The 2015 Top 250 Report

Long-Term Incentive Grant Practices for Executives

DECEMBER 2015

FREDERIC W. COOK & CO., INC.

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EXECUTIVE SUMMARY

"Pay-for-performance" continues to grow in importance and influence the structure and design of long-term incentives. Long-awaited Dodd-Frank Act rules related to pay-for-performance disclosure were proposed and CEO pay ratio disclosure is finalized. Pressure is mounting on internal company decision-makers to define pay-for-performance in a way that reflects the specific dynamics of their respective companies while being cognizant of external expectations. Performance award use amongst the Top 250 companies has reached a new apex of 90% prevalence; 17 companies in this year's Top 250 added performance awards to their long-term incentive programs. In connection with the growth in performance shares, there was also a noticeable shift away from stock options/SARs in the form of an 8% decline in usage year-over-year (i.e., 71% in 2014 report and 63% in this year's report). The continuing decline in the use of stock options is at least partially the result of proxy advisory firms taking the stance that stock options are not performance-based equity; while this stance can be debated, the trend away from options is apparent.

The 43rd annual Frederic W. Cook & Co. Top 250 Report, details the long-term incentive practices of the 250 largest companies in the *S&P 500*. Notable trends and key findings from this year's study are described below.

Trends Impacting Long-Term Incentive Design

- Say-on-Pay is in transition after five years, with large investment funds acting more independently from proxy advisors and focused on pay delivery in relation to Generally Accepted Accounting Principles ("GAAP")-reported financials and Total Shareholder Return ("TSR")
- Problematic pay practices as defined by the proxy advisory firms and large institutional investors have been virtually eliminated; long-term incentives are largely designed without the "bells & whistles" seen in past years
- There is less variability in long-term incentive program design as a by-product of Say-on-Pay and proxy advisory firm voting policies; grant type mix and metric selection are being used to ensure that long-term incentives adequately support key business objectives
- SEC rulemaking is moving forward and the true impact on long-term incentive design and structure is in its early stages

Prevalence of Long-term Incentive Grant Types

90% of Top 250 companies use performance awards; stock option use has significantly declined

Long-term Incentive Mix

Performance Awards 52%

Stock Options/ SARs 27%

Restricted Stock 21%

52% of CEO long-term incentives delivered in Performance Awards

Long-term Incentive Metrics

54% of companies with performance plans use TSR as a performance metric; only 26% use it as the sole metric

Overview and Background

Since 1973, Frederic W. Cook & Co. has published annual reports on long-term incentive grant practices for executives. This report, our 43rd edition, presents information on long-term incentives granted to executives at the 250 largest U.S. companies in the Standard & Poor's 500 Index. This survey is intended to provide information to assist boards of directors and compensation professionals in designing and implementing effective long-term incentive programs for executives that promote long-term success for their companies.

Survey Scope

The report covers the following topics:

- Continuing, discontinued and new long-term incentive grant types across industries
- Grant type design features, including vesting and stock option term
- Key performance plan characteristics, such as length of performance periods, payout maximums, performance metrics, and measurement approaches
- Long-term incentive grant value mix

Top 250 Selection

The Top 250 companies, limited to those granting long-term incentives, are selected annually based on market capitalization, i.e., share price multiplied by total common shares outstanding as of March 31, 2015, as reported by Standard & Poor's Research Insight (see *Appendix* for complete list of companies).

Volatility in the equity markets, corporate transactions, and the ebb and flow of corporate fortunes result in changes in market capitalization and, thus, turnover in the survey sample. Of the 2015 Top 250 companies, twenty-two companies are new to this year's report. As such, the trend data are influenced by changes in the survey sample from year-to-year as well as actual changes in grant usage.

The table below profiles the industry sectors represented in the Top 250 in 2015, as defined by Standard & Poor's Global Industry Classification Standard (GICS). Financials once again comprise the largest sector covered in the Top 250 report, with 47 companies (19%) in 2015.

Industry Sector (# of companies) sorted by prevalence	Percent of Companies	Annual Sales ($B)	Market Capitalization ($B)	Beta (1) 5-Year Average	TSR (2) 1-Year	TSR 5-Year CAGR (3)
Financials (47)	19%	$20.29	$27.68	1.11	2%	14%
Health Care (36)	14%	$18.79	$37.39	0.79	10%	22%
Consumer Discretionary (34)	14%	$20.09	$45.58	0.97	15%	26%
Information Technology (34)	14%	$13.73	$39.59	1.16	9%	16%
Industrials (27)	11%	$15.09	$33.17	1.11	2%	13%
Consumer Staples (26)	10%	$20.47	$45.07	0.54	9%	14%
Energy (21)	8%	$11.32	$29.88	1.41	-31%	3%
Materials (11)	4%	$8.83	$29.18	1.36	-18%	14%
Utilities (11)	4%	$13.08	$25.83	0.28	7%	11%
Telecommunication Services (3)	1%	$55.16	$176.90	0.35	-9%	8%
Total Top 250 - Median	**100%**	**$17.64**	**$34.45**	**0.99**	**3%**	**15%**

**Market Data is provided by S&P Capital IQ and is as of 9/30/15* ***Market Data depicts median amount*

(1) Beta is a measure of the volatility of a security in comparison to the market as a whole

(2) TSR = Total Shareholder Return, a measure of stock price and dividend performance

(3) CAGR = Compounded Annual Growth Rate

Source of Data

All information was obtained from public documents filed with the Securities and Exchange Commission (SEC), including proxy statements and 8-K filings.

Definition of Usage

This report presents the most recently disclosed long-term incentive grant types in use at the Top 250 companies as of mid-2015. A grant type is generally considered to be awarded at a company if grants have been made in the current or prior year and there is no evidence the grant practice has been discontinued, or if the company indicates the grant type will be awarded prospectively.

Definition of Long-term Incentive

To be considered a long-term incentive for purposes of this report, a grant must possess these characteristics:

The grant type must be made under a formal plan or practice and cannot be limited by both scope and frequency. A grant with limited scope is awarded to only one executive or a very small or select group of executives. A grant with limited frequency is an award that is not part of a company's typical grant practices and appears to fall outside the principal long-term incentive program. For example, a grant determined to be made specifically as a hiring incentive, replacement of lost benefits upon hiring, or promotional award is not considered a long-term incentive for this report. A grant with limited scope but without limited frequency (e.g., annual grants of performance shares made only to the CEO) may be considered a long-term incentive, and vice versa (e.g., one-time grants made to all executives). Grants must reward performance, continued service, or both for a period of one year or more.

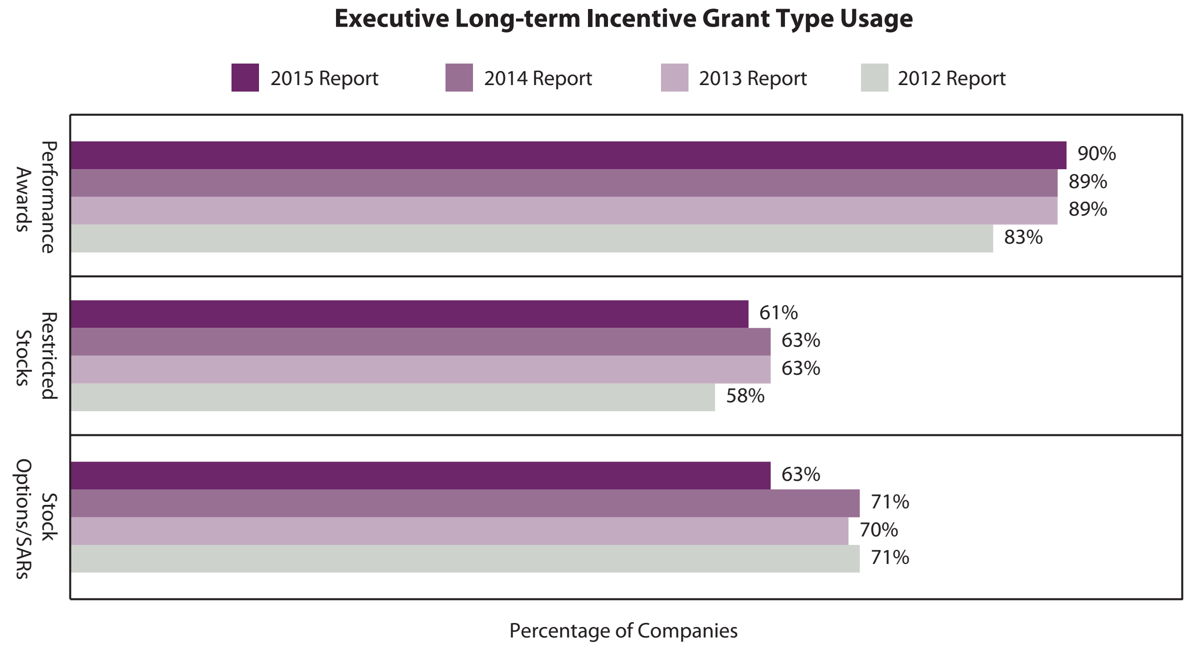
In some circumstances, totals may not add to 100% due to rounding or companies having more than one type of practice.

Additional References

Shareholders Reference to shareholder views were developed from a review of proxy voting guidelines published by large institutional investors.

Proxy Advisors Reference to proxy advisor views were developed from company-specific Say-on-Pay vote recommendations during the 2015 proxy season, direct conversations with, or a review of proxy voting guidelines published by Institutional Shareholder Services (ISS) and Glass Lewis.

Summary of Grant Types in Use



Stock Options / Stock Appreciation Rights (SARs) are derivative securities where stock price has to appreciate for an executive to receive value. Stock options are rights to purchase company stock at a specified exercise price over a stated term; SARs are rights to receive at exercise the increase between the grant price and the market price of a share of stock. The use of stock options declined substantially in 2015, likely influenced by the belief held by certain proxy advisors that they are not performance-based.

Once considered the most shareholder-friendly grant type due to their inherent alignment with shareholder interests, stock options/SARs were discontinued at 12 of the Top 250 companies (5%) and replaced by performance awards.

Restricted Stock includes actual shares or share units that are earned by continued employment, often referred to as time-based awards. There was a slight decrease in the overall percentage of companies granting restricted stock from 2014 (63%) to 2015 (61%); five companies discontinued granting restricted stock and two companies began granting in 2015. Companies that disclosed performance-vesting criteria solely to satisfy Internal Revenue Code (IRC) Section 162(m) requirements are included as restricted stock.

Performance Awards consist of stock-denominated shares or share units (performance shares) and grants of cash or dollar-denominated units (performance units) earned based on performance against predetermined objectives over a defined period. For the fourth consecutive year, performance awards rank as the most widely used grant type with 90% of the Top 250 granting performance shares, performance units, or a combination of both. The proliferation of this award type is due, in large part, to Say-on-Pay as companies seek to demonstrate a direct relationship between pay and performance.

Of those companies using performance awards, 81% denominate the awards in stock, 16% denominate the awards in cash units, and 7% use a combination of both. These findings are consistent with those of last year.

Grant Type Usage by Industry

Grant type usage is further examined by industry sector, notable observations include:

- 82% or more of companies in all sectors use performance awards, which affirms that alignment of pay and performance transcends industry sector and applies to all companies.
- The Materials sector exhibits the highest use of stock options (91%), which was expected given the industry's historically high volatility. Conversely, stock option prevalence is lowest among the Utilities and Telecommunication Services sectors. The combination of low volatility and high dividend yields can serve as a disincentive to granting stock options.
- Restricted stock is still relevant with 45% or more of all companies in each sector reporting its use. The Information Technology sector reported the greatest annual decrease in restricted stock prevalence (2014 – 83%, 2015 – 63%).

Industry Sector (sorted by prevalence)	Number of Companies	Stock Options/SARs	Restricted Stock	Performance Awards
Financials	47	43%	64%	94%
Health Care	36	89%	47%	92%
Consumer Discretionary	34	68%	47%	82%
Industrials	34	50%	76%	82%
Information Technology	27	74%	63%	96%
Consumer Staples	26	73%	58%	85%
Energy	21	67%	76%	90%
Materials	11	91%	45%	100%
Utilities	11	18%	73%	100%
Telecommunication Services	3	0%	100%	100%
Top 250	**250**	**63%**	**61%**	**90%**

Number of Long-term Incentive Grant Types in Use

Most companies (84%) continue to employ a portfolio strategy, combining multiple grant types as a means to balance objectives of rewarding stock price appreciation, promoting longer-term financial or strategic performance, and retaining executives. Less than one in six companies rely on a single grant type, and of these companies, 59% grant performance awards, 18% grant stock options, and 23% grant restricted stock.

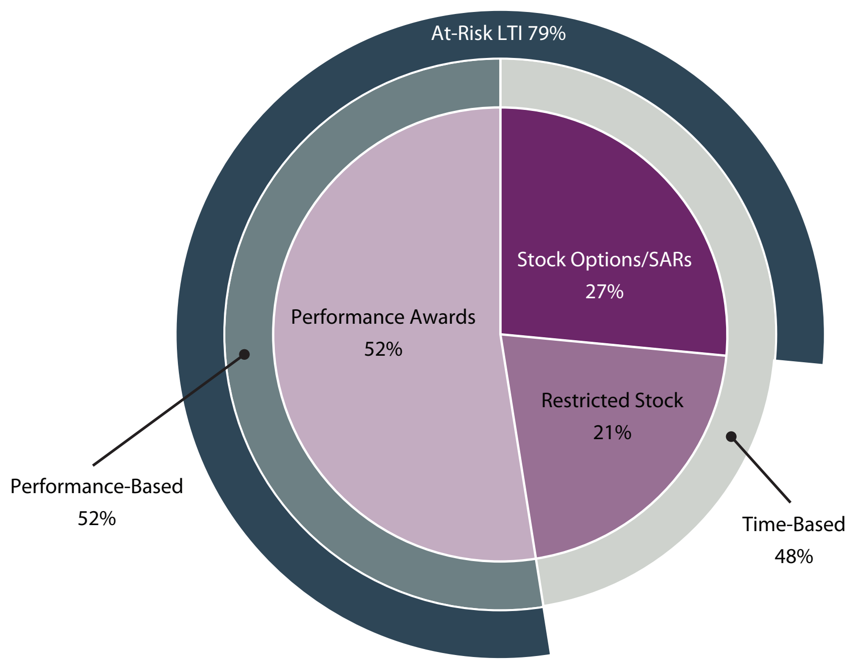
Number of Grant Types	Percent of Companies Using			
	2012	2013	2014	2015
1 Type	17%	14%	14%	16%
2 Types	48%	46%	46%	50%
3 Types	34%	39%	39%	33%
4 Types	1%	1%	1%	2%

Industry Sector (# of companies in each sector)	Number of Grant Types by Sector			
	1 Type	2 Types	3 Types	4 Types
Financials (47)	17%	64%	19%	0%
Health Care (36)	11%	44%	42%	3%
Consumer Discretionary (34)	26%	44%	29%	0%
Information Technology (34)	18%	56%	26%	0%
Industrials (27)	4%	41%	52%	4%
Consumer Staples (26)	19%	38%	35%	8%
Energy (21)	14%	38%	48%	0%
Materials (11)	9%	36%	55%	0%
Utilities (11)	18%	73%	9%	0%
Telecommunication Services (3)	0%	100%	0%	0%

Long-term Incentive Value Mix

On average, performance awards comprise 52% of a Top 250 CEO's total long-term incentive value. Stock options/SARs represent 27% and restricted stock makes up the remaining 21%. This change in mix is influenced by proxy advisors and some shareholders who no longer view stock options as "performance-based" awards. While this view is fiercely debated, many companies have conceded that stock options are an award that is "at-risk" but not performance-based.

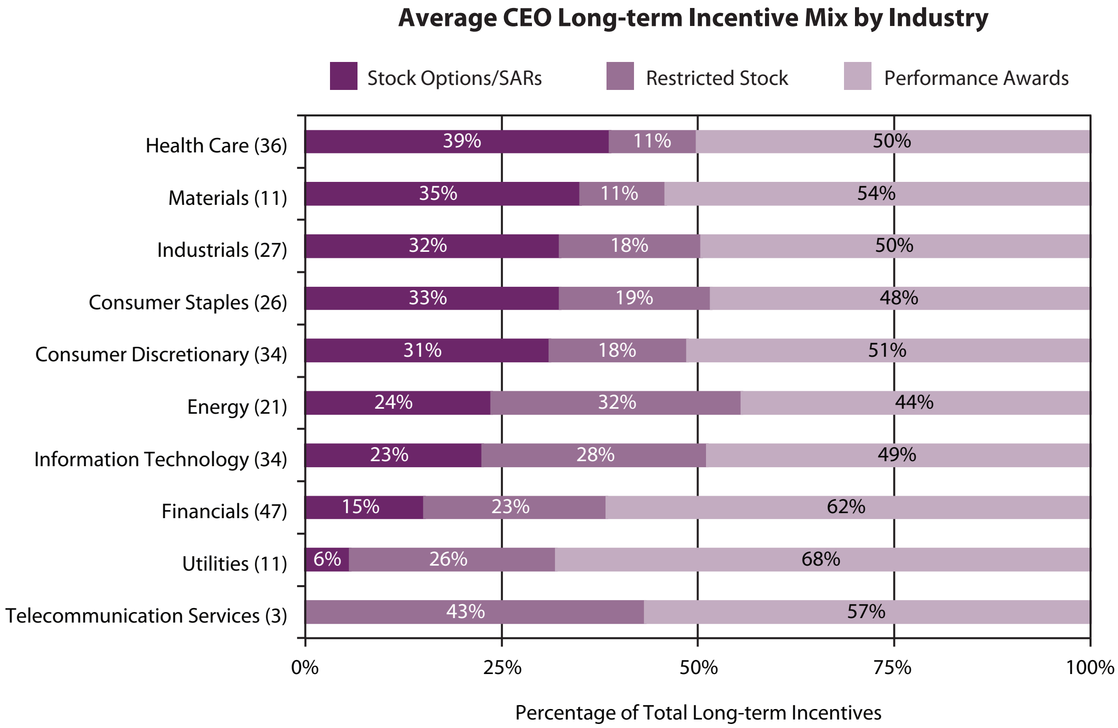
Average Top 250 CEO



ISS does not endorse a specific mix (specifically, a minimum allocation to performance awards), but they do indicate a general preference for performance awards. While not a formal policy, ISS has criticized a CEO's long-term incentive mix for not being sufficiently performance-based if performance awards are less than 50% of total long-term incentive grant value.

EXECUTIVE LONG-TERM INCENTIVE GRANT TYPES AND USAGE

The exhibit below illustrates the average CEO long-term incentive mix by industry sector. The industry sectors are sorted by prevalence of stock option/SAR usage.



Stock Option/SAR Term

The full term of a stock option or SAR is the period of time between the grant date and the expiration date. Typically measured in years, the most common term is ten years for Top 250 companies (87%), although 13% of companies report a shorter term. This practice was consistent across all industry sectors.

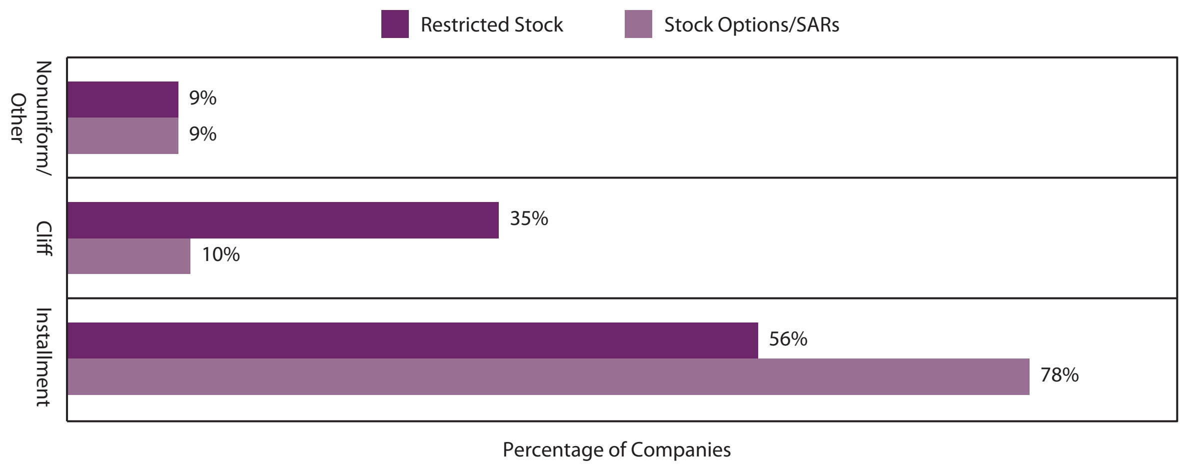
Option/SAR Term	Percent of Companies Using		
	2013 Report	2014 Report	2015 Report
10 years	84%	85%	87%
9 years	1%	0%	0%
8 years	2%	2%	1%
7 years	11%	11%	10%
6 years	1%	2%	2%
5 years	1%	0%	0%

The Financial Accounting Standards Board (FASB) requires companies to account for employee stock options based on their expected term as opposed to their full term under Accounting Standards Codification (ASC) 718.

Vesting Schedules

Type of Vesting The majority of Top 250 companies apply a uniform installment or ratable vesting approach to stock options/SARs (78%) and restricted stock grants (56%). Restricted stock continues to exhibit the trend towards greater use of the installment vesting rather than a cliff vesting (100% vest as the end of the period), which used to be more prevalent for this grant type. This trend is attributed, in part, to the increasing prevalence and weight of performance awards that cliff vest and to the replacement of stock options with restricted stock, which typically have ratable installment vesting.

Vesting Type for Stock Options/SARs and Restricted Stock

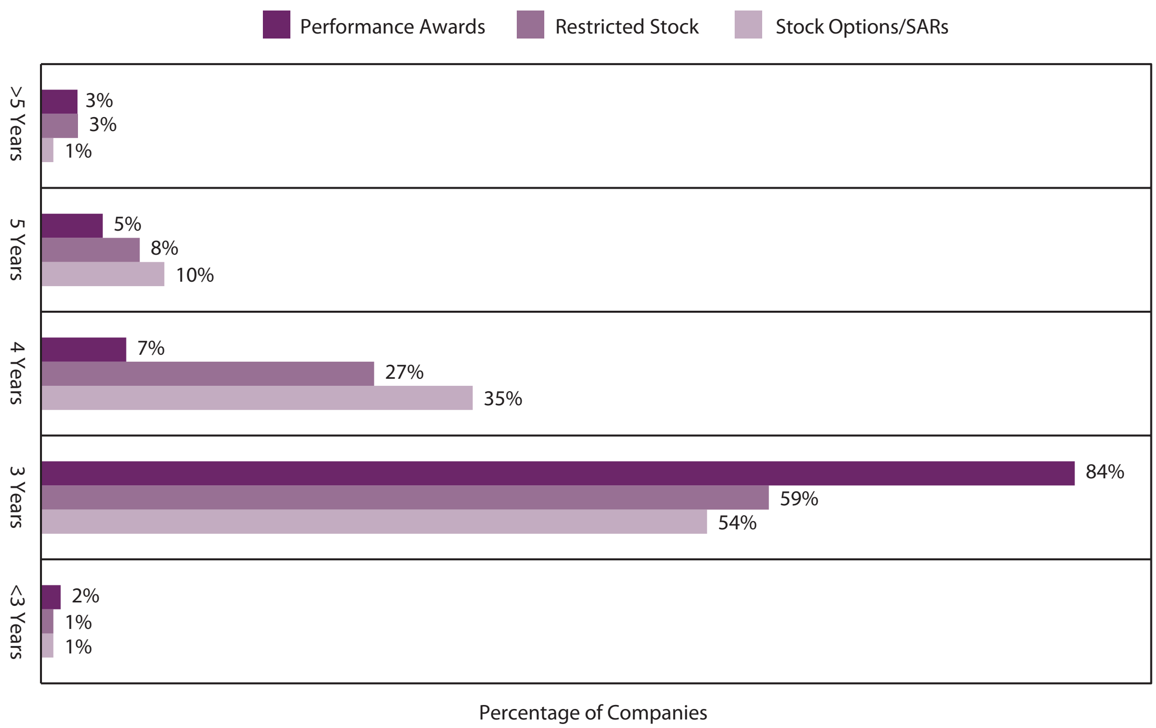


OTHER LONG-TERM INCENTIVE PRACTICES

Vesting Period The most common vesting period for all long-term incentive award types is three years. This corresponds with the minimum vesting period advocated by some large institutional investors, while other investors have since eliminated this policy to provide companies with greater flexibility.

ISS does not prescribe a minimum vesting period, but it is a consideration in its QuickScore governance model and Equity Plan Scorecard. Similarly, Glass Lewis does not indicate a preferred minimum vesting period, but its policies suggest that stock grants should be subject to minimum vesting and/or holding periods sufficient to ensure sustainable performance and promote retention.

Vesting Period of Award Types



Performance Metrics

Categories of Performance Measurement Consistent with prior findings, TSR and profit-based measures continue to be the most prevalent categories of performance measures among companies that grant performance awards at 54% and 51%, respectively. Since demonstrating alignment between pay and performance is a common predictor for securing Say-on-Pay support, companies are rethinking what performance to measure and how to set goals (i.e., absolute goals measured against internal targets versus relative goals measured against external benchmarks).

TSR, specifically relative TSR, has emerged as the metric of choice under Say-on-Pay. For shareholders, there is an elegance to TSR in that it demonstrates the return relative to alternative investments. It is also the singular definition of corporate performance used by ISS, as well as the sole performance metric required by the SEC for pay and performance disclosure under Dodd-Frank. As such, some companies view relative TSR as a means to satisfy shareholder, ISS and SEC preferences.

Critics of TSR as an incentive measure believe that it does not drive performance, that market valuation can become disconnected from financial/operating performance, and that consistently high-performing companies may be disadvantaged when compared against poorer performing companies that exhibit a performance rebound during the measurement period. Perhaps due to the potential drawbacks of using TSR, 74% of Top 250 companies using TSR do so in combination with one or more additional metrics.

Performance Measure Categories

		Percent of Companies with Performance Awards Using			Performance Measurement Approach 2015 Report		
Category	**Performance Measures**	**2013**	**2014**	**2015**	**Absolute**	**Relative**	**Both**
Total Shareholder Return	Stock Price Appreciation Plus Dividends	54%	58%	54%	4%	87%	9%
Profit	EPS, Net Income EBIT, EBITDA Operating/Pretax Profit	49%	50%	51%	86%	12%	2%
Capital Efficiency	Return on Equity Return on Assets Return on Capital	40%	41%	41%	85%	5%	10%
Revenue	Revenue Organic Revenue	20%	21%	20%	87%	13%	0%
Cash Flow	Cash Flow Operating Cash Flow Free Cash Flow	12%	13%	11%	92%	4%	4%
Other	Safety, Quality Assurance New Business Individual Performance	17%	15%	14%	N/A	N/A	N/A

Measurement Approach There are two basic approaches for measuring performance: against an absolute (internal) goal and against a relative (external) benchmark. The relative approach is not readily applicable to all performance metrics as indicated by its low prevalence across performance categories. TSR is the only performance category where more than 13% of Top 250 companies use the relative approach.

OTHER LONG-TERM INCENTIVE PRACTICES

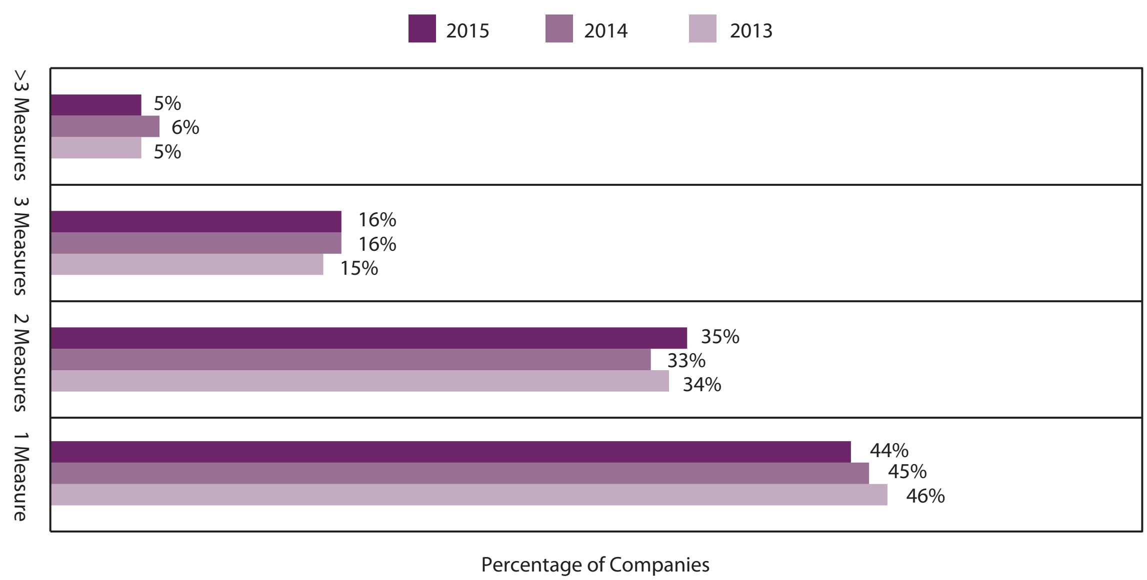
External benchmark selection (e.g., compensation peer group, custom performance peer group, broad industry or market index) is a key consideration in developing relative performance goals. Proxy advisors, as well as some shareholders, question the appropriateness of comparisons against broad market indices (e.g., *S&P 500*) when a company has a sufficient number of industry competitors with similar operating characteristics.

Proxy advisors advocate the use of relative performance measurement. In fact, relative measurement of pay and TSR performance is the cornerstone of ISS' CEO Pay for Performance test and Glass Lewis routinely criticizes the sole use of absolute performance metrics as they may reflect economic factors or industry-wide trends beyond the control of executives.

Number of Measures The Top 250 companies are split on the number of performance measures, with just under half (44%) using one measure and 56% using two or more.

Glass Lewis discourages the use of a single performance measure, even if that metric is relative TSR. They argue that the use of multiple metrics provides a more complete picture of company performance and that a single metric may cause management to focus too much on a narrow range of performance. The risk of putting "all eggs in one basket" and the potential to overemphasize one metric at the expense of other business priorities are concerns shared by some shareholders.

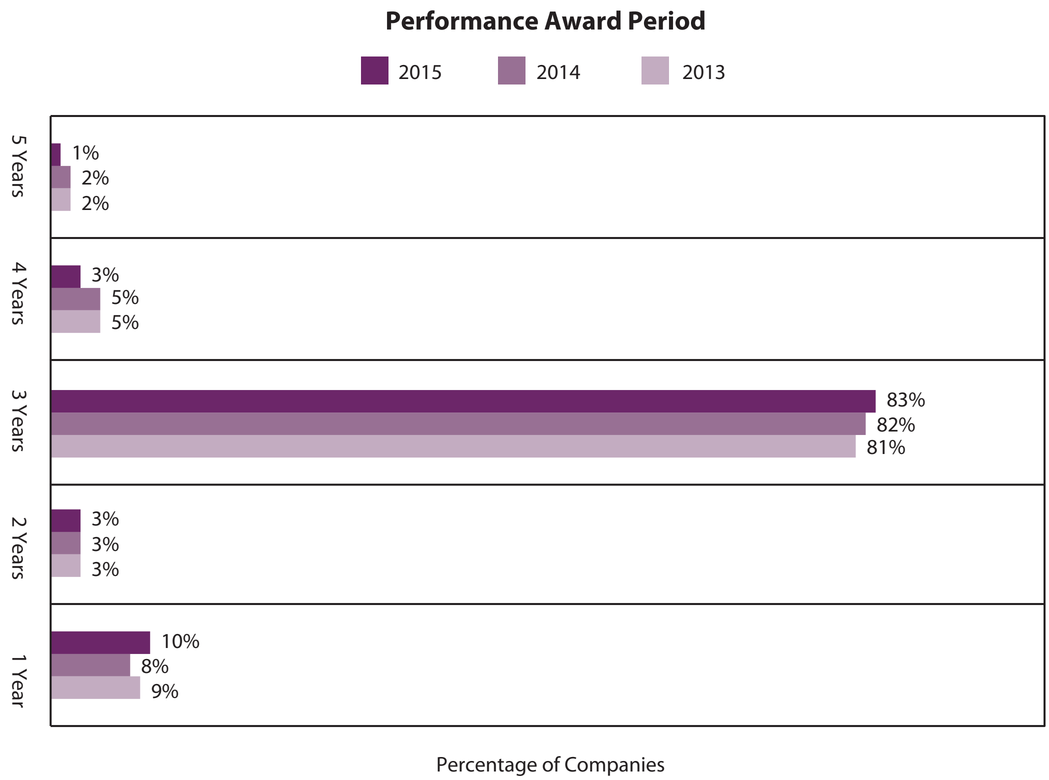
Number of Performance Measures



Performance Measurement Period

Performance is measured over a period of three years in 83% of performance award programs, indicating that most performance periods run in tandem with the award's vesting period. Companies that measure performance annually (i.e., reset targets each year over a three-year period) are included in this statistic. This practice is not widespread, in part because proxy advisors criticize it for failing to promote sustained long-term performance (i.e., it operates more like an annual incentive plan).

Performance periods of one year are the second most prevalent practice amongst Top 250 companies at 10%, however, all companies that utilize performance periods of one year provide for a subsequent "vesting tail" (e.g., two additional years of time-based vesting that follows one-year performance period). Many companies voice challenges in setting realistic long-term performance goals due to market volatility. Some shareholders dispute this argument, particularly when a company's peers demonstrate the ability to set cumulative three-year goals and shareholders themselves make investments on the basis of company guidance and long-term performance expectations.

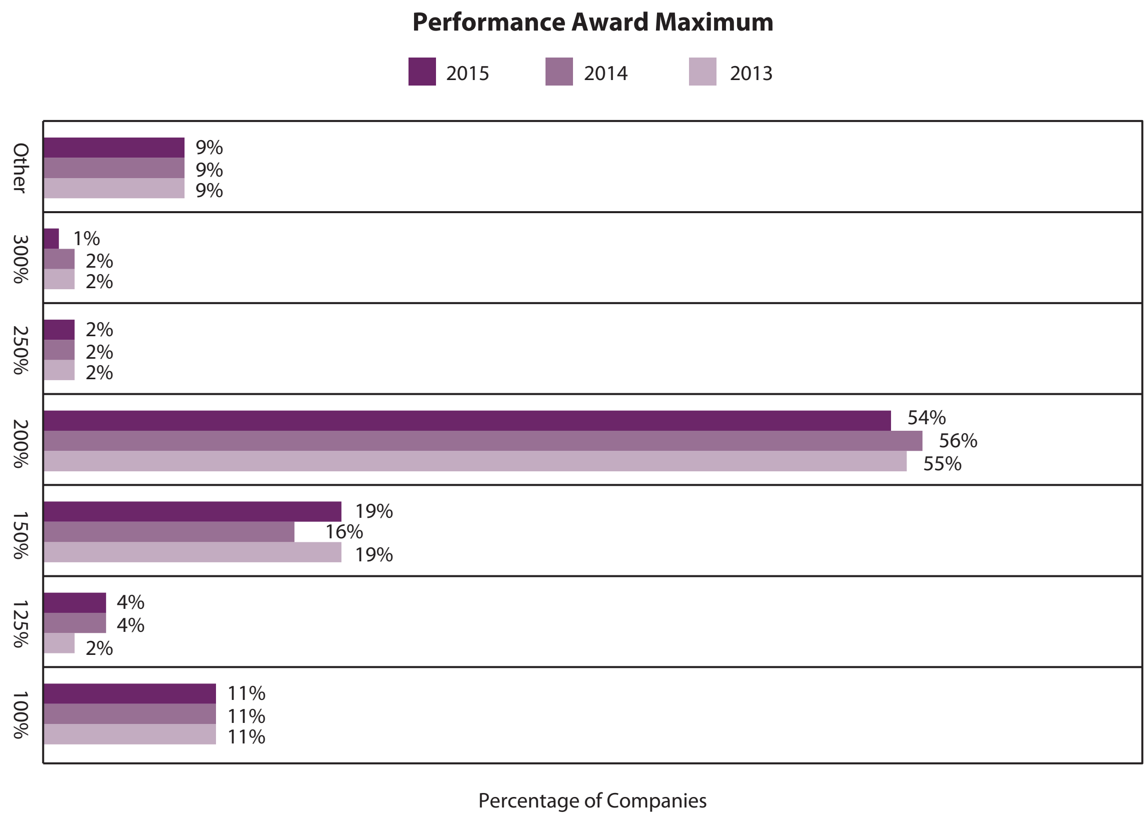


Performance Leverage (Maximum Payout Opportunity)

The most prevalent maximum payout opportunity was 200% of target, found in 54% of the performance award programs used by Top 250 companies. Payout at 150% of target was the next most prevalent maximum payout level (19%).

Our research reveals that the distribution of performance leverage varies by industry sector. Key observations include:

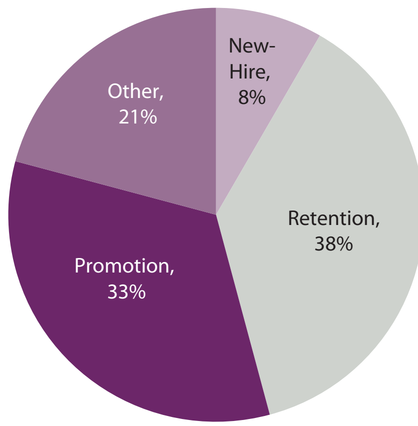
- Only 34% of the companies in the Financial sector report a 200% maximum; 52% of the companies in this sector report a maximum payout opportunity of 150% or less. This is consistent with a trend among large banks to reduce long-term incentive plan leverage to mitigate compensation risk as prescribed by the Federal Reserve and other regulatory bodies.
- In comparison, 91% of companies in the Utilities sector have a 200% maximum.
- Among the Consumer Discretionary sector, 46% of companies report a maximum of 200% and 36% of companies report a maximum below 200%



"Special/One-Time" Awards

In 2014, 24 (10%) of the Top 250 CEOs received a "special/one-time" equity award. "Special/one-time" awards were provided under the following circumstances:

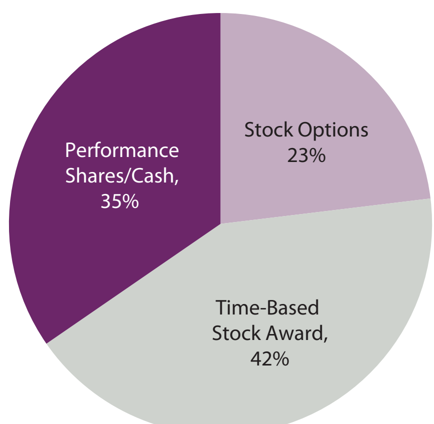
"Special" Awards to CEO Breakdown



**Other typically includes any special achievement, transition and any other "special" award granted (excluding make-whole awards)*

Those CEOs receiving special awards were granted the following equity vehicles:

"Special" Award Vehicle Prevalence



"Special/one-time" awards were generally provided as time-based vesting equity vehicles, primarily due to the retentive qualities of the award, which is consistent with the primary reason given for making such awards.

APPENDIX – COMPANIES INCLUDED IN THE 2015 TOP 250

3M Co.
Abbott Laboratories
AbbVie Inc.
Accenture PLC
Ace Limited
Actavis Plc
Adobe Systems Inc.
Aetna Inc.
Aflac Inc.
Air Products & Chemicals Inc.
Alexion Pharmaceuticals Inc.
Alliance Data Systems Corp
Allstate Corp.
Altria Group Inc.
Amazon.com Inc.
American Airlines Group Inc
American Electric Power
American Express Co.
American International Group
American Tower Corp.
Ameriprise Financial Inc.
Amerisourcebergen Corp
Amgen Inc.
Anadarko Petroleum Corp.
Analog Devices
Anthem Inc
Aon PLC
Apache Corp.
Apple Inc.
Applied Materials Inc.
Archer-Daniels-Midland Co.
AT&T Inc.
Automatic Data Processing
Autozone Inc.
Avago Technologies Ltd
Avalonbay Communities Inc.
Baker Hughes Inc.
Bank Of America Corp
Bank of New York Mellon Corp.
Baxter International Inc.
BB&T Corp.
Becton Dickinson & Co.
Biogen Idec Inc.
Blackrock Inc.
Boeing Co.
Boston Properties Inc.
Boston Scientific Corp.
Bristol-Myers Squibb Co.
Broadcom Corp.
Brown-Forman Corp.
Capital One Financial Corp.
Cardinal Health Inc.
Carnival Corp. PLC
Caterpillar Inc.
CBS Corp.
Celgene Corp.
Centurylink Inc.
Cerner Corp.
Chevron Corp.
Chipotle Mexican Grill Inc.
Chubb Corp.
Cigna Corp.
Cisco Systems Inc.
Citigroup Inc.
CME Group Inc.
Coca-Cola Co.
Cognizant Tech Solutions
Colgate-Palmolive Co.
Comcast Corp.
ConocoPhillips
Constellation Brands -Cl A
Corning Inc.
Costco Wholesale Corp.
Crown Castle International Corp.
CSX Corp.
Cummins Inc.
CVS Caremark Corp.
Danaher Corp.
Deere & Co.
Delphi Automotive PLC
Delta Air Lines Inc.
Devon Energy Corp.
DIRECTV
Discover Financial Services Inc.
Walt Disney Co.
Dollar General Corp.
Dominion Resources Inc.
Dow Chemical
E.I. DuPont De Nemours
Duke Energy Corp.
Eaton Corp PLC
eBay Inc.
Ecolab Inc.
Edison International
EMC Corp.
Emerson Electric Co.
EOG Resources Inc.
Equity Residential
Exelon Corp.
Express Scripts Holding Co.
Exxon Mobil Corp.
Facebook Inc.
FedEx Corp.
Fidelity National Info Svcs
Fiserv Inc
Ford Motor Co.
Franklin Resources Inc.
Freeport-McMoRan Copper & Gold
General Dynamics Corp.
General Electric Co.
General Growth Properties Inc.
General Mills Inc.
General Motors Co.
Gilead Sciences Inc.
Goldman Sachs Group Inc.
Google Inc.
Halliburton Co.
HCA Holdings
HCP Inc.
Health Care REIT Inc.
Hess Corp.
Hewlett-Packard Co.
Home Depot Inc.
Honeywell International Inc.
Humana Inc.
Illinois Tool Works

APPENDIX – COMPANIES INCLUDED IN THE 2015 TOP 250

Intel Corp.
IntercontinentalExchange Grp.
Intl. Business Machines Corp.
International Paper Co.
Intuit Inc.
Johnson & Johnson
Johnson Controls Inc.
JPMorgan Chase & Co.
Kellogg Co.
Kimberly-Clark Corp.
Kinder Morgan Inc.
Kraft Foods Group Inc.
Kroger Co.
L Brands Inc
Estee Lauder Cos. Inc.
Eli Lilly & Co.
Lockheed Martin Corp.
Lorillard Inc.
Lowe's Companies Inc.
LyondellBasell Industries N.V.
Macy's Inc.
Marathon Petroleum Corp.
Marriott Intl Inc
Marsh & McLennan Cos.
MasterCard Inc.
McDonald's Corp.
McGraw Hill Financial
McKesson Corp.
Mead Johnson Nutrition Co
Medtronic Inc.
Merck & Co.
MetLife Inc.
Micron Technology Inc.
Microsoft Corp.
Mondelez International Inc.
Monsanto Co.
Monster Beverage Corp
Moody's Corp.
Morgan Stanley
Mylan Inc.
National Oilwell Varco Inc.
Netflix Inc.
Nextera Energy Inc.
Nike Inc.
Noble Energy Inc.
Norfolk Southern Corp.
Northrop Grumman Corp.
Occidental Petroleum Corp.
Omnicom Group
Oracle Corp.
O'Reilly Automotive Inc
PACCAR Inc.
PepsiCo Inc.
Perrigo Co Plc
Pfizer Inc.
PG&E Corp.
Philip Morris International
Phillips 66 Co.
Pioneer Natural Resources Co.
PNC Financial Svcs Group Inc.
PPG Industries Inc.
PPL Corp.
Praxair Inc.
Precision Castparts Corp.
T. Rowe Price Group
Priceline Group Inc.
Procter & Gamble Co.
Prologis Inc.
Prudential Financial Inc.
Public Service Enterprise Group Inc.
Public Storage
QUALCOMM Inc.
Raytheon Co.
Regeneron Pharmaceuticals
Reynolds American Inc.
Ross Stores Inc
Salesforce.com Inc.
Schlumberger Limited
Charles Schwab Corp.
Sempra Energy
Sherwin-Williams Co.
Simon Property Group Inc.
Skyworks Solutions Inc
Southern Co.
Southwest Airlines
Spectra Energy Corp.
Starbucks Corp.
State Street Corp.
Stryker Corp.
Suntrust Banks Inc.
Sysco Corp.
Target Corp.
TE Connectivity Limited
Texas Instruments Inc.
Thermo Fisher Scientific Inc.
Time Warner Cable Inc.
Time Warner Inc.
TJX Companies Inc.
Travelers Cos. Inc.
Twenty-First Century Fox Inc.
U.S. Bancorp
Union Pacific Corp.
United Parcel Service Inc.
United Technologies Corp.
UnitedHealth Group Inc.
Valero Energy Corp.
Ventas Inc.
Verizon Communications Inc.
Vertex Pharmaceuticals Inc.
VF Corp.
Viacom Inc.
Visa Inc.
Vornado Realty Trust
Walgreen Co.
Wal-Mart Stores Inc.
Waste Management Inc.
Wells Fargo & Co.
Western Digital Corp.
Whole Foods Market Inc.
Williams Cos Inc.
Yahoo! Inc.
YUM! Brands Inc.
Zimmer Holdings
Zoetis Inc

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