

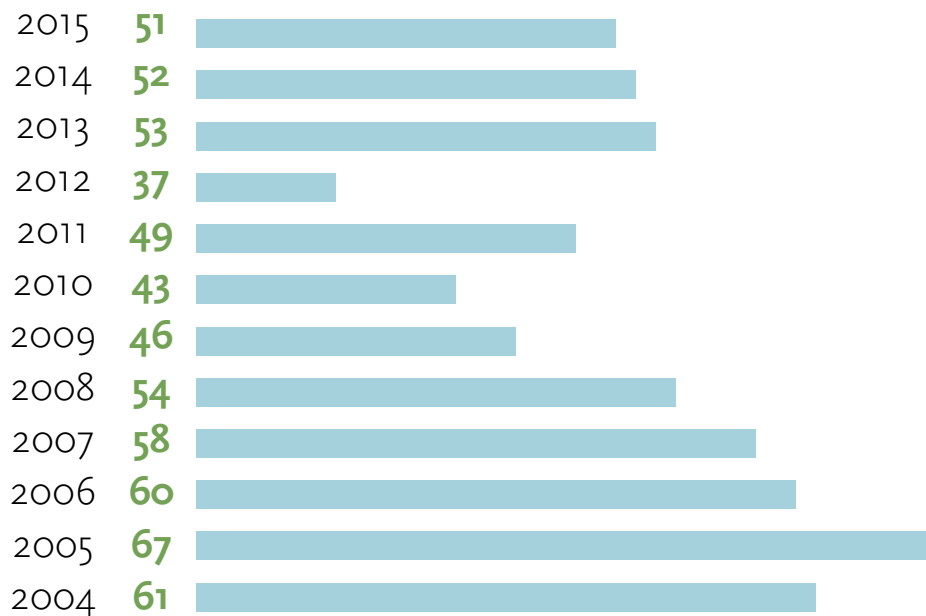
CEO TRANSITIONS 2015

Each year, Spencer Stuart tracks CEO transitions among S&P 500 companies. These transitions can be part of a planned succession or can arise unexpectedly, the result of company performance or personal issues. In addition to cataloging the reasons for CEO departures, based on company reporting, we also examine information about the successors, including whether or not they are internal candidates and whether they have been appointed chairman of the board in addition to CEO.

CEO TRANSITION OVERVIEW

Fifty-one companies on the S&P 500 Index recorded the installation of a new chief executive in 2015. This means transitions among S&P 500 companies essentially stayed level with the previous year, suggesting a reversal of the overall decline seen from 2005 to 2010. Nearly one-third of these transitions took place in the third quarter of 2015.

S&P 500 CEO Transitions 2004 - 2015



All S&P 500 groupings experienced turnover, with those in the 101-200 grouping recording the highest total at 15 cases, nearly one-third of all recorded transitions. One year ago, the highest number of transitions occurred in the 1-100 range.

Percentage of Transitions* by S&P 500 Company Range



*Percentages are rounded up

WHY DO CEOs LEAVE?

Voluntary departure was the dominant explanation for CEO departures in 2015. Forty-two of the 51 transitions were attributed to either retirement or the CEO choosing to step down.

Reasons for CEO Transitions

- 47% Former CEO  retired
- 35% Former CEO stepped  down
- 8% Company spinoff 
- 6% Former CEO  resigned
- 2% Company  merger
- 2% Company  split

CEO PROFILE

The average age of outgoing CEOs was 62, while the average age of incoming CEOs was 53, both holding steady from last year. None of 2015's new CEOs were women, while three women were among the outgoing chief executives.

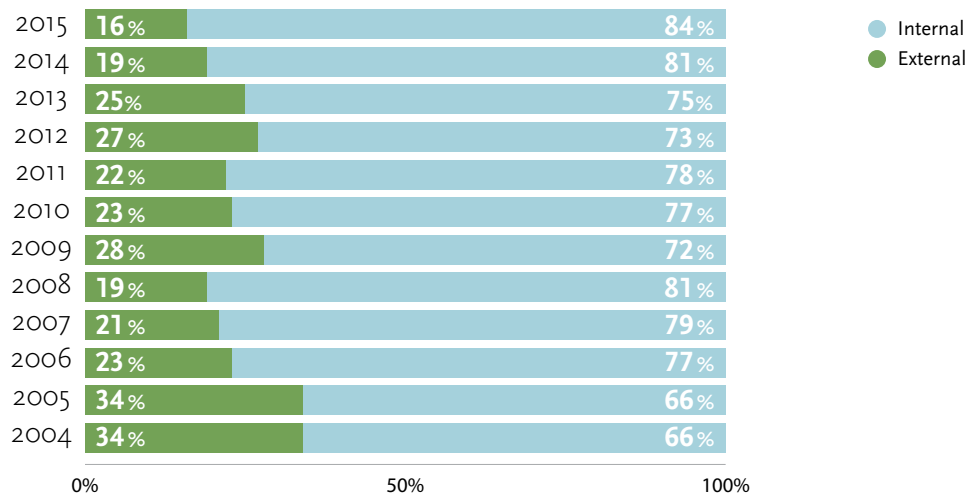


EXTERNAL VS. INTERNAL CANDIDATES

The percentage of CEO successors who were promoted from within the company jumped to 84% in 2015.

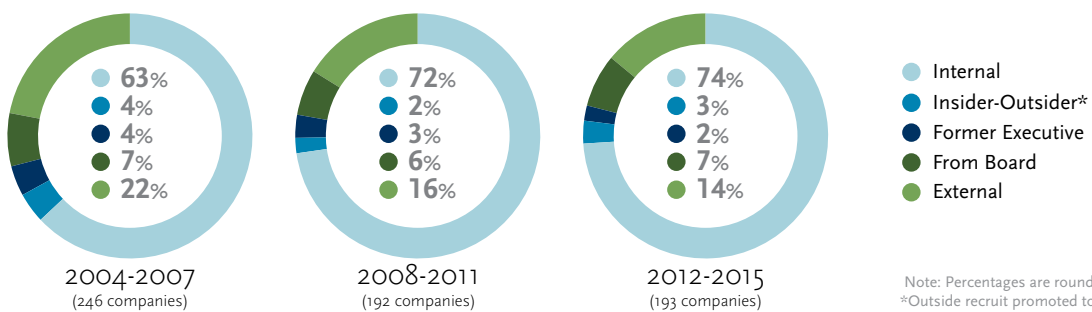
All but five of the 43 internal CEO placements were the result of a planned succession. This percentage has risen steadily over the past three years.

CEO Successors: Internal vs. External Placements



Based on analysis and many years of experience, we know that many routes to the top exist. There are internally promoted CEOs and externally recruited CEOs. The CEO can also be hired as an insider-outsider, from the board or been the prior CEO of the company.

Internal/External Candidates: A More Granular Look

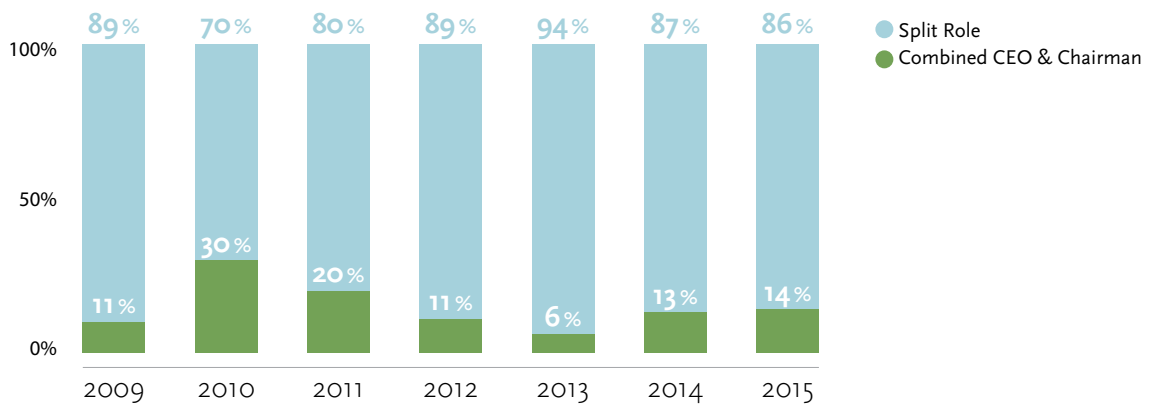


SPLIT VS. SHARED CHAIRMAN AND CEO ROLES

86% of the new CEOs did not take on the role of chairman, similar to last year's 87%.

Meanwhile, 49% of outgoing CEOs stayed on to serve as chairman of the board vs. 54% in 2014.

Is the New CEO Also the Chairman?




86%

of companies chose to **divide the roles** of chief executive and board chair

49%

of outgoing CEOs **continued with the company** in the role of chairman



Note: This data looks at the companies that have experienced a CEO transition, as defined by the replacement of an outgoing CEO with a permanent CEO. Data includes names of incoming and outgoing CEOs; the reason for the new appointment/departure of the former CEO; the ages of both the outgoing and incoming CEO; and whether the appointment was an internal or external one.

Prior to 2010, Spencer Stuart tracked CEO turnover, defined and recorded as any change in the CEO post. As of Jan. 1, 2010, we adjusted our methodology to track CEO transitions, defined as the change from a permanent outgoing CEO to a permanent incoming CEO. Open cases of turnover, defined as cases where no permanent CEO has been appointed, or cases where interim CEOs serve less than one year, are not included in year-end transition totals.

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2015 S&P 500 CEO Transitions
Total Number of Transitions: 51 as of December 31, 2015

Q1 2015 Transitions

Total Q1: 14

S&P 500	Company	Industry	Region	New CEO	New CEO Age	New CEO Start Date	Name of Interim CEO (if applicable)	Reason for change	Placement	If Internal, Planned Succession?	Prior Public CEO?	Former CEO	Former CEO Age	CEO/Chair Split?	Former CEO Now Chair?
200-300	Agilent Technologies Inc.	LS: Healthcare Services	Pacific	Mike McMullen	54	3/18/2015		Former CEO retired	Internal	Yes	No	William (Bill) Sullivan	66	Yes	No
100-200	Apache Corp.	ID: Oil & Gas	Southwest	John J. Christmann, IV	48	1/20/2015		Former CEO retired	Internal	Yes	No	G. Steven Farris	67	Yes	Yes
1-100	Archer-Daniels-Midland Company	ID: MFG	Midwest	Juan R. Luciano	54	1/1/2015		Former CEO retired	Internal	Yes	No	Patricia A. Woertz	62	Yes	Yes, already was
300-400	Darden Restaurants, Inc.	CGS: Restaurants & Bars	South	Eugene I. Lee Jr (Formerly Interim)	53	2/23/2015		Former CEO stepped down	Internal	No	No	Clarence Otis	58	Yes	No
100-200	Delphi Automotive	ID: Auto	Midwest	Kevin P. Clark	52	3/1/2015		Former CEO retired	Internal	Yes	No	Rodney O'Neal	61	Yes	No
400-500	Fastenal Company	ID: Machinery/Electric	Midwest	Leland J. Hein, Jr.	53	1/1/2015		Former CEO resigned	Internal	Yes	No	Willard D. Oberton	56	Yes	Yes, already was
300-400	Fidelity National Information Services, Inc.	Professional Services	South	Gary A. Norcross	50	1/1/2015		Former CEO stepped down	Internal	Yes	No	Frank R. Martire	67	Yes	Yes, already was
100-200	FirstEnergy Corp.	ID: Energy	Midwest	Charles E. Jones	59	1/1/2015		Former CEO stepped down	Internal	Yes	No	Anthony J. Alexander	63	Yes	Yes
1-100	LyondellBasell Industries N.V.	ID: Chemicals	Southwest	Bhavesh V. "Bob" Patel	48	1/12/2015		Former CEO retired	Internal	Yes	No	James L. Gallogly	62	No	No
1-100	McDonald's Corp.	CGS: Restaurants & Bars	Midwest	Steve Easterbrook	48	3/1/2015		Former CEO retired	Internal	Yes	No	Don Thompson	52	Yes	No
100-200	Parker Hannifin Corporation	ID: Machinery/Electric	Midwest	Thomas L. Williams	57	2/1/2015		Former CEO retired	Internal	Yes	No	Donald E. Washkewicz	65	Yes	Yes, already was
100-200	The Gap, Inc.	CGS: Retail	Pacific	Art Peck	60	2/1/2015		Former CEO retired	Internal	Yes	No	Glenn Murphy	53	Yes	No
100-200	Union Pacific Corporation	ID: Transport/Logistics	Midwest	Lance M. Fritz	52	2/5/2015		Former CEO retired	Internal	Yes	No	John J. (Jack) Koraleski	64	Yes	Yes
100-200	Yum! Brands, Inc.	CGS: Restaurants & Bars	South	Greg Creed	57	1/1/2015		Former CEO retired	Internal	Yes	No	David Novak	63	Yes	Yes, already was

Noted "Interim" Cases for Q1 (not factored into quarterly count)

S&P500	Company	Industry	Region	New CEO	New CEO Age	New CEO Start Date	Name of Interim CEO (if applicable)	Reason for change	Placement	If Internal, Planned Succession?	Prior Public CEO?	Former CEO	Former CEO Age	CEO/Chair Split?	Former CEO New Chair?
300-400	Mattel, Inc.	ID: MGF	Pacific	Christopher A. Sinclair <i>(INTERIM)</i>	64	1/26/2015		Former CEO resigned	External		Yes	Bryan G. Stockton	61	No	No
400-500	Starwood Hotels & Resorts Worldwide Inc.	CGS: Hospitality & Leisure	New England	Adam M. Aron <i>(INTERIM)</i>	61	2/14/2015		Former CEO resigned	External		Yes	Frits van Paasschen	54	Yes	No
200-300	Transocean Ltd.	ID: Oil & Gas	South	Ian Strachan <i>(INTERIM)</i>	72	2/16/2015		Former CEO stepped down	External		Yes	Steven Newman	51	Yes	No

Changes to S&P 500 Index in Q1 2015

Additions:	HCA Holdings	Endo International	American Airlines Group	Equinix	SL Green Realty	Hanesbrands	Skyworks Solutions	Henry Schein
Deletions:	Safeway	Covidien	Allergan	Denbury Resources	Nabors Industries	Avon Products	PetSmart	Carefusion

Q2 2015 Transitions

Total Q2: 11

S&P 500	Company	Industry	Region	New CEO	New CEO Age	New CEO Start Date	Name of Interim CEO (if applicable)	Reason for change	Placement	If Internal, Planned Succession?	Prior Public CEO?	Former CEO	Former CEO Age	CEO/Chair Split?	Former CEO Now Chair?
400-500	Alexion Pharmaceuticals Inc.	LS: Pharmaceuticals	New England	David L. Hallal	49	4/1/2015		Former CEO retired	Internal	Yes	No	Leonard Bell, M.D	57	Yes	Yes
100-200	Bristol-Myers Squibb Company	LS: Pharmaceuticals	Mid-Atlantic	Giovanni Caforio, M.D.	50	5/5/2015		Former CEO stepped down	Internal	Yes	No	Lamberto Andreotti	64	Yes	Yes
100-200	ConAgra	CGS: Packaged/Durables	Midwest	Sean M. Connolly	50	4/6/2015		Former CEO retired	External		Yes	Gary M. Rodkin	63	Yes	No
100-200	Dollar General Corporation	CGS: Retail	South	Todd J. Vasos	54	6/3/2015		Former CEO retired	Internal	Yes	No	Richard (Rick) W. Dreiling	62	Yes	Yes
300-400	Frontier Communications Corporation	TMT: Telecommunications	New England	Daniel J. (Dan) McCarthy	51	4/3/2015		Former CEO stepped down	Internal	Yes	No	Mary (Maggie) A. Wilderotter	60	Yes	Yes
300-400	Harley-Davidson, Inc.	ID: Auto	Midwest	Matthew S. (Matt) Levatic	51	5/1/2015		Former CEO retired	Internal	Yes	No	Keith Wandell	66	Yes	No
100-200	Kinder Morgan, Inc.	ID: Oil & Gas	South	Steven J. Kean	54	6/1/2015		Former CEO stepped down	Internal	Yes	No	Richard D. Kinder	70	Yes	Yes
300-400	Mattel, Inc.	ID: MGF	Pacific	Christopher A. Sinclair	64	4/2/2015		Former CEO resigned	External		Yes	Bryan G. Stockton	61	No	No
200-300	Norfolk Southern Corporation	ID: Transport/Logistics	South	James A. Squires	53	6/1/2015		Former CEO stepped down	Internal	Yes	No	Charles W. "Wick" Moorman	63	Yes	Yes
200-300	Transocean Ltd.	ID: Oil & Gas	South	Jeremy D. Thigpen	41	4/22/2015		Former CEO stepped down	External		No	Steven Newman	51	Yes	No
200-300	Unum Group	FS: Insurance	South	Richard P. McKenney	47	5/21/2015		Former CEO retired	Internal	Yes	No	Thomas R. Watjen	60	Yes	Yes

Noted "Interim" Cases for Q1 (not factored into quarterly count)

S&P500	Company	Industry	Region	New CEO	New CEO Age	New CEO Start Date	Name of Interim CEO (if applicable)	Reason for change	Placement	If Internal, Planned Succession?	Prior Public CEO?	Former CEO	Former CEO Age	CEO/Chair Split?	Former CEO New Chair?
300-400	NetApp, Inc.	TMT: Software/Services	Pacific	George Kurian (INTERIM)	48	6/1/2015		Former CEO stepped down	Internal		No	Tom Georgens	56	Yes	No

Changes to S&P 500 Index in Q2 2015

Additions:	Realty Income	Qorvo	Baxalta	J.B. Hunt Transport Services
Deletions:	Windstream Holdings	Lorillard	QEP Resources	Integrys Energy Group

Q3 2015 Transitions

Total Q3: 16

S&P 500	Company	Industry	Region	New CEO	New CEO Age	New CEO Start Date	Name of Interim CEO (if applicable)	Reason for change	Placement	If Internal, Planned Succession?	Prior Public CEO?	Former CEO	Former CEO Age	CEO/Chair Split?	Former CEO Now Chair?
300-400	Baxalta Inc.	LS: Biotech/Meedtech	Midwest	Ludwig N. Hantson	53	7/1/2015		Company spun off from Baxter	Internal	Yes	No	Robert L. Parkinson Jr.	64	Yes	No
1-100	Cisco Systems, Inc.	TMT: Technology	Pacific	Charles H. (Chuck) Robbins	49	7/26/2015		Former CEO stepped down	Internal	Yes	No	John Chambers	66	Yes	Yes
400-500	Columbia Pipeline Group	ID:Energy	Southwest	Robert C. (Bob) Skaggs Jr.	61	7/1/2015		Company spun off from NiSource	Internal	Yes	Yes	N/A	N/A	No	N/A
100-200	Devon Energy Corporation	ID:Energy	Southwest	David A. (Dave) Hager	58	8/1/2015		Former CEO retired	Internal	Yes	No	John Richels	63	Yes	Yes
100-200	eBay Inc.	TMT: Software/Services	Pacific	Devin N. Wenig	48	7/17/2015		Former CEO stepped down	Internal	Yes	No	John J. Donahoe	55	Yes	No
400-500	F5 Networks Inc.	TMT: Communications	Pacific	Manuel F. (Manny) Rivelo	51	7/1/2015		Former CEO retired	Internal	Yes	No	John McAdam	65	Yes	Yes
400-500	Fastenal Company	ID: Transport/Logistics	Midwest	Willard D. (Will) Oberton	57	7/20/2015		Former CEO stepped down	Internal	No	Yes	Leland J. Hein Jr.	54	No	No
200-300	Jacobs Engineering Group Inc.	Professional Services	Pacific	Steven J. (Steve) Demetriou	57	8/17/2015		Former CEO retired	External		Yes	Craig L. Martin	66	Yes	No
300-400	NiSource	ID:Energy	Midwest	Joseph (Joe) G. Hamrock	52	7/1/2015		Former CEO stepped down	Internal	Yes	No	Robert C. (Bob) Skaggs Jr.	61	Yes	No
200-300	PayPal Holdings Inc.	TMT: Software/Services	Pacific	Daniel H. (Dan) Schulman	58	7/17/2015		Company spun off from eBay	External		Yes	John J. Donahoe	55	Yes	Yes
200-300	Principal Financial Group Inc.	Professional Services	Midwest	Daniel J. Houston	54	8/18/2015		Former CEO stepped down	Internal	Yes	No	Larry D. Zimpleman	64	Yes	Yes
200-300	The Kraft Heinz Company	CGS: Packaged/Durables	Mid-Atlantic	Bernardo Hees	46	7/2/2015		Company merged with Heinz	Internal	Yes	Yes	John Cahill	59	Yes	No
200-300	The Mosaic Company	ID: Chemicals	Midwest	James C. (Joc) O'Rourke	55	8/5/2015		Former CEO retired	Internal	Yes	No	James T. (Jim) Prokopanko	62	Yes	No
100-200	Twenty-First Century Fox Inc.	TMT: Media	Mid-Atlantic	James Murdoch	42	7/1/2015		Former CEO stepped down	Internal	Yes	No	Rupert Murdoch	84	Yes	Yes
0-100	United Continental Holdings, Inc.	ID: Transport/Logistics	Midwest	Oscar Munoz	57	9/8/2015		Former CEO stepped down	External		Yes	Jeffrey A. (Jeff) Smisek	61	Yes	No
0-100	Walgreens Boots Alliance, Inc.	CGS: Retail	Midwest	Stefano Pessina	74	7/9/2015	Stefano Pessina	Former CEO stepped down	Internal	No	Yes	Greg Wasson	57	Yes	No

Changes to S&P 500 Index in Q3 2015

Additions:	Columbia Pipeline Group	Advanced Auto Parts	PayPal Holdings	Signet Jewelers	United Continental	Activision Blizzard
Deletions:	Allegheny Technologies	Family Dollar Stores	Noble Corporation	DIRECTV	Hospira	Pall

Q4 2015 Transitions

Total Q4 : 10

S&P 500	Company	Industry	Region	New CEO	New CEO Age	New CEO Start Date	Name of Interim CEO (if applicable)	Reason for change	Placement	If Internal, Planned Succession?	Prior Public CEO?	Former CEO	Former CEO Age	CEO/Chair Split?	Former CEO Now Chair?
200-300	Cameron International Corporation	ID: Machinery/Electric	Southwest	R. Scott Rowe	44	10/5/2015		Former CEO retired	Internal	Yes	No	Jack B. Moore	62	Yes	Yes, already was
0-100	E. I. du Pont de Nemours and Company	ID: Chemicals	Mid-Atlantic	Edward D. Breen	59	11/9/2015	Edward D. Breen	Former CEO retired	External		Yes	Ellen J. Kullman	59	No	No
300-400	Fifth Third Bancorp	FS: Banking	Midwest	Greg D. Carmichael	53	11/1/2015		Former CEO retired	Internal	Yes	No	Kevin T. Kabat	58	Yes	No
0-100	HP Inc.	TMT: Technology	West	Dion J. Weisler	48	11/1/2015		Hewlett Packard splits into two companies, HPE and HP Inc.	Internal	Yes	No	N/A	N/A	No	N/A
100-200	NRG Energy, Inc.	ID: Energy	Mid-Atlantic	Mauricio Gutierrez	44	12/3/2015		Former CEO stepped down	Internal	No	No	David W. Crane	56	No	No
200-300	Ralph Lauren Corporation	CGS: Retail	Mid-Atlantic	Stefan Larsson	41	10/1/2015		Former CEO retired	External		No	Ralph Lauren	75	Yes	Yes, already was
400-500	Starwood Hotels & Resorts Worldwide Inc.	CGS: Hospitality/Leisure	New England	Thomas B. Mangas	47	12/31/2015		Former CEO resigned	Internal	No	No	Adam Aron	61	Yes	No
0-100	The Procter & Gamble Company	CGS: Packaged/Durables	Midwest	David S. Taylor	57	11/1/2015		Former CEO retired	Internal	Yes	No	Alan George Lafley	68	Yes	Yes
0-100	The Travelers Companies, Inc.	FS: Insurance	Mid-Atlantic	Alan D. Schnitzer	49	12/1/2015		Health	Internal	Yes	No	Jay S. Fishman	62	Yes	Yes
300-400	CSRA	Professional Services	South	Lawrence B. Prior III	59	11/27/2015		Company spun off from CSC	Internal	Yes	No	N/A	N/A	Yes	N/A

Noted "Interim" Cases for Q4 (not factored into quarterly count)

S&P500	Company	Industry	Region	New CEO	New CEO Age	New CEO Start Date	Name of Interim CEO (if applicable)	Reason for change	Placement	If Internal, Planned Succession?	Prior Public CEO?	Former CEO	Former CEO Age	CEO/Chair Split?	Former CEO New Chair?
1-100	Citrix Systems	Application Software		Robert M. Calderoni (INTERIM)	55	10/21/2015		Former CEO retired	Internal	No	No	Mark B. Templeton	62	Yes	No
400-500	United Continental Holdings, Inc.	Airlines		Brett J. Hart (ACTING CEO)	45	10/20/2015		Health	Internal	No	No	Oscar Munoz	56	No	Yes

Changes to S&P 500 Index in Q4 2015

Additions:	Church & Dwight	CSRA	Illumina	Hewlett Packard Enterprises	Synchrony Financial	Verisk Analytics
Deletions:	Altera	Computer Sciences	Sigma-Aldrich	Hudson City Bancorp	Genworth Financial	Joy Global