	12	1	6	6	1	68	N/A	4	Y	\$100,000	N/A	N/A	\$115,460
Diplomat Pharmacy (\$3,366.6)	7	1	4	3	3	55	N/A	8	Y	\$50,000	N/A	N/A	\$75,000
Dollar General Corporation (\$20,368.6)	8	3	7	1	1	59	76	10	N	\$85,000	N/A	N/A	\$125,000
Dollar Tree (\$15,498.4)	11	1	9	2	1	68	N/A	6	N	\$180,000	N/A	N/A	\$0
DSW (\$2,620.2)	8	3	5	3	3	68	N/A	9	N	\$60,000	N/A	N/A	\$120,000
Express (\$2,350.1)	6	1	5	1	3	61	N/A	8	N	\$75,000	N/A	\$131,250	\$125,000
The Finish Line (\$1,888.9)	9	2	7	2	3	64	N/A	8	N	\$60,000	N/A	N/A	\$100,000
Foot Locker (\$7,412.0)	10	3	9	1	1	65	72	5	N	\$65,000	\$2,000	\$190,000	\$130,000
Fred's (\$2,150.7)	7	1	5	2	1	63	N/A	8	N	\$40,000	N/A	\$162,000	\$67,620
FTD Companies (\$1,219.8)	11	4	10	1	3	58	N/A	8	N	\$54,000	\$1,000	\$144,000	\$125,000
GameStop Corp. (\$9,363.8)	10	2	8	2	1	62	72	12	N	\$140,000	N/A	N/A	\$140,000
The Gap (\$15,797.0)	10	3	9	1	1	61	72	8	N	\$75,000	\$0	\$275,000	\$140,000
Genesco (\$3,022.2)	10	2	9	1	1	63	75	7	Y	\$72,500	N/A	N/A	\$97,500
GNC Holdings (\$2,639.2)	8	1	7	1	1	63	72	10	N	\$80,000	N/A	\$180,000	\$110,000
Group 1 Automotive (\$10,632.5)	8	1	6	2	1	66	74	10	N	\$45,000	\$2,500	\$145,000	\$110,000
Guess (\$2,204.3)	8	1	5	3	3	64	N/A	6	N	\$35,000	\$1,500	N/A	\$180,000
Hanesbrands (\$5,731.5)	10	2	9	1	1	64	72	5	Y	\$90,000	N/A	N/A	\$125,000
hhgregg (\$1,960.0)	9	2	9	0	1	59	75	12	N	\$50,000	N/A	\$125,000	\$50,000

# Comparative Board Data

COMPANY NAME REVENUES (\$ IN MILLIONS)	NUMBER OF DIRECTORS					BOARD COMPOSITION				COMPENSATION			
	TOTAL	WOMEN	OUTSIDE	INSIDE	LENGTH OF TERM	AVERAGE AGE (OUTSIDE DIRECTORS)	MANDATORY RETIREMENT AGE	MEETINGS PER YEAR	CEO/CHAIR SAME?	BOARD CASH RETAINER	MEETING ATTENDANCE FEE (REGULAR)	COMPENSATION CHAIR	TOTAL \$ VALUE OF ANNUAL EQUITY AWARDS
The Home Depot (\$88,519.0)	12	3	11	1	1	58	72	7	Y	\$50,000	N/A	N/A	\$230,000
Ingles Markets (\$3,778.6)	8	2	4	4	1	64	N/A	4	Y	\$15,000	\$1,000	N/A	\$0
J.C. Penney Company (\$12,625.0)	11	3	9	2	1	61	N/A	6	N	\$70,000	N/A	\$170,000	\$150,000
JD.com (\$28,852.0)	5	0	3	2	N/A	52	N/A	N/A	N	\$50,000	N/A	N/A	\$0
Kate Spade & Company (\$1,242.7)	10	4	8	2	1	59	75	6	N	\$50,000	\$1,000	\$100,000	\$100,000
Kohl's Corporation (\$19,204.0)	10	2	9	1	1	58	72	7	Y	\$100,000	N/A	N/A	\$100,000
The Kroger Co. (\$109,830.0)	11	4	10	1	1	63	72	5	Y	\$85,000	N/A	N/A	\$165,000
L Brands (\$12,154.0)	11	2	8	3	3	71	N/A	7	Y	\$111,900	N/A	N/A	\$111,900
Lands' End (\$1,419.8)	7	3	5	2	1	51	N/A	6	N	\$100,000	N/A	\$130,000	\$0
Liberty Interactive Corporation (\$9,989.0)	10	1	6	4	3	65	N/A	10	N	\$88,000	N/A	N/A	\$93,000
Lithia Motors (\$7,864.3)	7	1	4	3	1	63	N/A	18	N	\$60,000	N/A	N/A	\$100,000
Lowe's Companies (\$59,074.0)	11	3	10	1	1	62	72	5	Y	\$80,000	N/A	N/A	\$150,000
Lululemon Athletica (\$2,060.5)	10	4	8	2	3	54	N/A	5	N	\$60,000	\$1,500	\$185,000	\$125,000
Macy's (\$27,079.0)	13	6	12	1	1	58	74	8	Y	\$70,000	N/A	N/A	\$140,000
Mattress Firm Holding Corporation (\$2,541.7)	9	0	6	3	3	54	N/A	11	N	\$60,000	N/A	N/A	\$50,000
Michael Kors Holdings Limited (\$4,712.1)	8	4	6	2	3	64	N/A	4	Y	\$70,000	\$1,500	N/A	\$150,000
The Michaels Companies (\$4,912.8)	11	2	5	6	1	61	73	7	Y	\$50,000	N/A	N/A	\$100,000
Murphy USA (\$12,699.4)	10	1	9	1	3	62	76	5	N	\$40,000	\$2,000	\$155,000	\$100,000
Nike (\$30,601.0)	13	3	9	4	1	58	72	5	N	\$85,000	N/A	N/A	\$160,000
Nordstrom (\$14,437.0)	12	2	9	3	1	57	72	5	N	\$85,000	N/A	N/A	\$140,000
O'Reilly Automotive (\$7,966.7)	9	1	5	4	1	69	78	4	N	\$50,000	\$2,500	N/A	\$125,000
Office Depot (\$14,485.0)	10	2	9	1	1	62	N/A	12	Y	\$75,000	N/A	N/A	\$125,000
Outerwall (\$2,193.2)	7	1	6	1	3	56	N/A	12	N	\$70,000	N/A	\$110,000	\$110,000
Overstock.com (\$1,657.8)	6	1	4	2	3	60	N/A	7	N	\$60,000	N/A	N/A	\$86,590
Party City Holdco (\$2,294.5)	11	1	4	7	3	67	N/A	4	N	\$70,000	N/A	N/A	\$70,000
Penske Automotive Group (\$19,284.9)	12	2	7	5	1	66	N/A	5	Y	\$40,000	N/A	N/A	\$198,120



COMPANY NAME REVENUES (\$ IN MILLIONS)	NUMBER OF DIRECTORS					BOARD COMPOSITION				COMPENSATION			
	TOTAL	WOMEN	OUTSIDE	INSIDE	LENGTH OF TERM	AVERAGE AGE (OUTSIDE DIRECTORS)	MANDATORY RETIREMENT AGE	MEETINGS PER YEAR	CEO/CHAIR SAME?	BOARD CASH RETAINER	MEETING ATTENDANCE FEE (REGULAR)	COMPENSATION CHAIR	TOTAL \$ VALUE OF ANNUAL EQUITY AWARDS
Pier 1 Imports (\$1,892.2)	9	4	8	1	1	61	75	8	N	\$150,000	N/A	\$275,000	\$0
PriceSmart (\$2,802.6)	10	2	8	2	1	62	80	5	N	\$36,000	N/A	N/A	\$100,000
PVH Corp. (\$8,020.3)	10	2	9	1	1	58	72	7	Y	\$70,000	N/A	N/A	\$135,000
Ralph Lauren Corporation (\$7,405.0)	11	2	7	4	1	71	N/A	5	N	\$70,000	N/A	N/A	\$110,000
Rent-A-Center (\$3,278.4)	8	0	6	2	3	60	N/A	11	N	\$50,000	\$2,500	\$175,000	\$100,000
Restoration Hardware Holdings (\$2,109.0)	8	2	4	4	3	53	N/A	4	Y	\$120,000	\$2,500	N/A	\$125,000
Rite Aid Corporation (\$30,736.7)	9	2	8	1	1	65	72	15	Y	\$100,000	N/A	N/A	\$120,000
Ross Stores (\$11,940.0)	11	2	7	4	1	61	N/A	5	N	\$57,500	\$1,500	N/A	\$135,000
Sally Beauty Holdings (\$3,834.3)	7	2	6	1	1	62	N/A	14	N	\$55,000	\$2,000	N/A	\$100,000
Sears Canada (\$2,426.2)	7	2	3	4	1	55	70	11	N	\$96,409	\$1,156	\$231,383	\$0
Sears Holdings Corporation (\$25,146.0)	10	2	8	2	1	55	70	11	Y	\$60,000	N/A	N/A	\$0
Sears Hometown and Outlet Stores (\$2,287.8)	6	1	5	1	1	55	N/A	11	N	\$100,000	N/A	\$130,000	\$0
Select Comfort Corporation (\$1,213.7)	10	5	9	1	3	58	N/A	9	N	\$75,000	N/A	\$175,000	\$94,908
The Sherwin-Williams Company (\$11,339.3)	11	2	9	2	1	61	72	6	N	\$110,000	N/A	N/A	\$125,000
Signet Jewelers (\$6,550.2)	10	4	9	1	1	66	75	7	N	\$105,000	N/A	\$280,000	\$140,000
Smart & Final Stores (\$3,971.0)	9	0	8	1	3	55	N/A	4	N	\$50,000	\$1,500	N/A	\$100,000
Sonic Automotive (\$9,624.3)	9	0	5	4	1	64	N/A	4	N	\$70,000	N/A	N/A	\$75,000
SpartanNash Co. (\$7,652.0)	10	3	9	1	1	63	N/A	5	Y	\$60,000	N/A	\$150,000	\$90,000
Sprouts Farmers Market (\$3,593.0)	7	1	5	2	3	55	N/A	4	N	\$45,000	N/A	N/A	\$60,000
Stage Stores (\$1,604.4)	9	3	8	1	1	61	75	4	N	\$60,000	N/A	\$185,000	\$100,000
Staples (\$21,059.0)	11	3	10	1	1	58	72	14	Y	\$75,000	N/A	N/A	\$175,000
Starbucks Corporation (\$19,162.7)	12	3	10	2	1	60	75	7	Y	\$120,000	N/A	N/A	\$120,000
Stein Mart (\$1,359.9)	10	2	6	4	1	66	N/A	5	N	\$36,000	\$2,000	N/A	\$40,000
SUPERVALU (\$17,529.0)	11	2	10	1	1	63	74	8	N	\$85,000	N/A	\$235,000	\$115,000
Tailored Brands (\$3,496.3)	10	2	8	2	1	65	N/A	7	N	\$125,000	N/A	\$250,000	\$125,000
Target Corporation (\$73,785.0)	14	5	13	1	1	58	72	7	Y	\$90,000	N/A	N/A	\$170,000

# Comparative Board Data

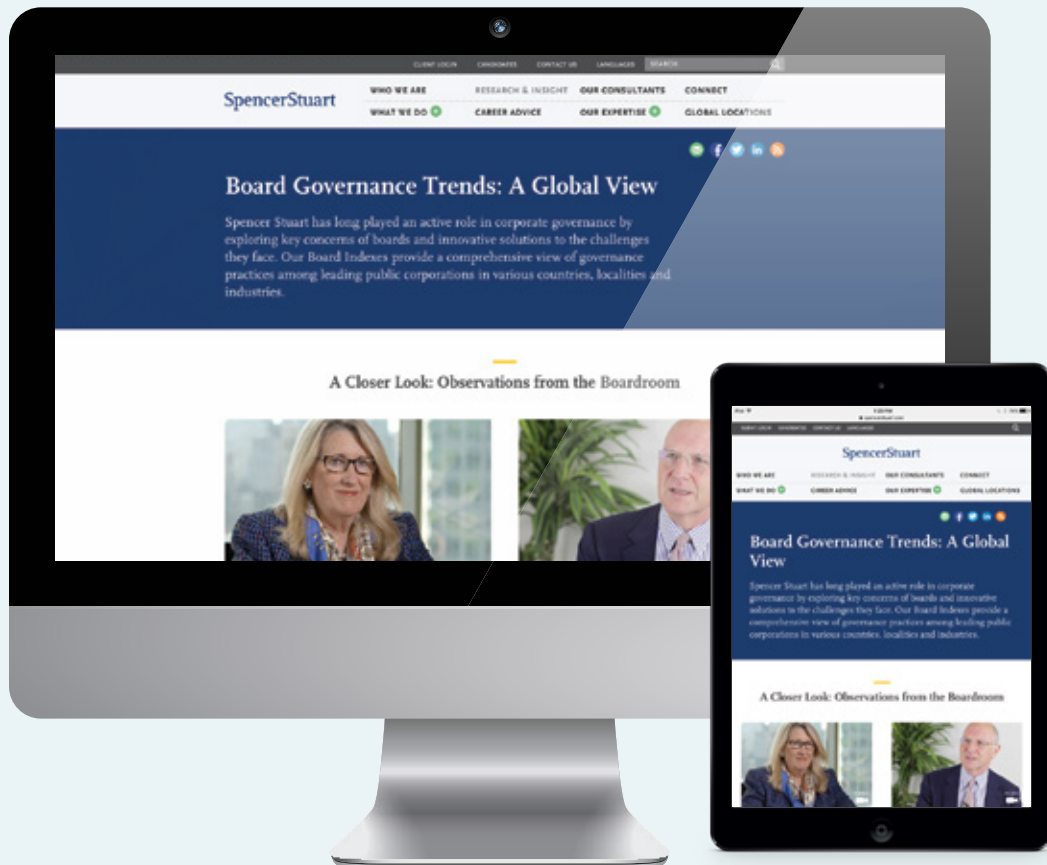
COMPANY NAME REVENUES (\$ IN MILLIONS)	NUMBER OF DIRECTORS					BOARD COMPOSITION				COMPENSATION				
	TOTAL	WOMEN	OUTSIDE	INSIDE	LENGTH OF TERM	AVERAGE AGE (OUTSIDE DIRECTORS)	RETIREMENT AGE	MANDATORY	MEETINGS PER YEAR	CEO/CHAIR SAME?	BOARD CASH RETAINER	MEETING ATTENDANCE FEE (REGULAR)	COMPENSATION	CHAR
Tiffany & Co. (\$4,104.9)	10	2	7	3	1	69	74	6	N	N	\$80,000	N/A	\$110,000	\$160,000
The TJX Companies (\$30,944.9)	10	3	8	2	1	63	75	7	N	N	\$75,000	N/A	N/A	\$150,000
Tractor Supply Company (\$6,226.5)	8	2	7	1	1	63	72	4	N	N	\$75,000	N/A	\$150,000	\$105,000
ULTA Salon, Cosmetics & Fragrance (\$3,924.1)	11	5	10	1	3	62	N/A	6	N	N	\$90,000	N/A	\$190,000	\$110,000
Under Armour (\$3,963.3)	10	1	8	2	1	63	75	13	Y	Y	\$75,000	N/A	N/A	\$125,000
Urban Outfitters (\$3,445.1)	9	2	7	2	1	62	N/A	5	Y	Y	\$100,000	N/A	N/A	\$149,200
V.F. Corporation (\$12,376.7)	12	2	10	2	1	59	72	7	Y	Y	\$90,000	N/A	N/A	\$145,000
Village Super Market (\$1,583.8)	11	0	4	7	1	60	N/A	8	Y	Y	\$45,000	N/A	N/A	\$0
Vipshop Holdings (\$6,398.4)	9	1	5	4	N/A	47	N/A	N/A	Y	Y	\$2,046	N/A	N/A	\$0
The Vitamin Shoppe (\$1,266.5)	10	3	8	2	1	61	72	7	N	N	\$55,000	N/A	N/A	\$100,000
Wal-Mart Stores (\$482,130.0)	12	3	8	4	1	56	75	6	N	N	\$90,000	N/A	\$190,000	\$175,000
Walgreens Boots Alliance (\$103,444.0)	11	3	8	3	1	61	75	9	N	N	\$85,000	N/A	\$385,000	\$175,000
Wayfair (\$2,249.9)	8	1	6	2	1	44	N/A	4	Y	Y	N/A	N/A	N/A	\$155,456
Weis Markets (\$2,876.7)	5	0	3	2	1	61	N/A	4	Y	Y	\$90,000	N/A	N/A	\$0
Whole Foods Market (\$15,389.0)	11	2	9	2	1	63	N/A	7	N	N	\$39,780	\$7,317	\$85,276	\$258,971
Williams-Sonoma (\$4,976.1)	10	4	8	2	1	62	N/A	7	N	N	\$66,000	N/A	\$266,000	\$154,000
Wolverine World Wide (\$2,691.6)	11	3	10	1	3	62	72	6	Y	Y	\$70,000	N/A	N/A	\$120,000

Data for the *Retail & Apparel Board Index* were obtained from Equilar, a leading independent provider of executive and board compensation data and analysis.

## COMPANY FOOTNOTES

- » **Cabela's** All information for the fiscal year is from 10-K/A filed on April 29, 2016.
- » **Cencosud** All information for the fiscal year is from 20-F filed on April 15, 2016.
- » **Chico's** FAS All information for the fiscal year is from DEFC14A filed on April 29, 2016.
- » **Delhaize Group** All information for the fiscal year is from 20-F filed on April 22, 2016.
- » **hhgregg** All information for the fiscal year is from DEF 14A filed on June 30, 2016.
- » **JD.com** All information for the fiscal year is from 20-F filed on April 18, 2016.
- » **Liberty Interactive** All information for the fiscal year is from DEF 14A filed on July 8, 2016.
- » **Michael Kors** All information for the fiscal year is from DEF 14A filed on June 21, 2016.
- » **Ralph Lauren** All information for the fiscal year is from DEF 14A filed on June 29, 2016.
- » **Sears Canada** All information for the fiscal year is from 6-K Ex-99.1 filed on March 18, 2016.
- » **Vipshop Holdings** All information for the fiscal year is from 20-F filed on April 22, 2016.

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