August 2017

2017 Top 250 Report

FW COOK

2017 TOP 250 REPORT

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EXECUTIVE SUMMARY

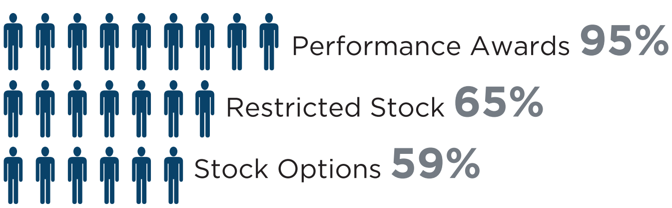
Prior to the Congressional enactment of Say-on-Pay (a mandatory but non-binding shareholder vote on executive compensation) in 2011, long-term incentive plans were differentiated and had a high-level of variability. Stock options were the most prevalent long-term incentive vehicle, but were displaced due, in large part, to accounting regulators who imposed an explicit expense on stock options and proxy advisory firms taking the stance that service-vesting stock options are not performance-based equity. After witnessing some major changes, we are now in a period of stability as the design of long-term incentive programs have become homogeneous as a by-product of Say-on-Pay and proxy advisor voting policies, with differences in long-term incentive mix and metric selection used to ensure the overall long-term program supports a company's key strategic and human resources objectives.

Only 59% of the 2017 Top 250 companies used stock options, a dramatic reversal from virtual omnipresence one decade ago. The use of stock options continues to decline, while restricted stock and performance award prevalence increases. For the second consecutive year, companies granting stock options are outnumbered by those granting restricted stock among the Top 250 companies (59% versus 65%). Performance awards have ascended to near universal prevalence, reaching 95% of the Top 250 according to this year's research (up from 90% in 2015).

This 45th annual FW Cook Top 250 Report details the long-term incentive practices and trends of the 250 largest companies by market cap value in the Standard & Poor's ("S&P") 500. Notable trends and key findings from this year's study include the following:

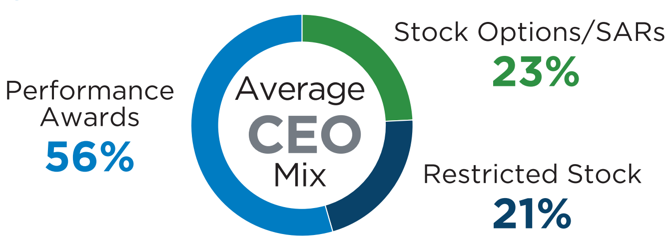
- Companies continue to employ a portfolio strategy for long-term incentives to balance the advantages and drawbacks of each vehicle type, with nearly 90% of the Top 250 companies using two or more grant types
- Long-term incentive mix continues to be strongly oriented towards performance plans as the use of performance awards continues to climb
- Total shareholder return ("TSR") remains the most prevalent performance metric among the Top 250 companies, with almost every company that uses it measuring on a relative basis
- 95% of Top 250 companies grant performance awards, with 59% utilizing two or more performance metrics and 88% using a 3-year performance period

Prevalence of Long-term Incentive Grant Types

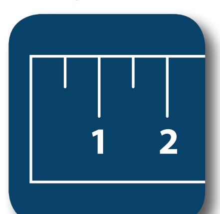


95% of Top 250 companies use performance awards; stock options use has declined and continues to trail restricted stock use

Long-term Incentive Mix



Long-term Incentive Metrics



60% of companies with performance plans use TSR as a performance metric; 90% of TSR usage is on a relative basis, with another 8% on both a relative and absolute basis

FW COOK

INTRODUCTION

Overview and Background

Since 1973, FW Cook has published annual reports on long-term incentive grant practices for executives. This report, our 45th edition, presents information on long-term incentives granted to executives at the 250 largest U.S. companies in the S&P 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 that promote long-term success for their companies.

Survey Scope

The report covers the following topics:

- Executive long-term incentive grant types, usage by industry and number of grant types employed
- Grant type design features, including vesting schedules, stock option full term, and stock option expected term
- Key performance plan characteristics, including performance periods, payout maximums, performance metrics, and measurement approaches
- CEO 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, 2017, as reported by S&P's Capital IQ). See the Appendix for a 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, therefore, turnover in the survey sample. Of the Top 250 companies in 2017, 28 companies (11%) are new to this year's report. As such, trend data are influenced by changes in the survey sample from year-to-year as well as actual changes in grant practices.

The table below profiles the industry sectors represented in the Top 250 in 2017, as defined by S&P's Global Industry Classification Standard ("GICS"). Health Care companies comprise the largest industry sector in 2017, with 37 companies (15%).

INTRODUCTION

Industry Sector (# of companies) sorted by prevalence	Percent of Companies	Annual Sales ($B)	Market Cap. ($B)	Beta[1] 5-Yr. Average	TSR[2] 1-Year	TSR[2] 5-Year CAGR[3]
Health Care (37)	15%	$20.24	$44.36	0.91	19%	19%
Financials (36)	14%	$14.40	$39.47	1.19	37%	20%
Information Technology (35)	14%	$11.76	$44.39	1.18	38%	21%
Industrials (31)	12%	$24.52	$39.53	1.08	39%	21%
Consumer Discretionary (28)	11%	$19.55	$45.49	1.03	11%	18%
Consumer Staples (23)	9%	$26.93	$45.82	0.71	-1%	13%
Energy (17)	7%	$12.97	$33.62	1.12	3%	5%
Utilities (15)	6%	$12.08	$28.28	0.26	3%	13%
Real Estate (14)	6%	$3.23	$26.94	0.54	3%	10%
Materials (11)	4%	$14.85	$32.68	1.32	20%	15%
Telecommunication Services (3)	1%	$123.64	$182.18	0.54	-9%	6%
Total Top 250 - Median		**$15.31**	**$37.89**	**1.00**	**19%**	**17%**

**Market Data is provided by S&P Capital IQ and is as of 6/30/17*
***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, measures share price appreciation plus dividends paid
[3] CAGR = Compound Annual Growth Rate

INTRODUCTION

Source of Data

All information was obtained from public documents filed with the Securities and Exchange Commission ("SEC"), including proxy statements, 10-K 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-2017. A grant type is considered to be in use 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 reward performance and/or continued service for a period of one year or more, and cannot be limited in 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. For example, a grant made 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).

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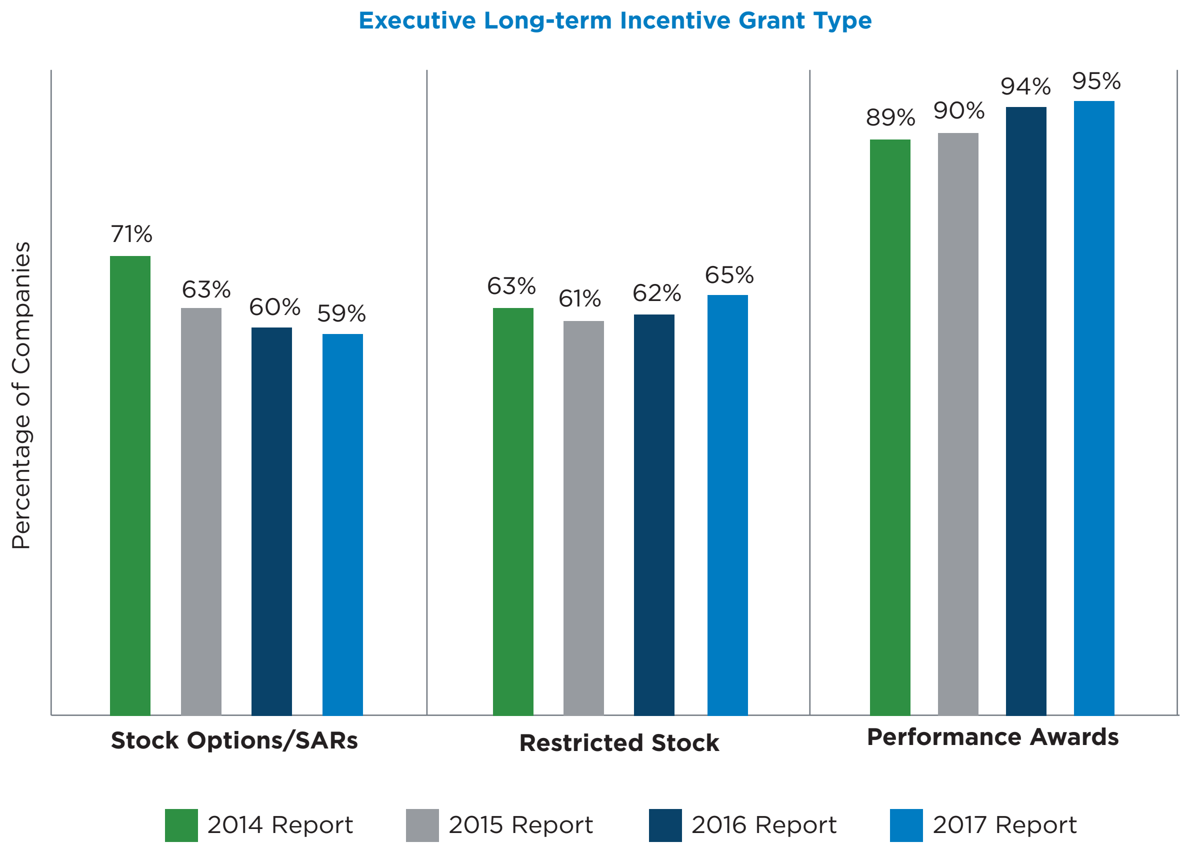
Additional References

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

Proxy Advisors References to proxy advisor views were developed from company-specific Say-on-Pay vote recommendations during the 2017 proxy season and direct conversations with, or a review of proxy voting guidelines published by, Institutional Shareholder Services ("ISS") and Glass Lewis.

EXECUTIVE LONG-TERM INCENTIVE GRANT TYPES AND USAGE

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.

Once considered the most shareholder-friendly grant type due to their inherent alignment with shareholder interests, the prevalence of stock options/SARs remained lower than restricted stock for the second consecutive year.

Restricted Stock includes actual shares or share units that are earned by continued employment, often referred to as time-based awards. The overall percentage of companies granting restricted stock has been about the same over the past four years. Companies that disclosed performance-vesting criteria solely to satisfy Internal Revenue Code ("IRC") Section 162(m) requirements are included as granting 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. Since 2010, performance awards rank as the most prevalent grant type with 95% 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, 90% denominate the awards in stock, 3% denominate the awards in cash units, and 7% use a combination of both. Compared to 2016, this represents an increase in companies denominating performance awards in stock (82% in 2016).

EXECUTIVE LONG-TERM INCENTIVE GRANT TYPES AND USAGE

Grant Type Usage by Industry

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

- At least 86% of companies in all sectors use performance awards, an affirmation that alignment of pay and performance transcends industry sector and applies to all companies.
- It is not surprising that in the Materials sector, buffeted by commodity price cycles and the highest stock price volatility of all sectors, stock options are very prevalent (82% usage) but restricted stock not so much (only 27%).
- Conversely, stock option prevalence is lowest among the Utilities, Real Estate and Telecommunication Services sectors, while restricted stock usage is among the highest. The combination of low volatility and high dividend yields reduces the value of an option and can discourage companies in these sectors from granting stock options.

Industry Sector (sorted by prevalence)	**Number of Companies**	**Stock Options/SARs**	**Restricted Stock**	**Performance Awards**
Health Care	37	89%	54%	92%
Financials	36	47%	61%	100%
Information Technology	35	49%	83%	91%
Industrials	31	71%	74%	100%
Consumer Discretionary	28	68%	43%	86%
Consumer Staples	23	74%	65%	91%
Energy	17	53%	82%	94%
Utilities	15	20%	80%	100%
Real Estate	14	14%	71%	100%
Materials	11	82%	27%	100%
Telecommunication Services	3	0%	100%	100%
Top 250	**250**	**59%**	**65%**	**95%**

EXECUTIVE LONG-TERM INCENTIVE GRANT TYPES AND USAGE

Number of Long-term Incentive Grant Types in Use

Most companies (88%) continue to employ a portfolio strategy, combining multiple grant types to balance objectives of rewarding stock price appreciation, promoting longer-term financial or strategic performance, and retaining executives.

The percent of Top 250 companies using one grant type remained constant at 12%. Of the 12% of companies that rely on a single grant type, 71% grant performance awards, 19% grant stock options, and 10% grant restricted stock.

Number of Grant Types	Percent of Companies Using			
	2014 Report	2015 Report	2016 Report	2017 Report
1 Type	14%	16%	12%	12%
2 Types	46%	50%	55%	51%
3 Types	39%	33%	32%	36%
4 Types	1%	2%	1%	1%

Looking at the number of grant types by industry sector, 72% percent or more of companies in all industry sectors use two or three grant types.

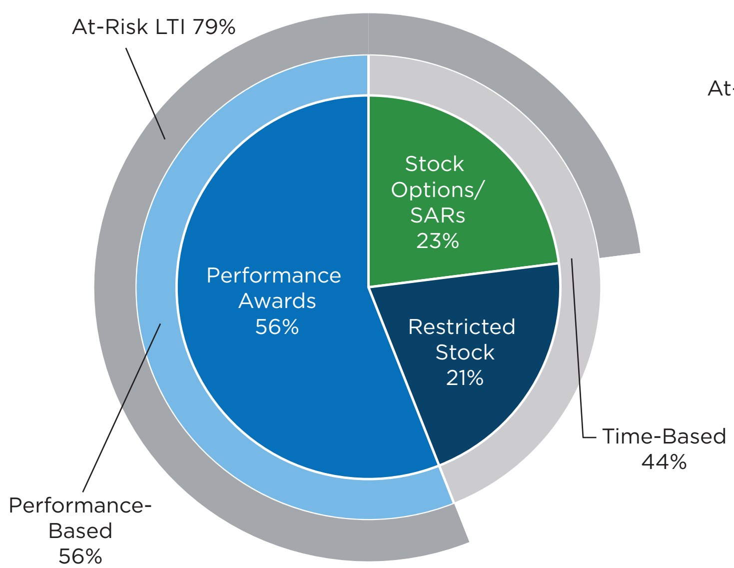
Industry Sector (# companies in each sector)	Grant Types by Sector			
	1 Type	2 Types	3 Types	4 Types
Health Care (37)	10%	41%	49%	0%
Financials (36)	13%	56%	31%	0%
Information Technology (35)	9%	60%	31%	0%
Industrials (31)	0%	39%	55%	6%
Consumer Discretionary (28)	28%	43%	29%	0%
Consumer Staples (23)	5%	52%	39%	4%
Energy (17)	18%	35%	47%	0%
Utilities (15)	20%	60%	20%	0%
Real Estate (14)	21%	65%	14%	0%
Materials (11)	9%	73%	18%	0%
Telecommunication Services (3)	0%	100%	0%	0%

EXECUTIVE LONG-TERM INCENTIVE GRANT TYPES AND USAGE

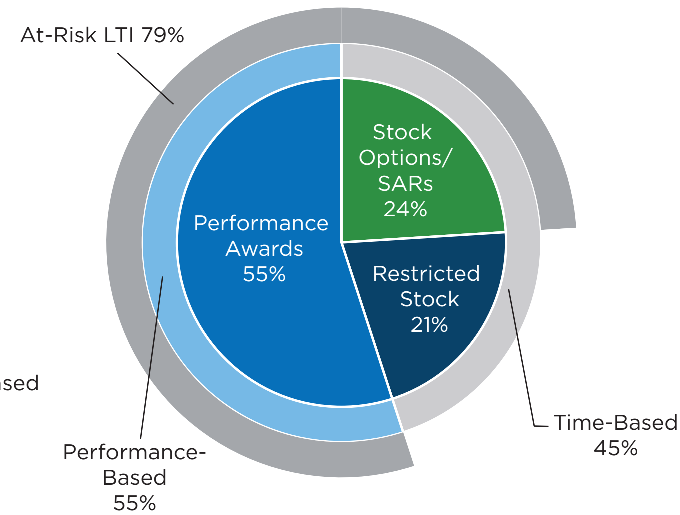
Long-term Incentive Value Mix

On average, performance awards comprise more than half of a Top 250 CEO's total long-term incentive value in both the 2017 (56%) and 2016 reports (55%). The remaining value is about evenly split between stock options/SARs and restricted stock. Long-term incentive mix continues to shift more weight towards performance-based awards as companies adhere to a pay-for-performance philosophy. The influence of proxy advisors and some shareholders who do not view stock options as "performance-based" is evidenced by the ongoing shift in mix away from stock options. While the performance-based nature of stock options is hotly debated, many companies have conceded that stock options are an award that is "at-risk," but not performance-based per se.

Average Top 250 CEO (2017 Report)



Average Top 250 CEO (2016 Report)

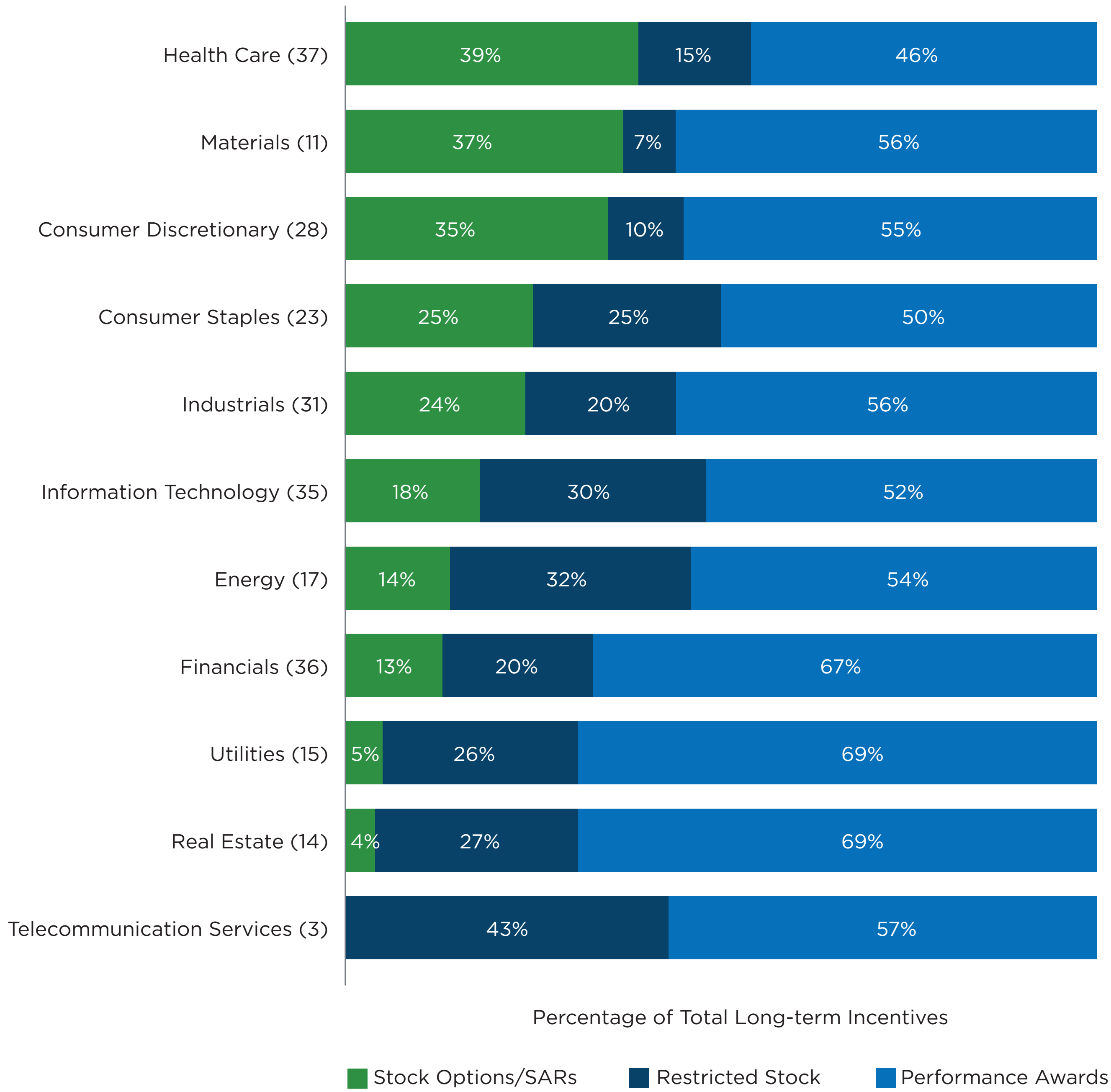


ISS does not endorse a specific grant mix (specifically, a minimum allocation to performance awards), but they do indicate a general preference for performance awards. While not a formal policy, ISS has criticized a CEO's long-term incentive mix for not being sufficiently performance-based if performance awards are less than 50% of total long-term incentive grant value or any reduction in performance-based allocation of total mix (e.g., reduction in performance-based awards from 75% of total long-term incentive mix to 60%).

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.

Average CEO Long-term Incentive Mix by Industry



OTHER LONG-TERM INCENTIVE PRACTICES

Stock Option/SAR Full Term & Expected Term

The full term of a stock option or SAR is the period 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 Full Term	Percent of Companies Using 2015 Report	2016 Report	2017 Report
10 years	87%	88%	87%
9 years	0%	0%	0%
8 years	1%	1%	2%
7 years	10%	9%	9%
6 years	2%	2%	2%

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. The expected term of a stock option grant is the length of time the option is expected to be outstanding for a participant before it is exercised.

ISS values stock options based on the full term, creating a difference between a company's proxy-reported stock option value and ISS' calculated stock option value used in ISS' CEO Pay for Performance quantitative tests.

Expected terms for companies granting stock options are most commonly between five and seven years and 50%-70% of the stock option's full contractual term.

Expected Term	# of Companies	Percent of Companies Using 2017 Report
Greater Than 8 Years	5	3%
Greater Than 7 Years to 8 Years	13	9%
Greater Than 6 Years to 7 Years	44	30%
Greater Than 5 Years to 6 Years	45	31%
Greater Than 3 Years to 5 Years	38	26%
Up to 3 Years	1	1%

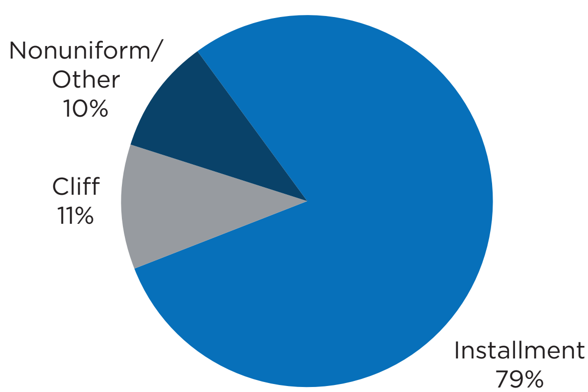
OTHER LONG-TERM INCENTIVE PRACTICES

Expected Term As a % of Full Term	# of Companies	Percent of Companies Using 2017 Report
Greater than 80%	6	4%
Greater than 75% to 80%	5	4%
Greater than 70% to 75%	10	7%
Greater than 65% to 70%	21	14%
Greater than 60% to 65%	29	20%
Greater than 55% to 60%	28	19%
Greater than 50% to 55%	21	14%
Greater than 45% to 50%	18	12%
Up to 45%	8	6%

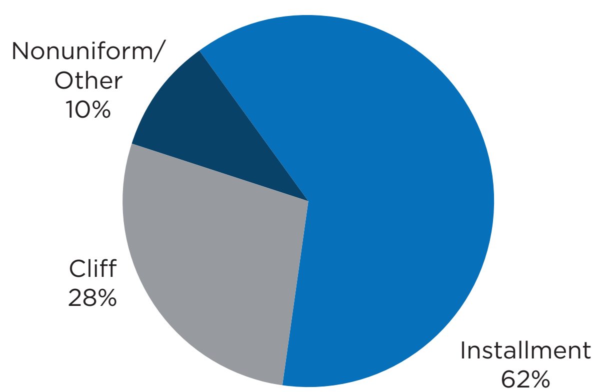
Vesting Schedules

Type of Vesting There are two basic approaches to vesting long-term incentives: Uniform “installment” or ratable vesting over a given period, and “cliff” vesting (100% vest at the end of the period). A few companies use a “nonuniform” approach (for example, one-third annually starting two years after grant). A majority of Top 250 companies utilize an installment vesting approach to stock options/SARs (79%) and restricted stock grants (62%). Restricted stock has been gravitating towards installment vesting and away from cliff vesting, 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 (which typically vest in installments) with restricted stock.

Stock Options/SARs



Restricted Stock

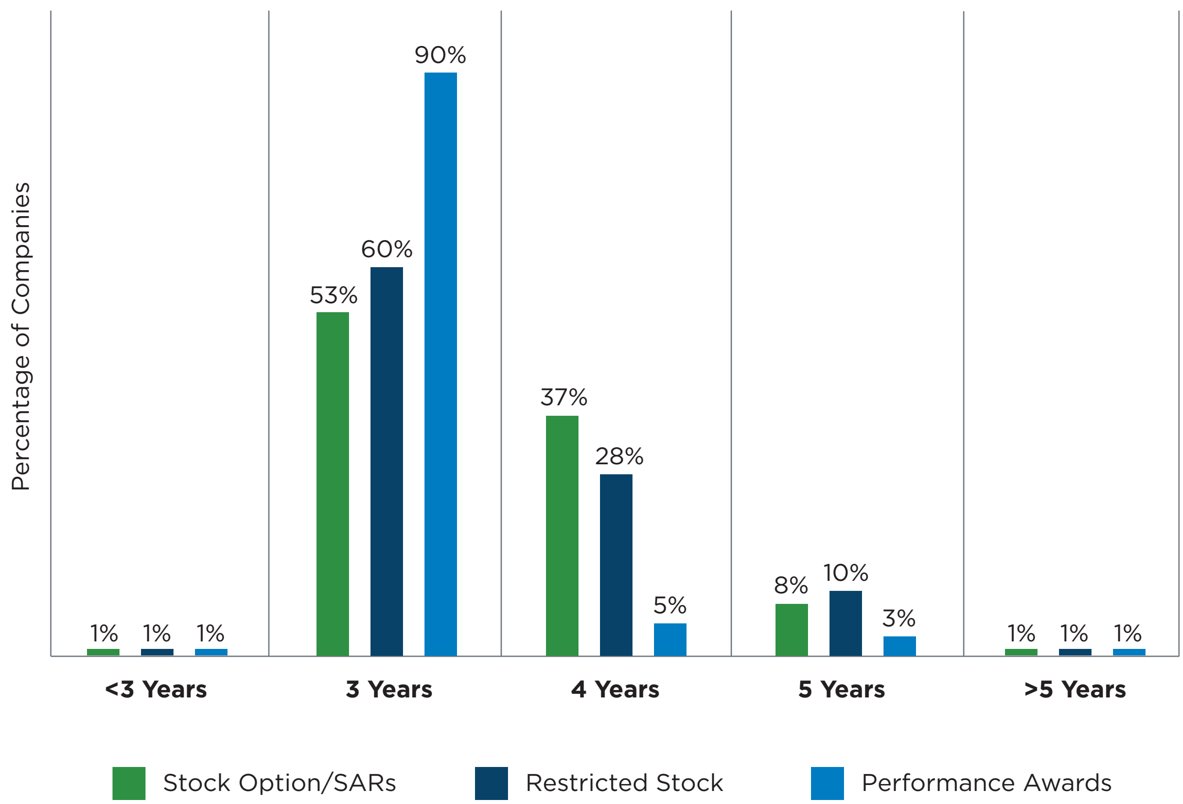


OTHER LONG-TERM INCENTIVE PRACTICES

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. Vesting periods of less than three years are rare, as are periods greater than five years. Time-based awards with short vesting periods provide less "retention glue" intended for such awards. For restricted stock, a vesting period of three years remains the most prevalent (60%); however, this is a decline from the prior year (65%) as more companies have moved to an extended vesting period of four years for restricted stock (28% in 2017 vs. 24% in 2016).

ISS does not prescribe a minimum vesting period, but it is a consideration in its QualityScore 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



OTHER LONG-TERM INCENTIVE PRACTICES

Performance Metrics

Categories of Performance Measurement Consistent with prior years, TSR and profit-based measures are the most prevalent categories of long-term performance measures at 60% and 49%, 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 remained the metric of choice for most Top 250 companies. 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 (although six additional financial metrics were introduced to ISS' qualitative review in 2017), as well as the sole performance metric required by the SEC under its proposed rules for pay and performance disclosure under Dodd-Frank. Further, relative TSR can serve as a manageable solution to challenges with setting long-term goals, particularly in uncertain economic environments.

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 2017 Report		
Category	**Performance Measures**	**2015**	**2016**	**2017**	**Absolute**	**Relative**	**Both**
Total Shareholder Return	Stock Price Appreciation Plus Dividends	54%	56%	**60%**	2%	90%	8%
Profit	EPS, Net Income EBIT, EBITDA Operating/Pretax Profit	51%	49%	**49%**	87%	12%	1%
Capital Efficiency	Return on Equity Return on Assets Return on Capital	41%	40%	**42%**	75%	15%	10%
Revenue	Revenue Organic Revenue	20%	20%	**19%**	87%	11%	2%
Cash Flow	Cash Flow Operating Cash Flow Free Cash Flow	11%	13%	**14%**	94%	6%	0%
Other	Safety, Quality Assurance New Business Individual Performance	14%	14%	**16%**	N/A	N/A	N/A

OTHER LONG-TERM INCENTIVE PRACTICES

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 15% of Top 250 companies use the relative approach. Market-based metrics, such as TSR, tend to be easier to compare across external benchmarks due to readily available information and consistent definitions.

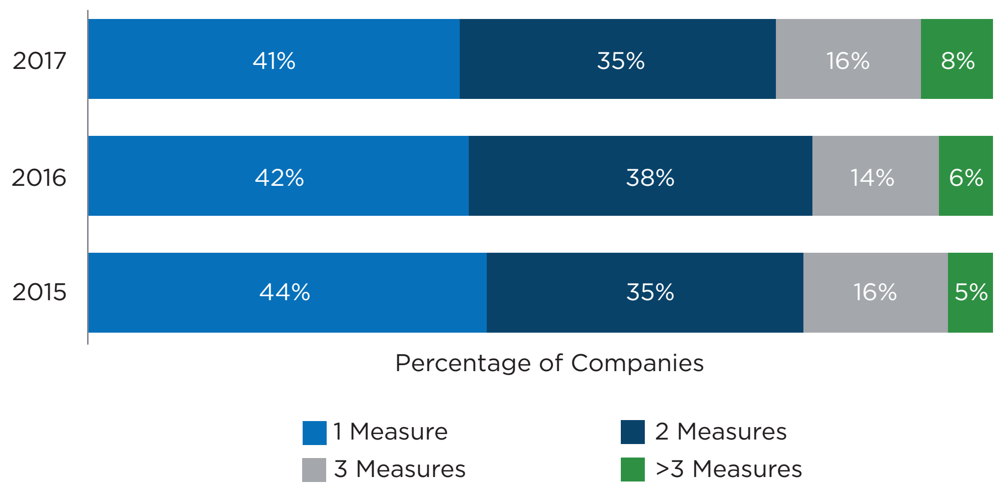
External benchmark selection (e.g., compensation peer group, custom performance peer group, broad industry or market index) is a key consideration in developing relative performance goals. Proxy advisors, as well as some shareholders, question the appropriateness of comparisons against broad market indices (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 has been 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 A majority of Top 250 companies use two or more performance measures (59%), but 41% of companies use a single performance measure, representing the most prevalent category.

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



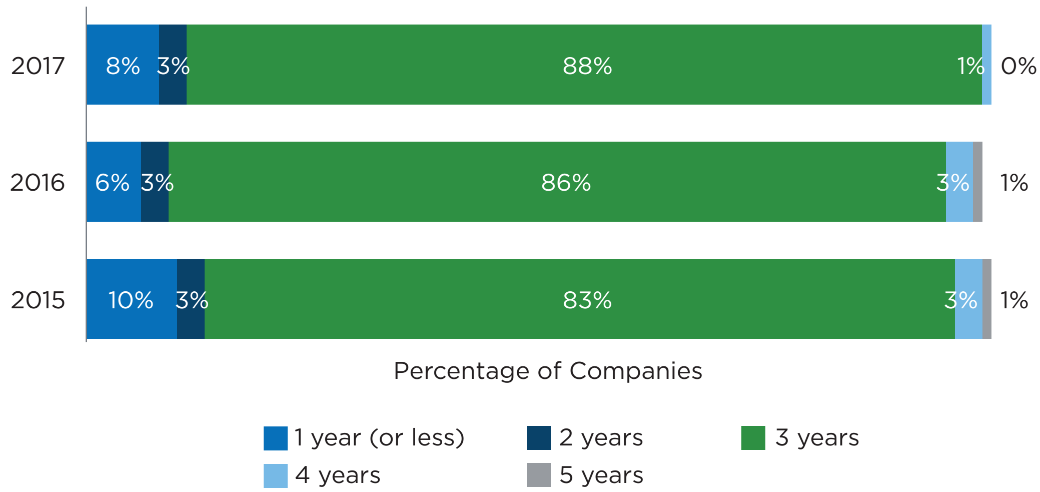
OTHER LONG-TERM INCENTIVE PRACTICES

Performance Measurement Period

Performance is measured over a period of three years in 88% 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 or less are the second most prevalent practice among the Top 250 companies that grant performance-based awards, but are uncommon at 8%. The three-year performance period balances the challenge inherent in setting long-term performance goals with best practice and external expectations of using multi-year performance periods. Many companies voice challenges in setting realistic long-term performance goals due to market volatility and uncertainty. 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 based on company guidance regarding long-term performance expectations.

Performance Award Period



OTHER LONG-TERM INCENTIVE PRACTICES

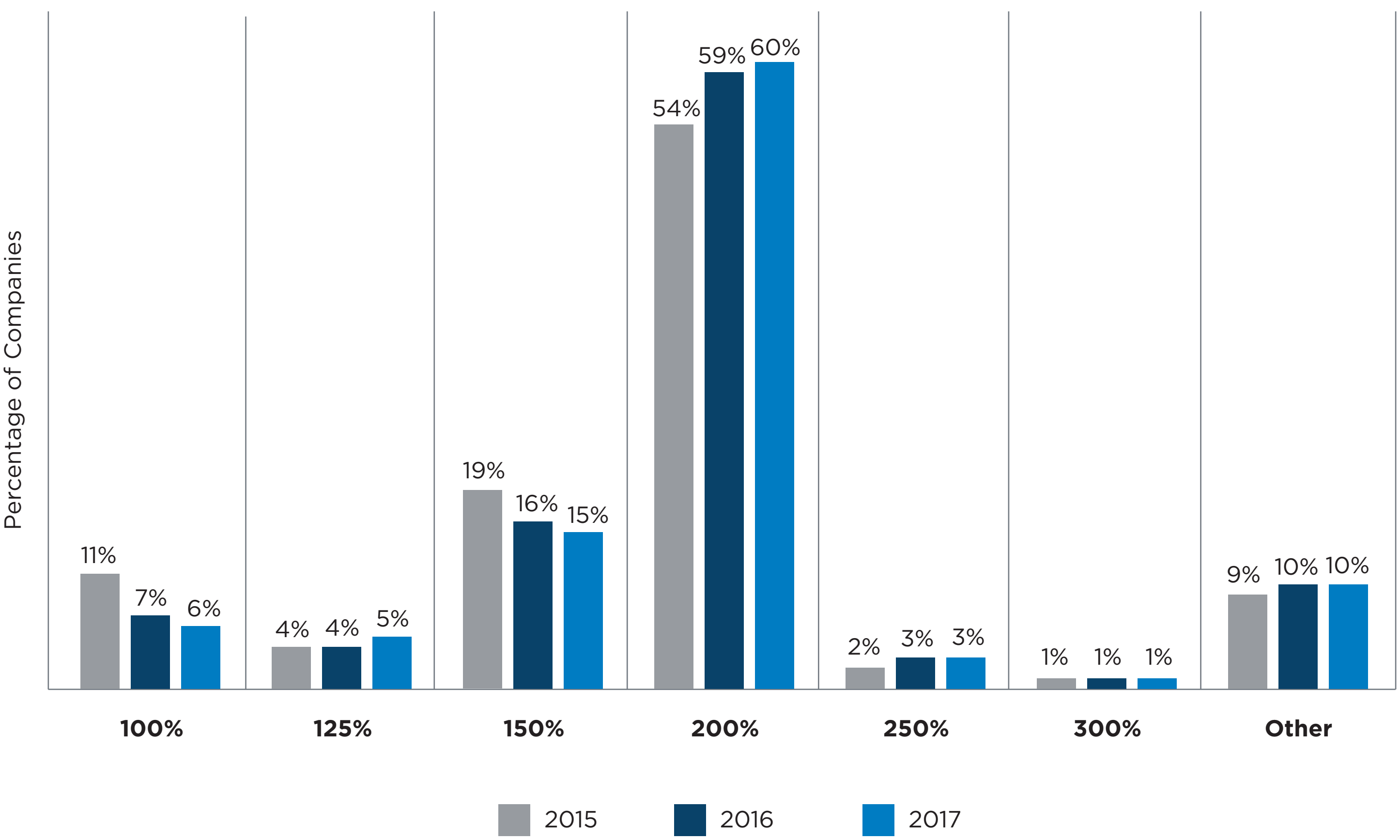
Performance Leverage (Maximum Payout Opportunity)

The most prevalent maximum payout opportunity for long-term performance awards is 200% of target, used by 60% of Top 250 companies. Payout at 150% of target is the next most prevalent maximum payout level (15%).

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

- The most prevalent maximum payout opportunity is 200% of target for all industry sectors except for the Financials sector, where 150% prevails.
- Only 25% of Financials report a maximum of 200%. The low prevalence is influenced by the inclusion of large banks subject to reduced long-term incentive plan leverage to mitigate compensation risk as prescribed by the Federal Reserve and other regulatory bodies. Sixty-four percent of companies in the Financials sector report a maximum payout opportunity of 150% or less.
- The Energy sector represents the other end of the spectrum, where all companies that grant performance awards report a maximum of at least 200%, with two of these companies reporting a maximum payout of 250% and one company reporting 300%.

Performance Award Maximum (% Of Target)



APPENDIX – COMPANIES INCLUDED IN THE 2017 TOP 250

Consumer Discretionary (28 Companies)

AutoZone Inc.
Carnival Corp.
CBS Corp.
Comcast Corp.
Dollar General Corp.
Expedia Inc. *
Ford Motor Co.
General Motors Co.
Lowe's Companies Inc.
Marriott International Inc.
McDonald's Corp.
Netflix Inc.
Newell Brands Inc. *
NIKE Inc.
Omnicom Group Inc.
O'Reilly Automotive Inc.
Ross Stores Inc.
Royal Caribbean Cruises Ltd.
Starbucks Corp.
Target Corp.
The Home Depot Inc.
The Priceline Group Inc.
The TJX Companies Inc.
The Walt Disney Co.
Time Warner Inc.
Twenty-First Century Fox Inc.
V.F. Corp.
Yum! Brands Inc.

Consumer Staples (23 Companies)

Altria Group Inc.
Archer-Daniels-Midland Co.
Colgate-Palmolive Co.
Constellation Brands Inc.
Costco Wholesale Corp.
CVS Health Corp.
General Mills Inc.
Kellogg Co.
Kimberly-Clark Corp.
Molson Coors Brewing Co.
Mondelez International Inc.
Monster Beverage Corp.
Pepsico Inc.
Philip Morris International Inc.
Sysco Corp.
The Coca-Cola Co.
The Estée Lauder Companies Inc.
The Hershey Co.
The Kroger Co.
The Procter & Gamble Co.
Tyson Foods Inc.
Walgreens Boots Alliance Inc.
Wal-Mart Stores Inc.

Energy (17 Companies)

Anadarko Petroleum Corp.
Apache Corp.
Baker Hughes Inc. *
Chevron Corp.
Concho Resources Inc. *
ConocoPhillips
Devon Energy Corp. *
EOG Resources Inc.
Exxon Mobil Corp.
Halliburton Co.
Marathon Petroleum Corp.
Occidental Petroleum Corp.
Phillips 66
Pioneer Natural Resources Co.
Schlumberger Ltd.
The Williams Companies Inc. *
Valero Energy Corp.

Financials (36 Companies)

Aflac Inc.
American Express Co.
American International Group Inc.
Ameriprise Financial Inc. *
Bank of America Corp.
BB&T Corp.
BlackRock Inc.
Capital One Financial Corp.
Citigroup Inc.
CME Group Inc.
Discover Financial Services
Fifth Third Bancorp *
Franklin Resources Inc.
Intercontinental Exchange Inc.
JPMorgan Chase & Co.
KeyCorp *
M&T Bank Corp. *
Marsh & McLennan Companies Inc.
MetLife Inc.
Moody's Corp.
Morgan Stanley
Northern Trust Corp. *
Prudential Financial Inc.
S&P Global Inc.
State Street Corp.
SunTrust Banks Inc.
Synchrony Financial
The Allstate Corp.
The Bank of New York Mellon
The Charles Schwab Corp.
The Goldman Sachs Group Inc.
The PNC Financial Services Group
The Progressive Corp.
The Travelers Companies Inc.
U.S. Bancorp
Wells Fargo & Co.

*(*Denotes new company in 2017 Top 250)*

APPENDIX – COMPANIES INCLUDED IN THE 2017 TOP 250

Healthcare (37 Companies)

Abbott Laboratories
AbbVie Inc.
Aetna Inc.
Alexion Pharmaceuticals Inc.
AmerisourceBergen Corp.
Amgen Inc.
Anthem Inc.
Baxter International Inc. *
Becton, Dickinson and Co.
Biogen Inc.
Boston Scientific Corp.
Bristol-Myers Squibb Co.
Cardinal Health Inc.
Celgene Corp.
Cerner Corp.
Cigna Corp.
Danaher Corp.
Edwards Lifesciences Corp.
Eli Lilly and Co.
Express Scripts Holding Co.
Gilead Sciences Inc.
HCA Holdings Inc.
Humana Inc.
Illumina Inc.
Incyte Corp. *
Intuitive Surgical Inc.
Johnson & Johnson
McKesson Corp.
Merck & Co. Inc.
Pfizer Inc.
Regeneron Pharmaceuticals Inc.
Stryker Corp.
Thermo Fisher Scientific Inc.
UnitedHealth Group Inc.
Vertex Pharmaceuticals Inc.
Zimmer Biomet Holdings Inc.
Zoetis Inc.

Industrials (31 Companies)

3M Co.
American Airlines Group Inc.
Caterpillar Inc.
CSX Corp.
Cummins Inc.
Deere & Co.
Delta Air Lines Inc.
Emerson Electric Co.
FedEx Corp.
Fortive Corp. *
General Dynamics Corp.
General Electric Co.
Honeywell International Inc.
Illinois Tool Works Inc.
Lockheed Martin Corp.
Norfolk Southern Corp.
Northrop Grumman Corp.
PACCAR Inc
Parker-Hannifin Corp. *
Raytheon Co.
Republic Services Inc. *
Rockwell Automation Inc. *
Roper Technologies Inc.
Southwest Airlines Co.
Stanley Black & Decker Inc. *
The Boeing Co.
Union Pacific Corp.
United Continental Holdings Inc.
United Parcel Service Inc.
United Technologies Corp.
Waste Management Inc.

Information Technology (35 Companies)

Adobe Systems Inc.
Amphenol Corp. *
Analog Devices Inc.
Apple Inc.
Applied Materials Inc.
Autodesk Inc. *
Automatic Data Processing Inc.
Cisco Systems Inc.
Cognizant Technology Solutions Corp.
Corning Inc.
eBay Inc.
Electronic Arts Inc.
Facebook Inc.
Fidelity National Information Services Inc.
Fiserv Inc.
Hewlett Packard Enterprise Co.
HP Inc.
Intel Corp.
International Business Machines Corp.
Intuit Inc.
Lam Research Corp. *
Mastercard Inc.
Micron Technology Inc. *
Microsoft Corp.
NVIDIA Corp.
Oracle Corp.
Paychex Inc.
PayPal Holdings Inc.
QUALCOMM Inc.
Salesforce.com Inc.
Symantec Corp. *
Texas Instruments Inc.
Visa Inc.
Western Digital Corp. *
Yahoo! Inc. (Altaba Inc.)

Materials (11 Companies)

Air Products and Chemicals Inc.
E. I. du Pont de Nemours and Co.
Ecolab Inc.
Freeport-McMoRan Inc. *
International Paper Co. *
Monsanto Co.
Nucor Corp. *
PPG Industries Inc.
Praxair Inc.
The Dow Chemical Co.
The Sherwin-Williams Co.

*(*Denotes new company in 2017 Top 250)*

APPENDIX – COMPANIES INCLUDED IN THE 2017 TOP 250

Real Estate (14 Companies)

American Tower Corp.
AvalonBay Communities Inc.
Boston Properties Inc.
Crown Castle International Corp.
Equinix Inc.
Equity Residential
GGP Inc.
Prologis Inc.
Public Storage
Simon Property Group Inc.
Ventas Inc.
Vornado Realty Trust *
Welltower Inc.
Weyerhaeuser Co.

Telecommunication Services (3 Companies)

AT&T Inc.
Level 3 Communications Inc.
Verizon Communications Inc.

Utilities (15 Companies)

American Electric Power Co. Inc.
Consolidated Edison Inc.
Dominion Resources Inc.
Duke Energy Corp.
Edison International
Eversource Energy
Exelon Corp.
NextEra Energy Inc.
PG&E Corp.
PPL Corp.
Public Service Enterprise Group Inc.
Sempra Energy
The Southern Co.
WEC Energy Group Inc.
Xcel Energy Inc.

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COMPANY PROFILE

FW Cook is an independent consulting firm specializing in executive and director compensation and related corporate governance matters. Formed in 1973, our firm has served more than 3,000 companies of divergent size and business focus from our offices in New York, Chicago, Los Angeles, San Francisco, Atlanta, Houston and Boston. We currently serve as the independent advisor to the compensation committees at a substantial number of the most prominent companies in the U.S.

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