

2020 CPA-Zicklin Index of Corporate Political Disclosure and Accountability

Trump Years: Boom in Political Disclosure as Companies Manage Riskier Environment



CENTER FOR
POLITICAL ACCOUNTABILITY

The Carol and Lawrence

ZICKLIN CENTER

for Business Ethics Research



Wharton
UNIVERSITY OF PENNSYLVANIA



ABOUT THE CENTER FOR POLITICAL ACCOUNTABILITY

The Center for Political Accountability (CPA) is a non-profit, non-partisan organization working to bring transparency and accountability to corporate political spending. It was formed to address the secrecy that cloaks much of the political activity engaged in by companies and the risks this poses to shareholder value. Collaborating with more than a dozen shareholder advocates, CPA is the only group directly engaging companies to improve disclosure and oversight of their election-related spending. This includes soft money contributions and payments to trade associations and other tax-exempt organizations that are used for political purposes. The Center aims to encourage responsible corporate political activity, protect shareholders, and strengthen the integrity of the political process. As a result of the efforts of CPA and its partners, 179 leading public companies have adopted political disclosure and oversight through agreements.

ABOUT THE ZICKLIN CENTER FOR BUSINESS ETHICS RESEARCH AT THE WHAR-TON SCHOOL OF THE UNIVERSITY OF PENNSYLVANIA

The Carol and Lawrence Zicklin Center for Business Ethics Research was established in 1997. The mission of the Center is to sponsor and disseminate leading-edge research on critical topics in business ethics. It provides students, educators, business leaders, and policy makers with research to meet the ethical, governance, and compliance challenges that arise in complex business transactions. The Zicklin Center supports research that examines those organizational incentives and disincentives that promote ethical business practices, along with the firm-level features, processes, and decision making associated with failures of governance, compliance, and integrity.

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FOREWORD

Rebecca Henderson

How should we think about the relationship between firms and the political system in which they are embedded? Our democracy is under enormous stress – partly as a result of the ways in which many firms have played the political game over the last twenty years. Should business care? Should we? And if so, what can be done?

For many years, U.S. companies have behaved as if their political activities were merely a sideshow to the main event – which was almost uniformly defined as maximizing shareholder value. This past September was the 50-year anniversary of the famous piece by Milton Friedman, the University of Chicago economics professor, in which he suggested that to do anything other than seek to increase profits “while conforming to (the) basic rules of the society, both those embodied in law and those embodied in ethical custom subject to law and ethical custom” was not only to betray one’s responsibilities to one’s investors but also to risk subverting the free market, and thereby to make society significantly less wealthy and less free.

But there is a deep contradiction lurking at the heart of Friedman’s argument. How should we think about the appropriate goal of the firm if firms are actively shaping the law? After all, in many cases the shortest route to profitability is to rewrite the rules of the game in one’s own favor. If doing this subverts the democracy – and there is increasing evidence that corporate political spending is doing just this – then what are the duties of the firm? Should the private sector maximize profit at the cost of the health of the society on which it relies?

I think the answer is clearly “no” – and not only because I care about democracy. I think that democracy is good for business.

As years of research in political economics and development economics have shown, healthy, prosperous societies rest not only on vigorous free markets but also on competent, transparent, democratically elected governments and strong civil societies. Without democratically accountable governments to ensure that markets remain free and fair; that “externalities” like pollution are properly controlled; and that opportunity is available to all, societies risk falling into populism. And in too many cases populism has proved inimical to capitalism – degenerating into crony capitalism and the rule of the few on behalf of the few.

Until recently the U.S. appeared to be a shining example of a nation committed to the idea of strong, robust democracy. But roughly half of Americans now believe that America is in “real danger of becoming a nondemocratic, authoritarian country” while some 70 percent believe that “Our political system seems to only be working for the insiders with money and power.”¹

This decline flows from many factors, but one of them is almost certainly the increasing role of business in politics. In 2019, private firms spent nearly \$2.2 billion lobbying Congress – more than half of all lobbying expenditures – and millions more on contributions directly, by their political action committees and through third party groups to particular candidates. And, as the Center for Political Accountability’s powerful report “Conflicted Consequences” suggests, firms have also been spending heavily to influence state and local elections, often with results that appear to be diametrically opposed to their stated positions. In 2017, leading companies loudly proclaimed their support for the Paris Climate Accords following the U.S. withdrawal. However, three years earlier, 19 of those companies had given more than \$1 million to the Republican

¹ <https://www.nbcnews.com/politics/meet-the-press/deep-boiling-anger-nbc-wsj-poll-finds-pessimistic-america-despite-n1045916>

Attorneys General Association. The association, in turn, contributed to the election of seven attorneys general who played a prominent role the following year in opposing action to address climate change.

In the 2010 election cycle, the 20 largest public company donors contributed more than \$7 million to the Republican State Leadership Committee, which focused on winning state legislative campaigns. About 10 of these 20 firms had explicit diversity policies on their books in 2010, but their donations facilitated the drawing of legislative and congressional district lines following the 2010 elections – gerrymander – that in several cases the courts later held to be racially motivated. In the current election cycle, public companies – despite their near unanimous support for Black Lives Matter – have contributed \$12.9 million (as of June 30, 2020) to the RSLC, which is seeking to retain GOP control of state legislatures, including those racially gerrymandered a decade ago.

Of course, companies seeking to reduce political spending face a classic collective action problem. In principle, many firms embrace the idea that everyone would be better off if we could reduce the level of spending in politics. But every firm has strong incentives to make sure that their own interests are protected – particularly if their competitors are also spending heavily. While a few particularly enlightened firms may decide to unilaterally disarm, most firms will continue to devote resources to political action unless and until it becomes clear that every firm will cease and desist.

It is this dynamic that makes the work of the Center and in particular its signature CPA-Zicklin Index so important. By encouraging firms to disclose their political expenditures in detail, the Index not only opens the door to pressure from shareholders, employees and consumers seeking to ensure that firms live up to their stated commitments, but also supports firms in having deep conversations at the board level about the nature and purpose of their political expenditures and – most excitingly of all – potentially catalyzes a race to the top, driving increased disclosure and accountability across the entire universe of publicly traded firms.

This most recent edition of the Index suggests that something like this may be beginning to happen. In 2020, the number of companies disclosing some or all election-related spending was 260, or over half of the S&P 500. The number of companies saying they disclosed some or all of their election-related spending or they prohibited at least one type of such spending was 332. Most significantly, there is a significant increase in the number of firms reporting that political disclosures are subject to board and committee oversight. While in 2016 only 111 companies had policies requiring board oversight of political spending and board committee review of company policy, political expenditures and trade association payments, by 2020 this number has risen to 162 companies, an increase of almost 46 percent.

As the coming election focuses attention on the importance of clean, transparent elections, the work of the Center can only become more important.

Rebecca Henderson is the John and Natty McArthur University Professor, Harvard Business School, and author of Reimagining Capitalism in a World on Fire.

ACKNOWLEDGMENTS

The 2020 CPA-Zicklin Index was written by the Center for Political Accountability team, comprised of Bruce Freed, CPA President; Dan Carroll, CPA Vice President for Programs; Karl Sandstrom, CPA Counsel and Senior Counsel with Perkins Coie; and Peter Hardin, CPA Writer and Editor. Carlos Holguin, CPA research associate, assisted with the Index.

Preliminary company data was collected by Ben Brown, Mackenzie Brown, Khadeejah Milhan, and Jehan Narielvala, CPA research analysts.

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CPA thanks its advisory committee, created to develop an objective system for scoring companies' policies and practices on political disclosure and accountability. Advisory committee members include: Julia Fox Gorte, Ph.D., Senior Vice President for Sustainable Investing, Impax Asset Management LLC and Pax World Funds; Lloyd Kurtz, Head of Social Impact Investing, Wells Fargo Private Bank; William S. Laufer, Professor of Legal Studies and Business Ethics, Sociology, and Criminology, and Director, The Carol and Lawrence Zicklin Center for Business Ethics Research; and Blaine Townsend, Senior Vice President, Director, Sustainable, Responsible and Impact Investing Group, Bailard Inc.

CPA thanks Bailard Inc., a majority employee-owned institutional asset management and wealth advisory firm headquartered in Foster City, California, for its support for the Index.

2020 CPA-ZICKLIN TRENDSETTERS



conEdison, inc.



Honeywell

Johnson & Johnson

JPMORGAN CHASE & CO.

Kellogg's



INTERNATIONAL PAPER



Mondelēz International
SNACKING MADE RIGHT



Morgan Stanley



UNITEDHEALTH GROUP



BUILDING AMERICA



Qualcomm

EXECUTIVE SUMMARY

The 2020 CPA-Zicklin is published at a turbulent time. The nation faces a catastrophic pandemic, an economic downturn, unrest over police brutality and racial injustice, and political turmoil. Meanwhile the 2020 elections are but weeks away. During this time, corporate responsibility is a central topic of debate. Companies increasingly are asked to take a stand.

In this troubled environment, data from the 2020 Index offer a bright spot: In a time of heightened risk, many large public companies have realized major gains when it comes to adopting strong policies of disclosure and accountability for their election-related spending from corporate funds.

Whether one looks at the overall number of S&P 500 companies in 2020 or the 378 companies that have been a constant in the Index since 2015,² the Trump years (2016-2020) have proven to be a boom time for corporate political disclosure and accountability. Indeed, increases have occurred since 2015 and strengthened since 2016. Especially striking are the increases in company adoption of board oversight and more detailed committee review of political spending. This provides a foundation for boards to expand their oversight to address the broader impact of their companies' spending.

“Core” S&P 500 Companies

OVERSIGHT: In 2020, 228 (over 60 percent of the core companies) had policies for general board oversight of political spending. Meanwhile, core companies with specific committee review of different types of political spending increased between 32 and 48 percent depending on the recipient type between 2016 and 2020.

DISCLOSURE: Two hundred forty, or nearly two-thirds of core companies had policies in 2020 for fully disclosing or prohibiting donations to candidates, political parties and committees; 224 companies had them for donations to 527 groups; and 211 companies had them for independent expenditures. The biggest increase in any category – 50 percent, to 135 companies from 90 in 2016 – came in disclosure or prohibition of donations to tax-exempt 501(c)(4) groups also known as “social welfare” organizations, often a focus of scrutiny over their “dark money” spending.

AVERAGE SCORE: The average score evaluating overall political disclosure and accountability for the core companies has risen steadily from 46.0 percent in 2016 to 57.0 percent in 2020, an increase of nearly 25 percent.

FIRST TIER: In 2020, 144 core companies placed in the first Index tier (scoring from 80 percent to 100 percent) a dramatic increase of almost 80 percent compared to 79 core companies in 2016.

² The Index was first published in 2011, covering the S&P 100. It has since expanded several times, covering the entire S&P 500 since 2015.

All S&P 500 Companies

The universe of all S&P 500 companies is larger (492 companies).³ For all S&P 500 companies, too, there was continuing improvement in many key Index measures between 2016 and 2020, and in the past year, companies generally held their own.

CPA-ZICKLIN TRENDSETTERS: From 35 companies in the S&P 500 that ranked as Trendsetters in 2016, the number has more than doubled to 79 in 2020. Trendsetter companies received scores of 90 percent or higher in the Index. Of the 79, all but two were core companies.⁴

FIRST TIER: In 2016, a total of 94 companies in the S&P 500 placed in the top tier (with scores between 80 percent and 100 percent). That number has increased to 156 companies this year, a major gain of two-thirds.

OVERSIGHT: In 2016, 111 companies had policies for general board oversight of political spending and for board committee review of company policy, political expenditures and trade association payments. In 2020, this number has risen to 162 companies, an increase of 46 percent. The number of companies adopting general board oversight or more granular committee review of political spending has increased between 13 and 35 percent depending on the type of spending.

DISCLOSURE: The number of companies that fully or partially disclosed their political spending in 2020 or that prohibited at least one type of spending was 332, up from 304 in 2016.

AVERAGE SCORE: For all S&P 500 companies, the average overall score for political disclosure and accountability has risen from 42.3 percent in 2016 to 50.1 percent in 2020.

MOST-IMPROVED COMPANIES: Rated “most-improved” for gains in their overall scores of 50 percentage points or more from last year to this year are 19 companies: Welltower Inc., Corteva, Inc., DuPont de Nemours, Monster Beverage Corporation, Cognizant Technology Solutions Corp., Evergy, MGM Resorts International, Hilton Worldwide Holdings Inc., Brown-Forman Corp., Avery Dennison Corp., Nucor Corp., Baker Hughes Company, Gartner Inc., J.M. Smucker Co., Leidos Holdings, Broadridge Financial Solutions, Inc., Ametek Inc., Expedia Inc., and Amphenol Corp.

³ Some companies with no or limited U.S. operations are excluded from the Index and some companies have merged or been acquired since the list of companies was set on April 15, 2020, resulting in fewer than 500 companies analyzed.

⁴ In the 2015 CPA-Zicklin Index, the first year the Index evaluated the full S&P 500 Index, there were 28 Trendsetter companies.

INTRODUCTION

What do these snapshots of political disclosure and accountability progress mean for companies, employees, shareholders, and citizens?

COMPANIES UNDER A MICROSCOPE: In a time of hyperpolarization over politics and policy, companies are under the microscope. When they take stands, they may encounter criticism or scrutiny. Politics pervades the marketplace; just consider news headlines in recent weeks about the influential Business Roundtable endorsing a market-based climate change policy⁵; President Trump’s urging a Goodyear boycott over the company’s ban on MAGA caps⁶; and a Wall Street Journal writer’s observing, “Everything is more political these days. The C-suite and boardroom are no exception — which can make running a business more complicated.”⁷

In today’s sharply divided climate, it pays for companies to adopt best practices in order to manage and mitigate risk. CPA has laid out in two reports⁸ the nature and extent of increasing risk for companies when their political spending ultimately fuels results that conflict with their core values or positions. No company wants to draw the kind of scorching critique that Walmart, AT&T and Microsoft received in a recent New York Times analysis⁹ saying they and other Fortune 500 firms “quietly funded political efforts that are antithetical to their public stances.”

MOVING TO MANAGE THE RISK: Judging from data trends in the Index, it appears that as companies are asked to take a public stand, many of them are putting transparency and accountability safeguards in place to manage or mitigate the risks.

MATCHING POLICY WITH ACTION: The best-designed safeguards can prove hollow or inadequate without careful execution, however, whether it involves companies looking ahead to see that political donations might ultimately undermine their principles; or whether it involves inadequate oversight and questionable spending.

Recent corruption allegations in Ohio offer a prime example of the latter. The Ohio House Speaker and several allies were charged with racketeering; authorities said FirstEnergy Corp.’s affiliates “funneled more than \$60 million in bribes in exchange for ... a \$1.3 billion bailout of two nuclear plants that were, at the time, owned by a FirstEnergy subsidiary,” according to Cleveland.com.¹⁰ A 501(c)(4) “dark money” nonprofit was alleged to have served as a conduit for bribery money.

A shareholder lawsuit against FirstEnergy’s board of directors now says internal controls that might have flagged the payments were not established by the board, and the board lacked “reasonable and prudent supervision over the company’s management and policies.”¹¹ The alleged corruption scheme

5 <https://www.politico.com/news/2020/09/15/business-roundtable-endorse-market-based-climate-policy-415804>

6 <https://www.usatoday.com/story/money/2020/08/19/goodyear-boycott-president-trump-maga-hats-blm/3400550001/>

7 Theo Francis, Wall Street Journal, 2020 Election+Business Newsletter, Politics Divides the Boardroom, Sep. 15, 2020.

8 CPA’s [Collision Course](#) and [Conflicted Consequences Reports](#)

9 <https://www.nytimes.com/2020/07/21/business/dealbook/corporate-political-donations.html>

10 <https://www.cleveland.com/business/2020/08/shareholder-sues-firstenergys-board-of-directors-alleging-a-lack-of-oversight-involving-payments-to-householder.html>

came despite FirstEnergy's reaching a political disclosure agreement in 2007 with a CPA shareholder partner. The lawsuit mentions claims that the company did not live up to that accord.

TRENDSSETTERS: Seventy-nine Trendsetters are setting model corporate governance best practices for operating in an incendiary political era. These companies choosing sunlight and accountability for their political spending are among the largest and most influential publicly held corporations in the nation.

BOTTOM-TIER: Among serial basement-dwellers for their bottom-tier Index scores (the lowest 20 percent) between 2016 and 2020 are such familiar and influential corporate names as Berkshire Hathaway (0.0 percent); Netflix (0.0); Tyson Foods (8.6); Hanes Brands (8.6); and Molson Coors Brewing Company (17.1). They are outliers when it comes to documented trends in corporate political disclosure and accountability. Why resist? Only time will tell whether lessons learned, shareholder activism, peer pressure or the example of mainstream U.S. companies will lead them to change.

NEXT STEPS/MODEL CODE: For all companies, it may be useful to implement best practices that are listed in the new CPA-Wharton Zicklin Model Code of Conduct for Corporate Political Spending, in Appendix G.

11 Ibid

Box 1. SCORING OF THE INDEX

Interpretation and Scoring. The Index's accuracy depends upon consistency and fairness in scoring. In order to analyze companies accurately and consistently across 24 indicators, we must adhere closely to our rigorous scoring guidelines.

CPA scores each company based solely on the information that is publicly available on the company's website and without regard to how the company was scored in previous years. This ensures that companies are scored on their current disclosure practices and policies. CPA consults with its Scoring Advisory Committee in order to be as consistent, fair, and accurate as possible. Companies are also given the opportunity to speak with CPA about the Index scoring process and their individual scores before the Index is published.

CPA's practice is to announce any revisions to the Index's 24 indicators or their interpretations one year in advance.

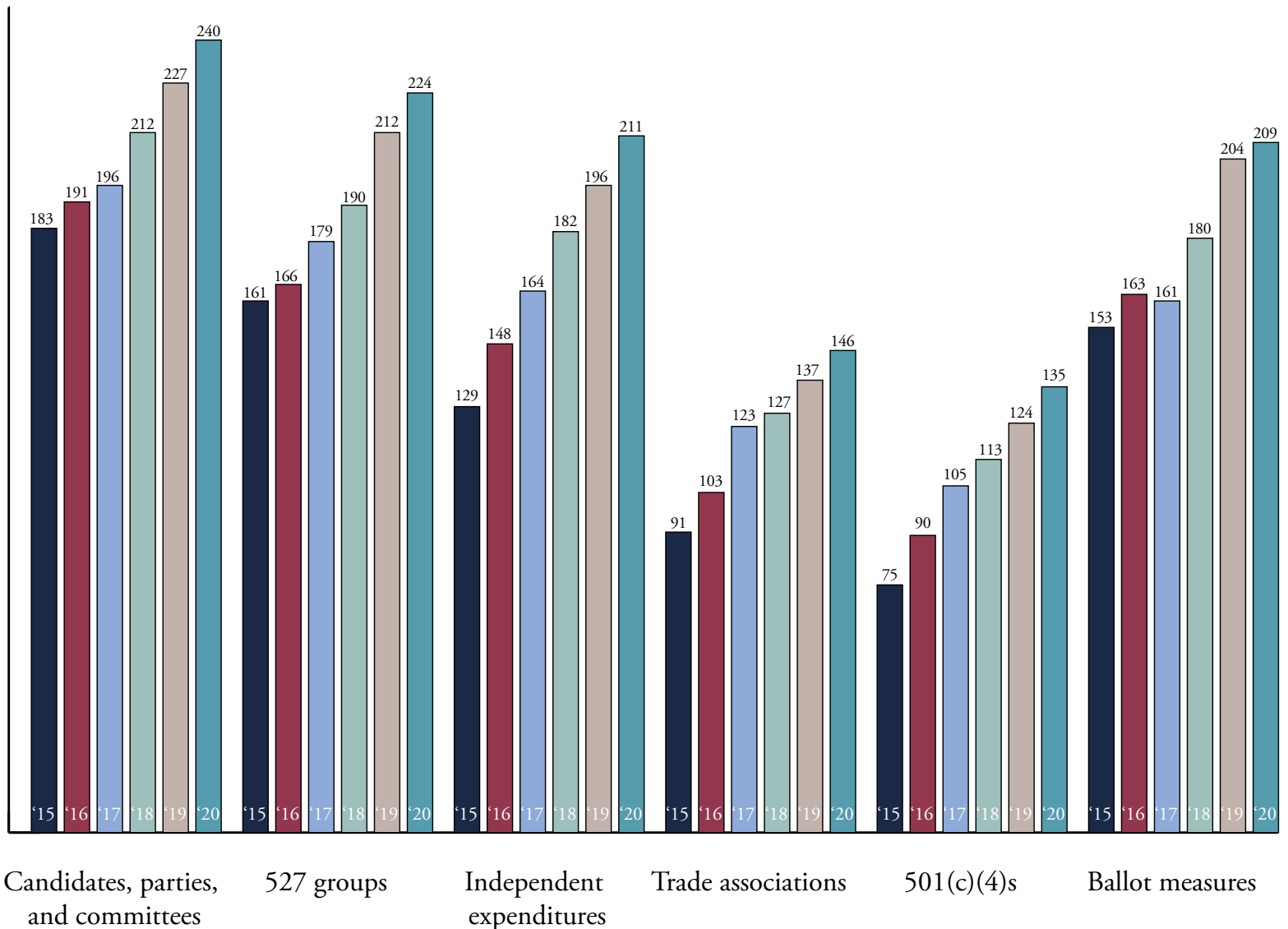
Determination of Tiers. The S&P 500 companies ranked in the Index are grouped into five tiers based on their scores. The thresholds for these tiers are as follows:

Tier	Score (%)
First Tier	80 - 100
Second Tier	60 - 79.9
Third Tier	40 - 59.9
Fourth Tier	20 - 39.9
Bottom Tier	0 - 19.9

I. COMPARISON OF COMPANIES SINCE 2016

The Center for Political Accountability began engaging corporations on their election-related spending in 2003, asking them to voluntarily disclose and oversee all contributions and expenditures. Few, if any, companies disclosed their spending at that time. Seventeen years later, the annual CPA-Zicklin Index reflects an embrace of political disclosure and accountability by leading American companies. The 2020 Index evaluates transparency and accountability practices for the entire S&P 500.

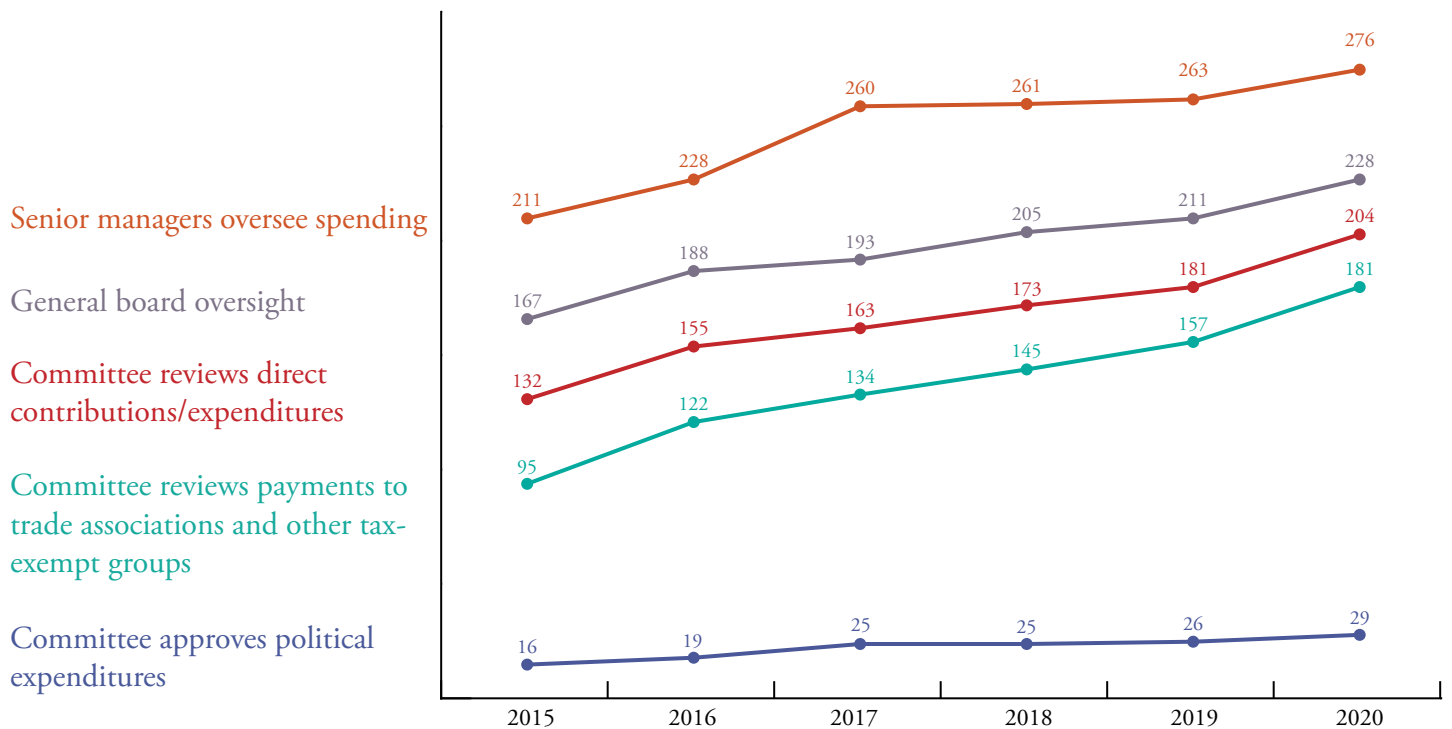
Figure 1: Number of Core Companies That Fully Disclose or Prohibit Spending by Contribution Type (2015-2020)



b. OVERSIGHT OF POLITICAL SPENDING

During the same period, the numbers of core companies with varying kinds of oversight for political contributions also have increased, with the most sizable increases for board committee review of trade association and other payments to politically active tax-exempt groups (48 percent increase); board committee review of political spending policy (33 percent increase); and board committee review of direct political spending (32 percent increase).

Figure 2: Number of Core Companies with Elements of Oversight and Accountability (2015-2020)



II. FULL S&P 500 RESULTS

The 2020 Index evaluates transparency and accountability practices for the entire S&P 500. Among the 492 companies studied in the 2020 Index, the average total score was 50.1 percent on a scale of zero to 100, compared with 47.1 percent for the companies studied in 2019, 44.1 percent in 2018, 43.1 for 2017, and 42.3 percent for 2016. Below is a summary of notable trends across the three sections of the Index: Disclosure, Policy, and Oversight.

Disclosure

The Index assesses disclosure of corporate contributions to political candidates, parties, and committees, 527 groups, ballot initiatives, trade associations, and 501(c)(4) “social welfare” organizations, as well as any independent political expenditures.

Policy

Companies are adopting or refining political spending policies, making those policies more descriptive and informative. Of the 492 companies included in the Index this year, 301 (61.2 percent) have a policy governing political expenditures from corporate funds.

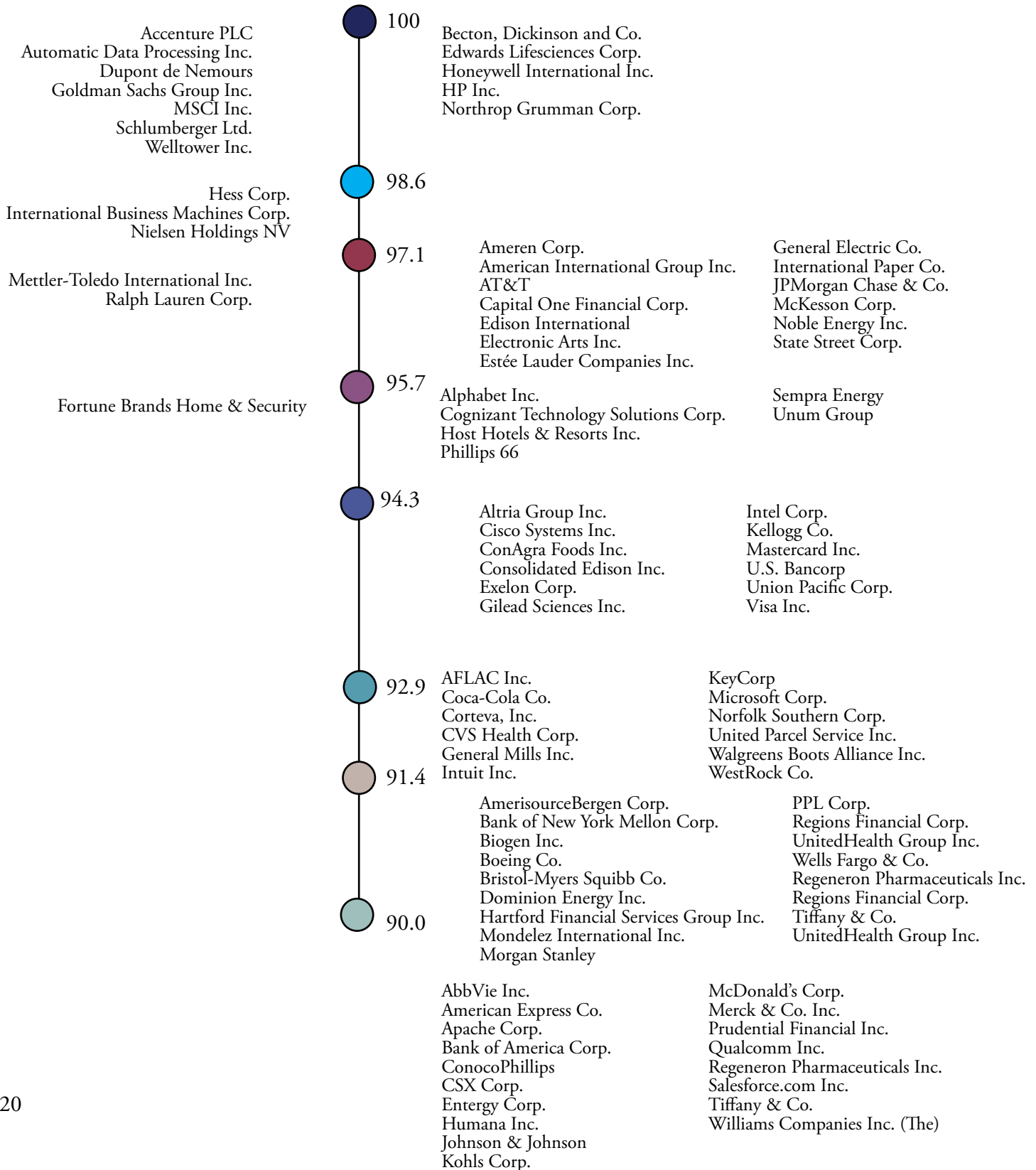
Oversight

Board oversight is a vital component of accountability. The number of companies that require general board oversight increased to 259. The number of companies that task a specified board committee with reviewing corporate political expenditures was 227 in 2020, up from 189 in 2016; and with reviewing payments to trade associations, was 199 in 2020, up from 147 in 2016.

a. TRENDSETTERS IN POLITICAL DISCLOSURE AND ACCOUNTABILITY

Full Prohibition & Oversight

Trendsetters



b. MOST IMPROVED COMPANIES THIS YEAR

Scores improved by 50 percentage points or more

Figure 3: Most Improved Companies 2020

Company	2019 Score	2020 Score	Increase
Welltower Inc.	7.1	100.0	92.9
Corteva, Inc.	-	92.9	92.9
DuPont de Nemours, Inc.	8.6	100.0	91.4
Monster Beverage Corporation*	0.0	85.7	85.7
Cognizant Technology Solutions Corp.**	11.4	95.7	84.3
Evergy*	4.3	88.6	84.3
MGM Resorts International*	0.0	80.0	80.0
Hilton Worldwide Holdings Inc.**	1.4	78.6	77.1
Brown-Forman Corp.*	10.0	85.7	75.7
Avery Dennison Corp.	0.0	71.4	71.4
Nucor Corp.**	4.3	75.7	71.4
Baker Hughes Company	0.0	70.0	70.0
Gartner Inc.	0.0	70.0	70.0
J.M. Smucker Co.	8.6	74.3	65.7
Leidos Holdings	-	65.7	65.7
Ametek Inc.	10.0	74.3	64.3
Broadridge Financial Solutions, Inc.*	10.0	72.9	62.9
Expedia Inc.*	0.0	52.9	52.9
Amphenol Corp.	0.0	50.0	50.0

*Engaged by CPA shareholder partners in 2020 Proxy Season.

**Engaged by CPA shareholder partners in 2019 Proxy Season.

c. BACKSLIDING COMPANIES

Scores decreased by 10 percentage points or more

Figure 4: Backsliding Companies 2020

Company	2019 Score	2020 Score	Decrease
Hewlett Packard Enterprise Co.	68.6	31.4	37.1
Rollins Inc.	44.3	10.0	34.3
The Kroger Co.	68.6	35.7	32.9
Vulcan Materials Co.	64.3	31.4	32.9
PPG Industries Inc.	35.7	7.1	28.6
Pentair PLC	64.3	38.6	25.7
Howmet Aerospace Inc.	38.6	12.9	25.7
Deere & Co.	55.7	30.0	25.7
Weyerhaeuser Co.	84.3	61.4	22.9
Colgate-Palmolive Co.	50.0	30.0	20.0
NortonLifeLock Inc.	78.6	58.6	20.0
Southern Co.	80.0	61.4	18.6
PNC Financial Services Group Inc.	65.7	50.0	15.7
FlowsERVE Corp.	17.1	4.3	12.9
Halliburton Co.	37.1	24.3	12.9
Ameriprise Financial Inc.	88.6	77.1	11.4
CME Group Inc.	10.0	0.0	10.0
IPG Photonics Corp.	17.1	7.1	10.0
Sherwin-Williams Co.	68.6	58.6	10.0

NON-COMPLIANT AGREEMENT COMPANIES

There are 4 companies included in the 2020 Index with whom CPA partners had an agreement in the past but the company failed to disclose any of its political spending in the previous year:

Delta Air Lines Inc.
 Harley-Davidson Inc.
 The Kroger Co.
 Sysco Corp.

d. CORPORATE POLITICAL SPENDING DISCLOSURE

The Supreme Court strongly endorsed disclosure in *Citizens United*:

*“With the advent of the Internet, prompt disclosure of expenditures can provide shareholders and citizens with the information needed to hold corporations and elected officials accountable for their positions and supporters. Shareholders can determine whether their corporation’s political speech advances the corporation’s interests in making profits, and citizens can see whether elected officials are ‘in the pocket’ of so-called moneyed interests.”*¹²

In total, 260 companies disclosed at least some corporate political contributions or expenditures, and 332 companies disclosed some or all information or prohibited at least one type of spending.

DIRECT CONTRIBUTIONS

State and local candidates, parties and committees: 296 companies (60.2 percent) disclosed full or partial information about corporate contributions to candidates, parties, and political committees, or had policies prohibiting such contributions.

527 groups: 270 companies (54.9 percent) disclosed full or partial information about corporate contributions to entities organized under section 527 of the Internal Revenue Code, or prohibited such contributions.

Independent expenditures: 252 companies (51.2 percent) disclosed full or partial information about the company’s independent expenditures made to support or oppose a political campaign, or prohibited such spending.

Ballot measures: 248 companies (50.4 percent) disclosed full or partial information about the company’s contributions to support or oppose ballot initiatives or prohibited such contributions.

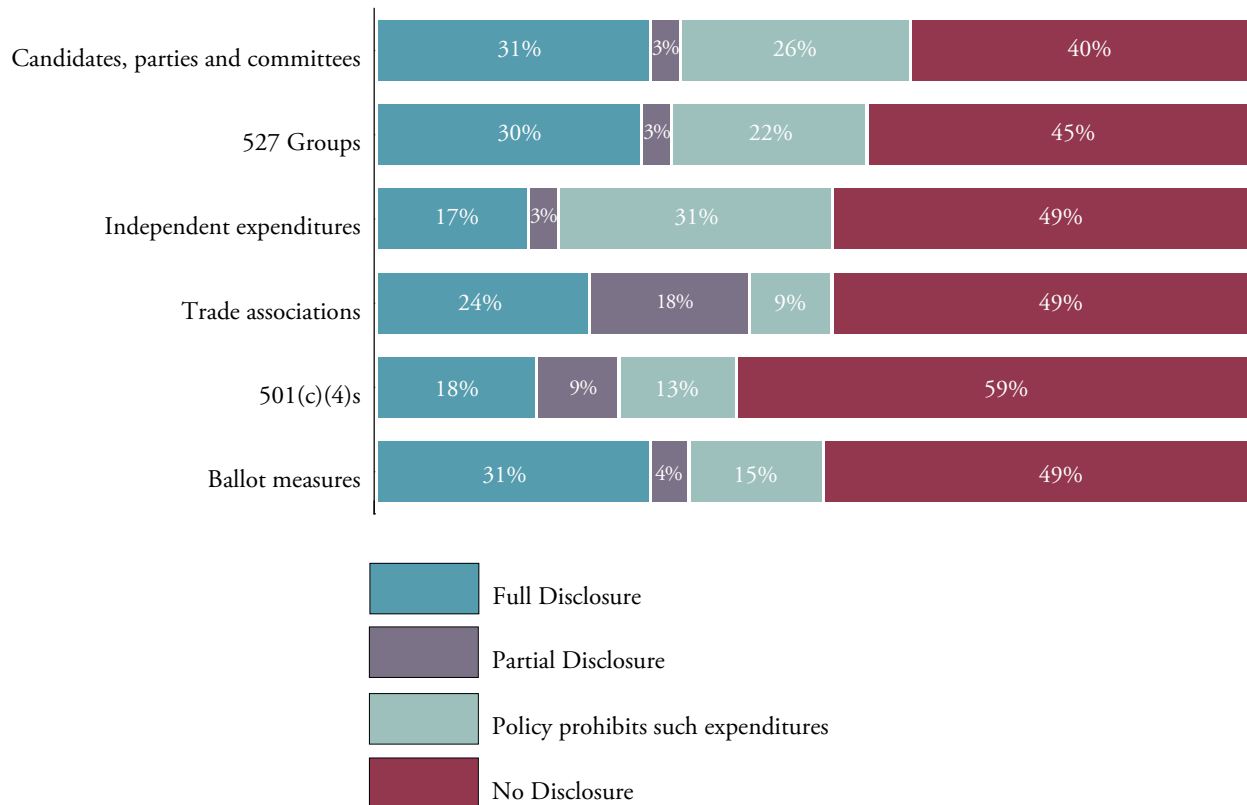
¹² *Citizens United v. FEC*, 558 U.S. 310, 352 (2010).

INDIRECT CONTRIBUTIONS

Trade associations: 251 companies (51.0 percent) disclosed full or partial information about memberships in or payments to trade associations, or instructed trade associations not to use company payments for election-related activity.

501(c)(4) “social welfare” organizations: 198 companies (40.2 percent) disclosed full or partial information about corporate giving to 501(c)(4) groups, had policies forbidding contributions to such groups or instructed 501(c)(4)s not to use company contributions for election-related activity.

Figure 5: Levels of Disclosure, by Contribution Type



Box 2. DISTINGUISHING 501(c)(4) ORGANIZATIONS THAT ENGAGE IN POLITICAL ACTIVITIES

In order to determine which 501(c)(4) contributions to disclose, companies can look at the organization's activities to see if it engages in any political activity as defined by the Internal Revenue Service. Using current regulatory definitions, including the IRS's definition of "political intervention," political spending comprises:

- any direct or indirect contributions or expenditures on behalf of a candidate for public office or referenda,
- any payments made to trade associations or tax-exempt entities used for intervening in a political campaign, and
- any direct or indirect political expenditure that must be reported to the Federal Election Commission, Internal Revenue Service or state disclosure agency

e. POLITICAL SPENDING POLICIES

Why is political spending policy so important? By setting out objective criteria for political spending, a company provides a context for decision-making. An articulated policy provides a means for evaluating the risks and benefits of political spending; measuring whether such spending is consistent and aligned with a company's overall goals and values; determining a rationale for the expenditures; and judging whether the spending achieves its goals.

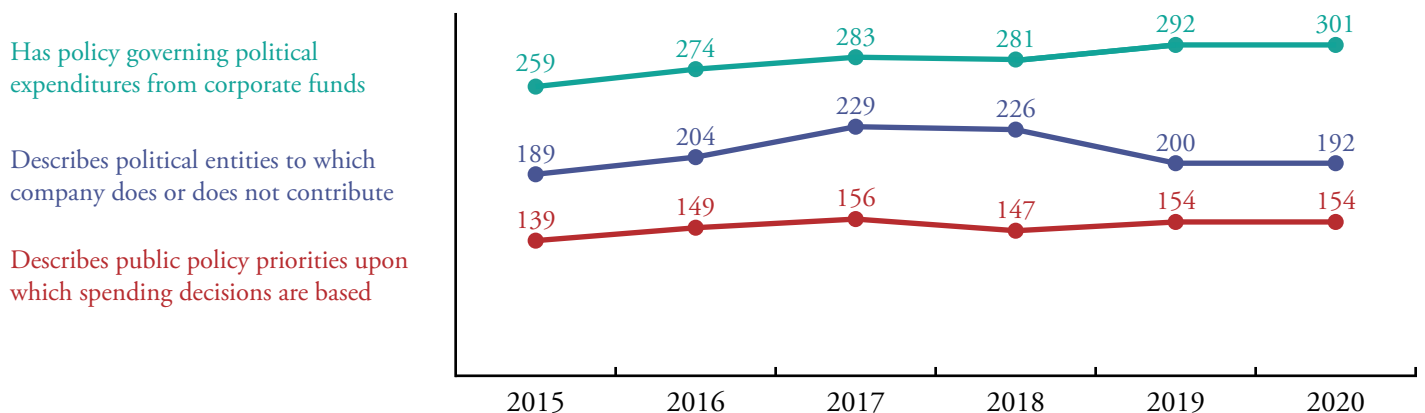
The Index reflects a wide range of political spending policies adopted by S&P 500 companies. Some of these policies are comprehensive and robust while others are not fully formed. There has been a steady adoption of robust corporate political spending policies between 2016 and 2020.

Publicly available policies. 301 companies (61.2 percent) posted a detailed political spending policy on their websites, while 125 (25.4 percent) provided brief or vague policies. In total, 426 companies (86.6 percent) disclosed either detailed or brief policies governing election-related expenditures with corporate funds.

Parameters of giving. 192 companies (39.0 percent) of companies fully described to which political entities they may or may not contribute. 125 companies (25.4 percent) provided less than comprehensive information about the permissible recipients of their political giving.

Decision-making criteria. 154 companies (31.3 percent) of companies provided detailed information about the public policy positions that provide the basis of their political spending decisions, while 77 companies (15.7 percent) provided vague explanations about what drives the company's giving.

Figure 6: Number of Companies with the Elements of a Detailed Policy



f. OVERSIGHT OF POLITICAL SPENDING

Why is board oversight so important? Board oversight of corporate political spending assures internal accountability to shareholders and to other stakeholders. It has made such inroads in boardrooms across America that it has become a corporate governance standard.

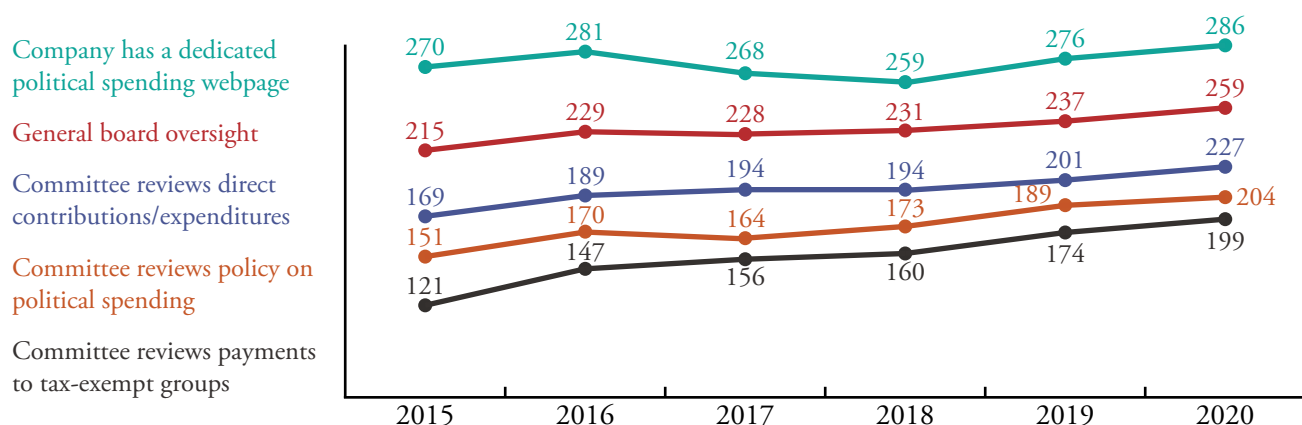
“To the extent that the company engages in political activities, the board should have oversight responsibility,” The Business Roundtable’s “Principles of Corporate Governance” advised in 2016.¹³ To provide directors a framework, CPA leaders wrote in the Harvard Business Review, “We have developed a framework to help boards make decisions concerning corporate political spending – decisions that are informed; consistent with company strategies, policies, and values; and that mitigate risks as much as possible.”

To accomplish this, directors must be able to do three central things:

- 1) decide whether the company should engage in election-related spending
- 2) decide whether to disclose such spending
- 3) ensure that appropriate oversight and other policies and procedures are in place.¹⁴

Data from the 2019 Index indicate that 237 companies in the S&P 500 required some level of board oversight of corporate political contributions and expenditures. 276 companies offered a dedicated webpage or similar space on their websites to address corporate political spending and disclosure.

Figure 7: Number of Companies with Elements of Oversight and Accountability



¹³ Business Roundtable, Principles of Corporate Governance 2016, available at <https://s3.amazonaws.com/brt.org/Principles-of-Corporate-Governance-2016.pdf>.

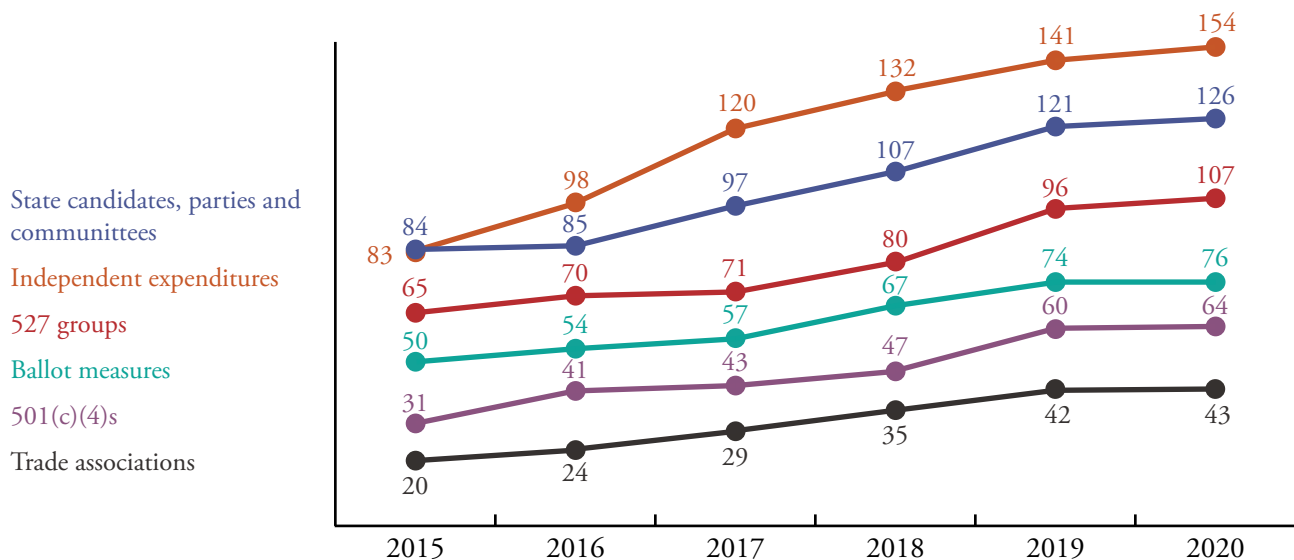
¹⁴ Constance E. Bagley, Bruce Freed, & Karl Sandstrom, A Board Member’s Guide to Political Spending, Harv. Bus. Rev. (Oct. 30, 2015), <https://hbr.org/2015/10/a-board-members-guide-to-corporate-political-spending>.

g. PROHIBITIONS ON POLITICAL SPENDING

Over the past four years, there has been a steady rise in the number of S&P 500 companies that have placed prohibitions on election-related spending.

Some Prohibitions on Spending: 201 companies (40.9 percent) placed a prohibition on at least one category of corporate election-related spending, compared with 186 companies (37.5 percent) in 2019, 176 companies in 2018 (36 percent), 158 companies in 2017 (32 percent), and 143 companies (29 percent) in 2016. This represents a 40.6 percent increase since 2016.

Figure 8: Number of Companies that Prohibit Spending, by Contribution Type



All Corporate Election-Related Spending Prohibited: There are 13 companies that prohibited the use of corporate assets to influence elections and asked third parties not to use company payments for election-related purposes (see Appendix F).

PAC Spending Only: 13 companies had policies whereby direct and indirect political expenditures may only be made through an employee-funded Political Action Committee (PAC).

Restrictions on Indirect Political Spending: Companies engage in trade and industry associations for a variety of reasons and may not always agree with political positions taken by those associations. Likewise, company contributions to politically active 501(c)(4) organizations may be used for election-related purposes not supported by the company. To avoid such conflicts, some companies prohibit the recipients of company funds from using those funds for election-related purposes.

55 companies restricted payments to either trade associations or 501(c)(4)s:

AbbVie Inc.	Discover Financial Services Inc.	Mondelez International Inc.
American International Group Inc.	Edwards Lifesciences Corp.	Morgan Stanley
Ametek Inc.	Electronic Arts Inc.	National Oilwell Varco Inc.
Aon PLC	Estée Lauder Companies Inc.	Newell Brands Inc.
Apple Inc.	Expedia Inc.	Nordstrom Inc.
Archer Daniels Midland Co.	FedEx Corp.	NortonLifeLock Inc.
Avery Dennison Corp.	General Mills Inc.	Oneok Inc.
Ball Corp.	Honeywell International Inc.	Regeneron Pharmaceuticals Inc.
Bank of America Corp.	Hormel Foods Corp.	Regions Financial Corp.
Bank of New York Mellon Corp.	Host Hotels & Resorts Inc.	State Street Corp.
Becton, Dickinson and Co.	Illinois Tool Works Inc.	Texas Instruments Inc.
Booking Holdings Inc.	Intercontinental Exchange Inc.	Tractor Supply Co.
Cardinal Health Inc.	Intuitive Surgical Inc.	United Rentals Inc.
Clorox Co.	JPMorgan Chase & Co.	Unum Group
Colgate-Palmolive Co.	Kohls Corp.	Western Digital Corp.
Comcast Corp.	Kraft Heinz Co.	WestRock Co.
ConAgra Foods Inc.	Leidos Holdings	Wynn Resorts Ltd.
Costco Wholesale Corp.	Lowe's Companies Inc.	
Danaher Corp.	McDonald's Corp.	

26 companies restricted payments to both trade associations and 501(c)(4)s:

Accenture PLC	Hartford Financial Services	Nielsen Holdings NV
Alphabet Inc.	Group Inc.	Northrop Grumman Corp.
Ameriprise Financial Inc.	Hess Corp.	Ralph Lauren Corp.
Automatic Data Processing Inc.	HP Inc.	Schlumberger Ltd.
Boeing Co.	International Business	Target Corp.
Cisco Systems Inc.	Machines Corp.	U.S. Bancorp
DuPont de Nemours	International Paper Co.	Wells Fargo & Co.
Fortune Brands Home & Security	Kansas City Southern	Welltower Inc.
Goldman Sachs Group Inc.	McKesson Corp.	
	Mettler-Toledo International Inc.	
	MSCI Inc.	

h. INDEX PERFORMANCE BY COMPANY SIZE

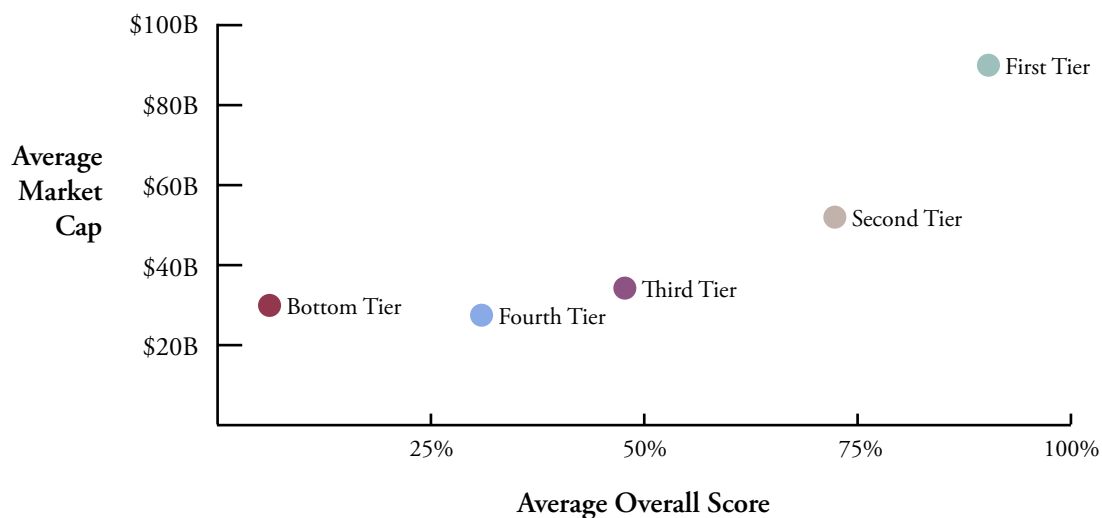
A review of the scores of different-sized companies shows a strong positive correlation between the size of a company and the detail and breadth of its political disclosure and accountability policies.

Figure 9: Company Scores and Rankings by Average Market Cap*

	First Tier	Second Tier	Third Tier	Fourth Tier	Bottom Tier
Total Companies	156	83	48	42	163
Average Market Cap	\$93.2B	\$53.8B	\$37.1B	\$29.1B	\$31.7B
Average Overall Score (%)	89.9	70.6	51.8	28.1	6.8

*as of August 3, 2020

Figure 10: Score Distribution by Average Market Cap



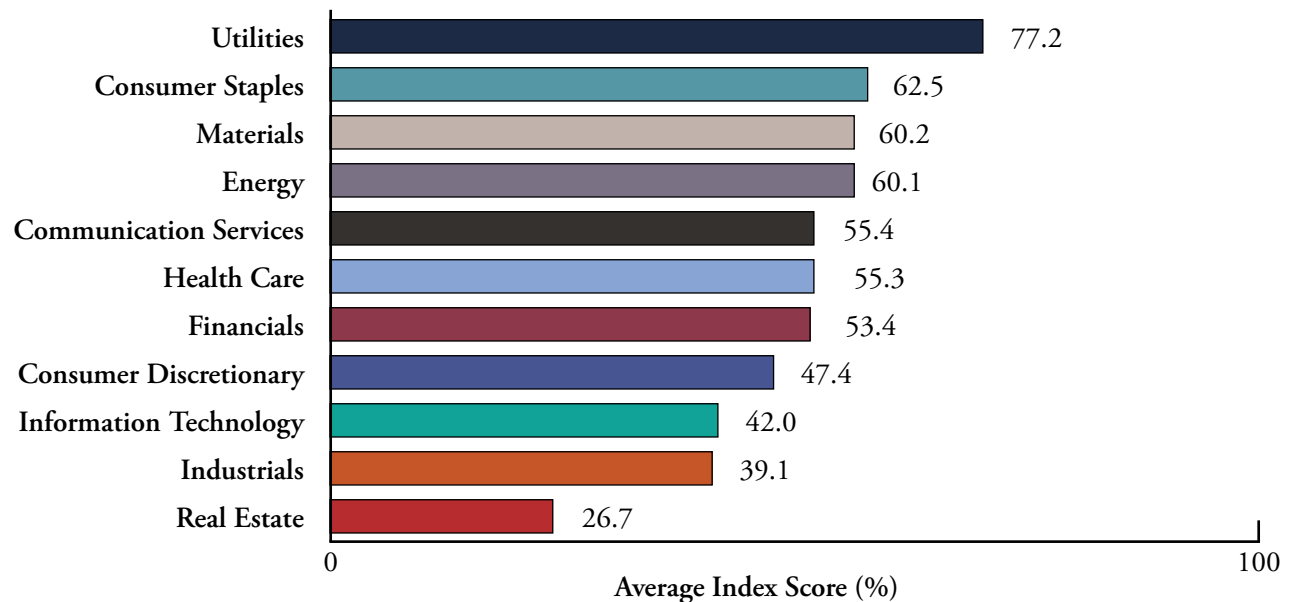
i. INDEX PERFORMANCE BY SECTOR

When all companies were compared by industrial sector, the top-ranked sectors for political disclosure and accountability in 2020 were Utilities, Consumer Staples, and Materials.

Figure 11: Sector Performance (2015-2020)

Sector	Average Score (%)						Number of Companies					
	2015	2016	2017	2018	2019	2020	2015	2016	2017	2018	2019	2020
Communication Services	46.3	47.4	50.4	68.6	80.5	55.4	5	5	4	3	3	5
Consumer Discretionary	32.2	33.1	36.4	36.2	40.7	47.4	78	83	82	77	75	72
Consumer Staples	47.1	48.0	46.7	52.3	54.9	62.5	34	35	37	32	33	33
Energy	45.7	49.1	49.9	53.4	55.0	60.1	38	39	34	31	29	27
Financials	42.4	48.0	50.0	49.1	52.3	53.4	60	64	66	71	71	70
Health Care	52.2	52.2	53.2	52.7	55.1	55.3	53	57	59	61	61	58
Industrials	37.1	38.0	37.3	37.7	41.9	39.1	61	64	66	67	67	70
Information Technology	35.4	40.0	37.4	37.9	37.8	42.0	59	65	67	68	72	74
Materials	47.7	47.9	50.5	47.2	53.2	60.2	28	27	25	24	26	26
Real Estate	19.6	14.8	17.8	20.8	23.2	26.7	22	27	31	31	31	29
Utilities	48.0	57.6	62.1	66.2	69.6	77.2	26	27	28	28	28	28

Figure 12: Average Index Score by Sector



III. VOLUNTARY DISCLOSURE AND SHAREHOLDER ENGAGEMENT

Since 2004, 179 companies have adopted the political disclosure and accountability model proposed by CPA and its shareholder partners. While some companies have adopted these practices without shareholder engagement, an assessment of the past four years shows a strong positive correlation between shareholder engagement and high scores on the Index. This correlation stands even when company size, a strong indicator of Index performance (see Section h), is factored in.

Companies Engaged by Shareholders: Of the 492 companies included in the 2020 Index, 200 have been formally engaged by shareholders with a resolution on the issue of corporate political spending disclosure and accountability since the 2004 proxy season. Of these companies, 123 have reached agreements with shareholders. For companies with an agreement, the average overall Index score is 77.1 percent, as compared to 57.4 percent for the 77 companies that were engaged but did not reach an agreement.

Companies with No History of Shareholder Engagement: The average score for the 292 companies that have no history of shareholder engagement is 36.8 percent. Of these companies, 151 (51.7 percent) disclosed some information about their direct political expenditures or said they prohibit such spending. 98 (33.6 percent) disclosed some information about both direct and indirect expenditures or said they prohibit such spending.

Figure 13: Average Score by Shareholder Engagement

	Agreement	No Agreement	No Engageent
Number of Companies	123	77	292
Average Index Score	77.1%	57.4%	36.8%
Average Market Cap	\$87.9B	\$87.8B	\$32.8B

Companies That Reached Disclosure Agreements in 2020

Evergy
Brown-Forman Corp.
Marriott International Inc.
MGM Resorts International

Simon Property Group Inc.
Allstate Corp.
Monster Beverage Corp.
VF Corp.

APPENDIX A: METHODOLOGY

In late 2003, the Center for Political Accountability launched an initiative to persuade companies to adopt board oversight and disclosure of political spending. Today, the CPA-Zicklin Index provides a scorecard. It measures how corporations have changed their policies and practices over time, and it portrays how companies are positioning themselves for the future.

SCOPE OF RESEARCH

For the purposes of this study, corporate political spending was defined as expenditures from corporate treasury funds, direct and indirect, used to support or oppose any political campaign. See the Glossary in Appendix B for further explanation.

The study reviewed the corporate political spending policies and practices of the S&P 500. The Index's list of companies is based on the S&P 500 as of April 15, 2020.

SAFEGUARDING OBJECTIVITY

Scoring in the Index is based on publicly available information from each company's website, collected by research analysts under the supervision of CPA staff. To maintain an objective system for scoring companies, CPA consults the Scoring Advisory Committee (members of which are listed in "Acknowledgments").

Prior to publication, CPA sent preliminary scores and explanations for those ratings to S&P 500 companies. In some instances, follow-up discussions with companies about their preliminary scores contributed to this objective review. Over 70 companies replied with questions and comments about their preliminary scores.

ASSIGNING NUMERICAL SCORES TO RESPONSES

The "Scoring Key" (see Appendix C) lists the 2020 indicators and the maximum points given for each. Numerical scores were assigned following a simple arithmetic system, described below.

- A response of "No" to an indicator resulted in a score of zero;
- A response of "Yes" or "Not Applicable (N/A)" resulted in the maximum score; and
- A response of "Partial" resulted in half of the maximum score.

The indicators that are highlighted in the Scoring Key are considered "key performance indicators" (KPIs), which are scored more heavily than the rest.

APPENDIX B: GLOSSARY

Direct political spending: Contributions to state legislative, judicial, and local candidates; political parties and political committees (including those supporting or opposing ballot initiatives); and contributions to other political entities organized and operating under 26 U.S.C. Sec. 527 of the Internal Revenue Code, such as the Democratic and Republican Governors Associations, or so-called “Super PACs.”

Direct spending also includes independent expenditures, which may not be coordinated with any candidate or political committee.

Independent expenditure: A public communication that expressly advocates the election or defeat of a candidate and is not coordinated with a candidate or political party.

Indirect political spending: Payments to trade associations and other tax-exempt organizations used for political purposes. Under the federal tax code, civic leagues and social welfare organizations (501(c)(4) organizations) and business leagues and trade associations (501(c)(6) organizations) may engage in political campaign activity so long as the political activity does not comprise the group’s primary activity.

Indirect political spending may include independent expenditures when corporate payments to trade associations or 501(c)(4)s are in turn spent to purchase ads supporting or opposing candidates, or the trade associations or 501(c)(4)s pass these corporate payments to other organizations.

A company may not be aware that a portion of its dues or other payments is used for political activity.

Political activity/political spending: Any direct or indirect contributions or expenditures on behalf of or in opposition to a candidate for public office or referenda; any payments made to trade associations or tax-exempt entities used for influencing a political campaign; and any direct or indirect political expenditure that must be reported to the Federal Election Commission, Internal Revenue Service, or state disclosure agency.

APPENDIX C: SCORING KEY

	Indicator	Max Score
1	Does the company publicly disclose corporate contributions to political candidates, parties and committees, including recipient names and amounts given?	4
2	Does the company publicly disclose payments to 527 groups, such as governors associations and super PACs, including recipient names and amounts given?	4
3	Does the company publicly disclose independent political expenditures made in direct support of or opposition to a campaign, including recipient names and amounts given?	4
4	Does the company publicly disclose payments to trade associations that the recipient organization may use for political purposes?	6
5	Does the company publicly disclose payments to other tax-exempt organizations, such as 501(c)(4)s, that the recipient may use for political purposes?	6
6	Does the company publicly disclose a list of the amounts and recipients of payments made by trade associations or other tax-exempt organizations of which the company is either a member or donor?	2
7	Does the company publicly disclose payments made to influence the outcome of ballot measures, including recipient names and amounts given?	4
8	Does the company publicly disclose the company's senior managers (by position/title of the individuals involved) who have final authority over the company's political spending decisions?	2
9	Does the company publicly disclose an archive of each political expenditure report, including all direct and/or indirect contributions, for each year since the company began disclosing the information (or at least for the past five years)?	4
10	Does the company disclose a detailed policy governing its political expenditures from corporate funds?	6
11	Does the company have a publicly available policy permitting political contributions only through voluntary employee-funded PAC contributions?	Yes/ No
12	Does the company have a publicly available policy stating that all of its contributions will promote the interests of the company and will be made without regard for the private political preferences of executives?	2
13	Does the company publicly describe the types of entities considered to be proper recipients of the company's political spending?	2
14	Does the company publicly describe its public policy positions that become the basis for its spending decisions with corporate funds?	2
15	Does the company have a public policy requiring senior managers to oversee and have final authority over all of the company's political spending?	2
16	Does the company have a publicly available policy that the board of directors regularly oversees the company's corporate political activity?	2
17	Does the company have a specified board committee that reviews the company's policy on political expenditures?	2
18	Does the company have a specified board committee that reviews the company's political expenditures made with corporate funds?	2
19	Does the company have a specified board committee that reviews the company's payments to trade associations and other tax-exempt organizations that may be used for political purposes?	2
20	Does the company have a specified board committee that approves political expenditures from corporate funds?	2
21	Does the company have a specified board committee, composed entirely of outside directors, that oversees its political activity?	2
22	Does the company post on its website a detailed report of its political spending with corporate funds semiannually?	4
23	Does the company make available a dedicated political disclosure webpage found through search or accessible within three mouse-clicks from homepage?	2
24	Does the company disclose an internal process for or an affirmative statement on ensuring compliance with its political spending policy?	2

APPENDIX D: SCORING GUIDELINES

	N/A	Yes	Partial	No
1	The company has a clear policy prohibiting corporate contributions to all candidates, parties, and committees.	The company provides itemized disclosure (i.e., names of recipients and amounts given to each).	The company partially discloses (e.g., provides a list of recipients but not the amount each received).	No disclosure is provided, or the company provides a single, aggregate amount of its political spending.
2	The company has a clear policy prohibiting corporate contributions to all groups organized under § 527 of the Internal Revenue Code.	The company provides itemized disclosure (i.e., names of recipients and amounts given to each).	The company partially discloses (e.g., provides a list of recipients but not the amount each received).	No disclosure is provided, or the company provides a single, aggregate amount of its political spending.
3	The company has a clear policy prohibiting independent expenditures using corporate funds.	The company discloses any direct independent expenditures made to support or oppose a candidate or ballot measure, identifying the candidate or measure being supported or opposed.	The company partially discloses (e.g., provides a list of beneficiaries but not the amount each received).	No disclosure is provided, or the company provides a single, aggregate amount of its political spending.
4	The company has a clear policy that it prohibits trade associations of which it is a member from using its payments for election-related purposes.	The company provides itemized disclosure of all nondeductible payments, including special assessments (i.e., names of trade associations and amounts given to each).	The company partially discloses (e.g., provides a list of associations but not the amount of payments).	No disclosure is provided, or the company provides a single, aggregate amount of its nondeductible spending.
5	The company has a clear policy that it prohibits tax-exempt groups to which it contributes from using its payments for election-related purposes, or clearly prohibits such contributions entirely.	The company provides itemized disclosure of all payments (i.e., names of politically active tax-exempt groups and amounts given to each).	The company partially discloses (e.g., provides a list of recipients but not the amount each received).	No disclosure is provided, or the company provides a single, aggregate amount of its political spending.
6	The company has a clear policy that it does not contribute to trade associations or tax-exempt groups, or the company restricts its payments to third party groups to non-election related purposes.	The company provides itemized disclosure of candidates or organizations that received money from third party organizations to which it has contributed.	The company discloses some, but not all, contributions made by third parties to whom it has given corporate money.	No such disclosure is made.
7	The company has a clear policy prohibiting corporate contributions to ballot initiatives.	The company provides itemized disclosure (i.e., names of initiatives and amounts given to each).	The company partially discloses (e.g., provides a list of initiatives supported but not the amount each received).	No disclosure is provided, or the company provides a single, aggregate amount of its political spending.
8	The company has a clear policy prohibiting election-related expenditures from corporate funds and restricts its payments to third party groups to non-election related purposes.	The company discloses the positions and titles of senior managers with final authority over political spending decisions.	The company only discloses a department or unit with such responsibility, or the disclosure is otherwise ambiguous.	No such disclosure is made.
9	The current report is the company's first disclosure report, or the company has a clear policy prohibiting election-related expenditures from corporate funds and restricts its payments to third party groups to non-election related purposes.	The company website includes links to all political spending disclosure reports issued since voluntary disclosure was adopted, or for at least the past five years.	The company maintains a partial archive of its political spending reports (i.e., fewer than five and fewer than it has issued).	The company does not maintain historical political spending disclosure reports on its website.
10	(A company cannot receive "N/A" for this indicator.)	The company publicly discloses a detailed policy that includes information about the kinds of corporate election-related spending permitted as well as information about managerial and board oversight of spending decisions.	The company discloses a brief policy, perhaps only in its code of conduct or code of ethics.	No policy regarding corporate political spending can be found on the website.
11	(A company cannot receive "N/A" for this indicator.)	The company's policy permits PAC contributions but prohibits the use of corporate funds for direct political expenditures (indirect spending through third parties is not considered for this indicator).	(A company cannot receive "Partial" for this indicator.)	The company may use corporate funds for political spending.
12	The company has a clear policy prohibiting election-related expenditures from corporate funds.	The company's policy includes this statement or something very similar.	The policy includes language vaguely relevant to the spirit of this language, or covers one part but not the other.	No such statement is made.

	N/A	Yes	Partial	No
13	The company has a clear policy prohibiting election-related expenditures from corporate funds.	The policy describes the types of recipients that may receive the company's money (see indicators 1-5 and 7).	The policy includes vague language somewhat relevant to the spirit of this indicator, or offers a short or incomplete list of permissible recipients of the company's political spending.	No such statement is made.
14	The company has a clear policy prohibiting election-related expenditures from corporate funds.	The company's policy describes specific issues that form the basis for the company's political spending decisions (e.g., for a pharma company, "barriers to access, counterfeits, and challenges to intellectual property protection").	The policy includes vague language somewhat relevant to the spirit of this indicator (e.g., "candidates whose positions are consistent with the best interests of the company; elections in areas where we do business").	No such statement is made.
15	The company has a clear policy prohibiting election-related expenditures from corporate funds.	The company's policy requires senior managers to approve or make final decisions on political spending.	The policy includes language somewhat relevant to the spirit of this indicator.	No such statement is made.
16	The company has a clear policy prohibiting election-related expenditures from corporate funds.	The company's policy indicates that the board of directors regularly reviews or oversees the company's political spending.	The policy suggests that there is board involvement, but the nature and extent of such involvement are unclear or ambiguous.	There is no indication that the board oversees company political spending.
17	(A company cannot receive "N/A" for this indicator.)	The company identifies a specific board committee that reviews the company's political spending policy.	The policy suggests that there is board committee involvement, but whether the committee reviews the company's policy is unclear or ambiguous.	There is no indication that a specified board committee reviews the company's policy.
18	The company has a clear policy prohibiting election-related expenditures from corporate funds.	The company identifies a specific board committee that reviews direct political expenditures made from corporate funds.	The policy suggests that there is board committee involvement, but whether the committee reviews the company's direct political expenditures is unclear or ambiguous.	There is no indication that a specified board committee reviews corporate political expenditures.
19	The company has a clear policy prohibiting election-related expenditures from corporate funds and restricts its payments to third party groups to non-election related purposes.	The company identifies a specific board committee that reviews indirect political expenditures made from corporate funds.	The policy suggests that there is board committee involvement, but whether the committee reviews the company's direct political expenditures is unclear or ambiguous.	There is no indication that a specified board committee reviews corporate political expenditures.
20	The company has a clear policy prohibiting election-related expenditures from corporate funds.	The company identifies a specific board committee that approves direct and indirect political expenditures made from corporate funds. (Typically, this entails approval of a budget or spending plan.)	The policy suggests that there is board committee involvement, but whether the committee approves the company's political expenditures is unclear or ambiguous.	There is no indication that a specified board committee approves corporate political expenditures.
21	The company has a clear policy prohibiting election-related expenditures from corporate funds.	The board committee identified by the company is composed entirely of independent directors.	(A company cannot receive "Partial" for this indicator.)	The independence of the committee members cannot be determined, or there is no indication that a board committee oversees corporate political expenditures.
22	The company has a clear policy prohibiting election-related expenditures from corporate funds and restricts its payments to third party groups to non-election related purposes.	The company's disclosure reports are issued semi-annually.	The reports are issued annually.	The company does not issue disclosure reports.
23	The company has a clear policy prohibiting election-related expenditures from corporate funds.	The company has a webpage dedicated to its political spending policy and/or disclosure reports that can be easily found through an internet search (i.e., company name and "political contributions" or "political expenditures") or can be navigated to within 3 clicks from the company's home page.	The company has a dedicated political spending webpage, but it is somewhat difficult to find.	The company's political spending policy and/or disclosures cannot be found through a basic search, or extensive navigation through the website is required.
24	(A company cannot receive "N/A" for this indicator.)	The company includes a statement that it conducts compliance measures to ensure adherence to the political spending policy, or company disclosure reports include a statement confirming that all contributions were made in compliance with company policy.	A statement on compliance is included, but it is ambiguous (e.g., it's unclear whether the compliance measures apply to the political spending policy or general legal and ethical requirements).	No explicit statement is made concerning compliance with the company's own political spending policy.

APPENDIX E: SCORED RANKING OF ALL COMPANIES

Trendsetters	Company	Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Raw Score
	Becton, Dickinson and Co.	100.0	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	70
	Edwards Lifesciences Corp.	100.0	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	70
	Honeywell International Inc.	100.0	4	4	4	6	6	2	4	2	4	6	Y	2	2	2	2	2	2	2	2	2	2	4	2	2	70
	HP Inc.	100.0	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	70
	Northrop Grumman Corp.	100.0	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	70
	Ameren Corp.	97.1	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	68
	American International Group Inc.	97.1	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	68
	AT&T	97.1	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	68
	Capital One Financial Corp.	97.1	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	68
	Edison International	97.1	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	68
	Electronic Arts Inc.	97.1	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	68
	Estée Lauder Companies Inc.	97.1	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	68
	General Electric Co.	97.1	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	68
	International Paper Co.	97.1	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	68
	JPMorgan Chase & Co.	97.1	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	68
	McKesson Corp.	97.1	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	68
	Noble Energy Inc.	97.1	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	68
	State Street Corp.	97.1	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	68
	Alphabet Inc.	95.7	4	4	4	6	6	2	4	2	4	6	N	1	2	2	2	2	2	2	2	0	2	4	2	2	67
	Cognizant Technology Solutions Corp.	95.7	4	4	4	6	6	0	4	2	4	6	N	2	2	1	2	2	2	2	2	2	2	4	2	2	67
	Host Hotels & Resorts Inc.	95.7	4	4	4	6	6	0	4	1	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	67
	Phillips 66	95.7	4	4	4	6	6	0	4	2	4	6	N	2	2	1	2	2	2	2	2	2	2	4	2	2	67
	Sempra Energy	95.7	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	1	2	4	2	2	67
Unum Group	95.7	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	1	2	2	0	2	4	2	2	67	
Altria Group Inc.	94.3	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	66	
Cisco Systems Inc.	94.3	4	4	4	6	6	2	4	2	4	6	N	1	2	2	2	2	1	2	2	0	2	4	2	2	66	
ConAgra Foods Inc.	94.3	4	4	4	6	6	2	4	2	2	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	66	
Consolidated Edison Inc.	94.3	4	4	4	6	6	0	4	2	2	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	66	
Exelon Corp.	94.3	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	66	
Gilead Sciences Inc.	94.3	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	66	

Trendsetters	Company	Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Raw Score
	Intel Corp.	94.3	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	66
	Kellogg Co.	94.3	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	66
	Mastercard Inc.	94.3	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	66
	U.S. Bancorp	94.3	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	0	0	4	2	2	66
	Union Pacific Corp.	94.3	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	66
	Visa Inc.	94.3	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	2	2	2	66
	AFLAC Inc.	92.9	4	4	4	6	6	0	4	2	4	6	N	1	2	2	2	2	2	2	2	0	2	4	2	2	65
	Coca-Cola Co.	92.9	4	4	4	3	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	65
	Corteva, Inc.	92.9	4	4	4	6	6	0	4	2	4	6	N	2	2	1	2	2	2	2	2	0	2	4	2	2	65
	CVS Health Corp.	92.9	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	1	65
	General Mills Inc.	92.9	4	4	4	3	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	65
	Intuit Inc.	92.9	4	4	4	6	6	0	4	2	4	6	N	2	2	1	2	2	2	2	2	0	2	4	2	2	65
	KeyCorp	92.9	4	4	4	6	6	0	4	2	4	6	N	2	2	1	2	2	2	2	2	0	2	4	2	2	65
	Microsoft Corp.	92.9	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	1	65
	Norfolk Southern Corp.	92.9	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	1	2	2	0	2	4	2	2	65
	United Parcel Service Inc.	92.9	4	4	4	6	3	0	4	2	4	6	Y	2	2	2	2	2	2	2	2	2	2	4	2	2	65
	Walgreens Boots Alliance Inc.	92.9	4	4	4	6	3	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	65
	WestRock Co.	92.9	4	4	4	6	6	1	4	1	4	6	N	2	2	1	2	2	2	2	2	0	2	4	2	2	65
	AmerisourceBergen Corp.	91.4	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	64
	Bank of New York Mellon Corp.	91.4	4	4	4	6	6	2	4	2	4	6	N	0	2	1	2	2	1	2	2	0	2	4	2	2	64
	Biogen Inc.	91.4	4	4	4	6	6	0	4	2	4	6	N	1	2	1	2	2	2	2	2	0	2	4	2	2	64
	Boeing Co.	91.4	4	4	4	6	6	2	4	2	4	6	N	1	2	2	2	2	1	2	2	2	0	2	2	2	64
	Bristol-Myers Squibb Co.	91.4	4	4	2	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	64
Dominion Energy Inc.	91.4	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	64	
Hartford Financial Services Group Inc.	91.4	4	4	4	6	6	2	4	2	4	6	N	0	2	0	2	2	2	2	2	0	2	4	2	2	64	
Mondelez International Inc.	91.4	4	4	4	6	6	2	4	2	4	6	N	1	2	1	2	2	2	2	2	0	2	2	2	2	64	
Morgan Stanley	91.4	4	4	4	6	0	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	64	
PPL Corp.	91.4	4	4	4	6	6	0	4	2	4	6	Y	1	2	2	2	2	1	2	2	0	2	4	2	2	64	
Regions Financial Corp.	91.4	4	4	4	6	6	0	4	2	4	6	N	2	2	1	2	2	1	2	2	0	2	4	2	2	64	
UnitedHealth Group Inc.	91.4	4	4	4	6	3	0	4	2	4	6	N	2	1	2	2	2	2	2	2	2	2	4	2	2	64	

	Company	Score	Trends																								Raw Score
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
Trendsetters	Wells Fargo & Co.	91.4	4	4	4	6	6	2	2	1	4	6	N	2	2	1	2	2	2	2	2	0	2	4	2	2	64
	AbbVie Inc.	90.0	4	4	4	3	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	63
	American Express Co.	90.0	4	4	4	6	3	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	63
	Apache Corp.	90.0	4	4	4	6	3	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	2	2	2	63
	Bank of America Corp.	90.0	4	4	4	6	6	0	4	2	4	6	N	2	2	1	2	2	2	2	2	0	2	2	2	2	63
	ConocoPhillips	90.0	4	4	4	3	6	0	4	2	2	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	63
	CSX Corp.	90.0	4	4	4	6	6	0	4	2	4	6	N	1	2	1	2	2	1	2	2	2	2	2	2	2	63
	Entergy Corp.	90.0	4	4	4	6	6	0	4	2	4	6	N	2	2	1	2	2	2	2	2	0	2	2	2	2	63
	Humana Inc.	90.0	4	4	4	6	3	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	63
	Johnson & Johnson	90.0	4	4	4	6	3	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	63
	Kohls Corp.	90.0	4	4	4	3	6	0	4	2	2	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	63
	McDonald's Corp.	90.0	4	4	4	6	3	2	4	2	4	6	N	1	2	1	2	2	2	2	1	1	2	4	2	2	63
	Merck & Co. Inc.	90.0	4	4	4	6	3	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	63
	Prudential Financial Inc.	90.0	4	2	4	6	3	0	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	63
	Qualcomm Inc.	90.0	4	4	4	6	3	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	63
	Regeneron Pharmaceuticals Inc.	90.0	4	4	4	3	6	0	4	1	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	1	63
	Salesforce.com Inc.	90.0	4	4	4	3	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	63
	Tiffany & Co.	90.0	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	1	2	2	0	0	2	2	2	63
	Williams Companies Inc. (The)	90.0	4	4	4	6	6	0	4	1	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	63
	First Tier	Clorox Co.	88.6	2	4	4	6	6	0	4	2	4	6	N	2	2	0	2	2	2	2	2	0	2	4	2	2
Evergy		88.6	4	4	4	3	6	0	4	2	4	6	N	1	2	2	2	2	2	2	2	2	2	2	2	2	62
Freeport-McMoRan Inc.		88.6	4	4	4	6	6	0	4	1	4	6	N	2	2	1	2	2	2	2	2	0	2	2	2	2	62
Lincoln National Corp.		88.6	4	4	4	6	6	0	4	2	4	6	N	2	2	0	2	2	2	2	2	0	2	2	2	2	62
WEC Energy Group Inc.		88.6	2	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	62
Alexion Pharmaceuticals Inc.		87.1	4	4	4	6	6	0	4	0	4	6	N	2	2	2	1	2	2	2	2	0	2	4	2	0	61
Ford Motor Co.		87.1	4	4	4	3	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	61
Kraft Heinz Co.		87.1	4	4	4	6	6	2	4	2	4	6	N	2	2	1	2	2	0	1	1	0	0	4	2	2	61
Texas Instruments Inc.		87.1	4	2	4	3	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	61
Ventas Inc.		87.1	4	4	4	6	3	0	4	2	4	6	N	1	2	0	2	2	2	2	2	1	2	4	2	2	61
Brown-Forman Corp.		85.7	4	4	4	3	6	0	4	2	4	6	N	2	2	1	2	2	2	2	2	0	2	2	2	2	60

First Tier	Company	Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Raw Score
	Comcast Corp.	85.7	4	4	4	0	6	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	60
	Darden Restaurants Inc.	85.7	4	4	4	6	3	0	4	1	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	60
	Dow Inc.	85.7	4	4	4	6	6	0	2	2	4	6	N	0	2	2	2	2	2	2	2	0	2	2	2	2	60
	Eversource Energy	85.7	4	4	4	6	3	0	4	2	4	6	N	2	2	1	2	2	2	2	2	0	2	2	2	2	60
	Fifth Third Bancorp	85.7	4	4	4	6	6	0	4	2	0	6	N	1	2	1	2	2	2	2	2	0	2	4	2	2	60
	Monster Beverage Corporation	85.7	4	4	4	6	6	0	4	1	4	6	N	2	2	0	2	2	2	2	2	0	2	2	2	1	60
	Pinnacle West Capital Corp.	85.7	4	4	4	6	6	0	4	2	0	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	60
	Principal Financial Group Inc.	85.7	4	4	4	0	6	0	4	2	4	6	N	2	2	1	2	2	2	2	1	2	2	4	2	2	60
	Public Service Enterprise Group	85.7	4	4	4	6	6	0	4	2	4	6	N	1	2	0	2	2	1	2	2	0	2	2	2	2	60
	Target Corp.	85.7	2	2	2	6	6	2	2	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	60
	Walt Disney Co., The	85.7	4	4	4	6	0	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	60
	Zimmer Biomet Holdings Inc.	85.7	4	4	4	6	0	0	4	2	2	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	60
	Anthem Inc.	84.3	4	4	4	6	0	0	4	2	4	6	N	2	1	2	2	2	2	2	2	0	2	4	2	2	59
	Applied Materials Inc.	84.3	4	4	4	3	3	0	4	2	4	6	N	2	1	2	2	2	2	2	2	0	2	4	2	2	59
	Citigroup Inc.	84.3	4	4	4	3	6	0	4	2	4	6	N	1	2	1	2	2	2	2	2	0	2	2	2	2	59
	Marriott International Inc.	84.3	4	4	4	6	6	0	4	1	4	6	N	2	2	1	2	2	1	1	1	0	0	4	2	2	59
	Medtronic PLC	84.3	4	4	4	6	6	0	4	2	4	6	N	1	1	1	2	2	0	2	2	0	2	4	2	0	59
	Tractor Supply Co.	84.3	4	4	4	3	6	0	4	2	0	6	N	2	2	2	2	2	1	2	2	2	2	4	2	1	59
	United Rentals Inc.	84.3	4	4	4	6	0	0	4	2	4	6	N	2	2	2	2	2	0	2	2	2	2	4	2	1	59
	Verizon Communications	84.3	4	4	4	3	3	0	4	2	4	6	N	2	2	2	2	2	1	2	2	0	2	4	2	2	59
	Alliant Energy Corp.	82.9	4	4	4	6	6	0	0	2	4	6	N	2	1	1	2	2	2	2	2	0	2	2	2	2	58
	Amazon.com Inc.	82.9	4	4	4	3	3	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	58
	American Water Works Co., Inc.	82.9	4	4	4	6	3	0	0	2	4	6	Y	2	2	2	2	2	2	2	2	2	2	2	2	1	58
Apple Inc.	82.9	4	4	4	6	0	0	4	2	4	6	N	2	1	2	2	2	1	2	2	0	2	4	2	2	58	
Boston Scientific Corp.	82.9	4	4	4	6	6	0	4	1	4	6	N	1	2	2	2	2	0	2	2	0	2	2	2	0	58	
Hormel Foods Corp.	82.9	4	4	4	3	6	0	4	2	2	6	N	2	2	2	2	2	1	2	0	2	2	2	2	2	58	
Procter & Gamble Co.	82.9	4	4	4	6	6	0	4	2	4	6	N	1	2	2	2	2	1	1	1	0	2	2	2	0	58	
American Airlines Group Inc.	81.4	4	4	4	0	6	0	4	2	4	6	N	2	2	1	2	2	2	2	2	0	2	2	2	2	57	
Amgen Inc.	81.4	4	4	4	6	0	0	4	1	4	6	N	2	1	2	2	2	2	2	2	0	2	4	2	1	57	
Best Buy Co. Inc.	81.4	4	4	4	3	3	0	4	1	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	57	

	Company	Score																									Raw Score
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
First Tier	Campbell Soup Co.	81.4	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	2	1	1	1	0	0	2	2	0	57
	Cigna Corp.	81.4	4	4	4	6	0	0	4	2	4	6	N	2	1	2	2	2	2	2	2	0	2	2	2	2	57
	Corning Inc.	81.4	2	2	4	6	3	0	4	2	4	6	N	2	2	0	2	2	2	2	2	0	2	4	2	2	57
	Danaher Corp.	81.4	4	4	4	0	6	0	4	2	4	6	Y	2	2	2	2	2	2	2	0	2	2	2	2	1	57
	General Motors Co.	81.4	4	4	4	6	3	0	0	2	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	57
	MetLife Inc.	81.4	4	4	4	6	3	0	4	1	4	6	N	1	2	1	2	2	2	2	2	0	2	2	2	1	57
	Mylan NV	81.4	4	4	4	6	3	0	4	2	0	6	N	1	2	1	2	2	2	2	2	0	2	4	2	2	57
	Newell Brands Inc.	81.4	4	4	4	0	6	0	4	2	2	6	N	2	2	2	2	2	2	2	2	2	2	2	2	1	57
	Newmont Mining Corp.	81.4	4	4	0	3	6	0	4	2	4	6	N	2	2	1	2	2	1	2	2	2	2	2	2	2	57
	Xcel Energy Inc.	81.4	4	4	4	6	3	0	4	2	0	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	57
	Abbott Laboratories	80.0	4	4	4	3	0	0	4	2	4	6	N	2	2	2	2	2	2	1	2	0	2	4	2	2	56
	AES Corp.	80.0	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	0	2	0	0	0	0	2	2	2	56
	Caterpillar Inc.	80.0	4	4	4	3	0	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	1	56
	Cerner Corp.	80.0	4	4	4	6	0	0	4	2	4	6	N	2	1	1	2	2	2	2	2	0	2	2	2	2	56
	Devon Energy Corp.	80.0	4	4	4	6	0	0	4	2	4	6	N	2	1	2	2	2	1	2	2	0	2	2	2	2	56
	Gap Inc.	80.0	4	4	4	3	6	0	4	2	4	6	N	2	2	2	2	2	1	1	1	0	0	2	2	2	56
	H&R Block Inc.	80.0	4	4	0	6	3	0	4	2	4	6	N	2	2	1	2	2	2	2	2	0	2	2	2	2	56
	Lowe's Companies Inc.	80.0	4	4	4	3	6	0	4	2	2	6	N	1	2	2	2	2	1	2	2	0	2	2	2	1	56
	LyondellBasell Industries NV	80.0	4	4	4	6	6	0	4	2	4	6	N	2	2	2	2	0	0	0	0	0	0	4	2	2	56
	MGM Resorts International	80.0	4	4	4	6	6	0	4	2	4	6	N	2	2	1	2	1	0	1	0	0	1	4	2	0	56
National Oilwell Varco Inc.	80.0	4	4	4	0	6	0	4	1	2	6	N	2	2	2	2	2	2	2	1	2	2	2	2	2	56	
Starbucks Corp.	80.0	4	4	0	3	6	0	4	2	4	6	N	1	2	2	2	2	2	2	2	0	2	2	2	2	56	
Yum Brands Inc.	80.0	4	4	4	6	0	0	4	2	2	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	56	
Second	3M Co.	78.6	4	4	4	6	0	0	0	2	4	6	N	2	1	2	2	2	2	2	0	2	4	2	2	55	
	Chevron Corp.	78.6	4	4	2	3	6	0	4	2	2	6	N	1	2	1	2	2	2	2	0	2	2	2	2	55	
	Hilton Worldwide Holdings Inc.	78.6	4	4	4	6	6	0	2	2	4	6	N	1	1	0	2	2	1	1	1	0	0	4	2	2	55
	Lockheed Martin Corp.	78.6	4	4	4	3	0	0	4	2	4	6	N	2	2	2	2	2	2	2	0	2	2	2	2	55	
	Nordstrom Inc.	78.6	4	4	4	0	6	0	4	2	2	6	N	2	2	2	2	2	2	2	1	2	2	2	0	55	
	Pfizer Inc.	78.6	4	4	4	3	0	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	55
	Allstate Corp.	77.1	4	2	4	3	3	0	2	2	4	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	54

Second Tier	Company	Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Raw Score	
	Ameriprise Financial Inc.	77.1	4	4	4	6	6	2	4	0	0	6	N	0	2	0	0	2	2	2	2	0	2	2	2	2	2	54
	BlackRock Inc.	77.1	4	4	4	3	0	0	4	2	2	6	N	2	2	2	2	2	1	2	2	2	2	2	2	2	2	54
	Cardinal Health Inc.	77.1	4	2	4	6	0	1	4	2	4	6	N	2	1	1	2	2	2	2	2	0	2	2	2	1	54	
	CF Industries Holdings Inc.	77.1	4	4	0	6	3	0	4	1	4	6	N	1	2	1	2	2	0	2	2	0	2	4	2	2	54	
	Intuitive Surgical Inc.	77.1	4	4	4	0	6	0	4	2	2	6	N	2	2	2	2	2	0	2	0	2	2	2	2	2	54	
	Western Digital Corp.	77.1	4	4	4	0	6	0	4	1	2	6	N	2	2	2	2	2	0	2	1	2	2	4	2	0	54	
	Aon PLC	75.7	4	4	4	0	6	0	4	1	2	6	N	2	2	2	2	2	0	2	0	2	2	2	2	2	53	
	Discover Financial Services Inc.	75.7	4	4	4	3	6	0	4	1	2	6	N	2	2	2	2	2	0	2	0	2	2	0	2	1	53	
	eBay Inc.	75.7	4	4	4	6	0	0	0	2	4	6	N	2	1	2	2	2	2	2	2	0	2	2	2	2	53	
	Franklin Resources Inc.	75.7	4	4	4	3	0	0	4	2	2	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	53	
	Illinois Tool Works Inc.	75.7	4	4	4	0	6	0	4	1	2	6	N	2	2	2	2	2	0	2	0	2	2	2	2	2	53	
	Kansas City Southern	75.7	4	4	4	6	6	2	2	2	0	6	N	2	2	1	2	2	1	1	2	0	0	2	2	0	53	
	Nucor Corp.	75.7	0	4	4	6	3	0	4	2	4	6	N	2	2	1	2	2	1	1	1	0	0	4	2	2	53	
	Quest Diagnostics Inc.	75.7	4	0	4	3	6	0	4	1	4	6	N	2	1	0	2	2	2	2	2	0	2	2	2	2	53	
	Ametek Inc.	74.3	4	4	4	3	6	0	4	1	2	6	N	2	2	2	2	2	0	2	0	2	2	0	2	0	52	
	Costco Wholesale Corp.	74.3	4	4	4	6	0	1	0	2	2	6	N	2	2	1	2	2	1	2	2	1	2	2	2	2	52	
	FedEx Corp.	74.3	4	4	4	0	6	0	4	2	0	6	N	2	2	2	2	2	2	2	2	0	2	0	2	2	52	
	Intercontinental Exchange Inc.	74.3	4	4	2	3	6	0	4	1	2	6	N	2	2	2	2	2	0	2	0	2	2	2	2	0	52	
	J.M. Smucker Co.	74.3	4	4	4	3	6	0	4	0	4	6	N	1	2	1	0	2	1	2	2	0	2	2	1	1	52	
	McCormick & Company Inc.	74.3	4	4	0	6	3	0	4	1	4	6	N	2	1	1	2	2	2	2	2	0	2	2	2	0	52	
	NiSource Inc.	74.3	4	4	2	3	3	0	4	2	2	6	N	2	2	1	2	2	2	2	2	0	2	2	2	1	52	
	PayPal Holdings Inc.	74.3	4	4	4	3	6	0	0	2	4	6	N	2	1	2	2	2	0	2	2	0	2	2	2	0	52	
	PepsiCo Inc.	74.3	4	4	4	3	0	0	4	2	2	6	N	2	2	2	2	2	2	2	2	0	2	2	2	1	52	
SVB Financial Group	74.3	4	2	2	3	3	0	2	2	4	6	N	1	2	1	2	2	2	2	2	0	2	4	2	2	52		
Archer Daniels Midland Co.	72.9	0	2	4	3	6	0	4	2	2	6	N	2	2	2	2	2	2	2	0	0	2	2	2	2	51		
Broadridge Financial Solutions, Inc.	72.9	4	4	2	3	6	0	4	2	4	6	N	2	1	0	2	2	1	1	1	0	0	2	2	2	51		
CenterPoint Energy Inc.	72.9	4	4	4	6	6	0	4	2	0	6	N	1	2	1	2	2	0	0	0	1	0	2	2	2	51		
Chubb Ltd.	72.9	2	2	2	3	3	0	2	1	4	6	N	2	2	2	2	2	2	2	2	2	2	2	2	2	51		
W.W. Grainger Inc.	72.9	4	4	4	3	3	0	4	0	2	3	N	2	2	2	2	2	2	2	0	2	2	2	2	2	51		
Avery Dennison Corp.	71.4	4	4	4	3	6	0	4	0	4	3	N	2	2	2	2	2	0	2	0	2	2	0	2	0	50		

Second Tier	Company	Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Raw Score
	Baxter International Inc.	71.4	4	4	0	6	6	0	4	1	0	6	N	2	2	2	2	2	1	2	2	0	0	2	2	0	50
	BorgWarner Inc.	71.4	4	4	4	3	0	0	4	1	2	6	N	2	2	2	2	2	0	2	0	2	2	2	2	2	50
	Cummins Inc.	71.4	4	4	4	6	6	0	4	1	4	6	N	1	2	2	1	1	0	0	0	0	0	2	2	0	50
	Ecolab Inc.	71.4	4	4	0	0	0	0	4	2	4	6	N	2	2	2	2	2	2	2	2	0	2	4	2	2	50
	Iron Mountain Inc.	71.4	4	4	4	0	0	0	4	2	2	6	Y	2	2	2	2	2	2	2	0	2	2	2	2	2	50
	T. Rowe Price Group Inc.	71.4	4	4	4	3	0	0	4	1	2	6	N	2	2	2	2	2	0	2	0	2	2	2	2	2	50
	Travelers Companies Inc.	71.4	4	4	4	0	0	0	0	2	4	6	N	1	2	2	2	2	2	2	2	1	2	4	2	2	50
	Under Armour Inc.	71.4	4	4	4	0	0	0	4	1	2	6	N	2	2	2	2	2	2	2	1	2	2	2	2	2	50
	Xerox Corp.	71.4	4	0	4	6	0	0	4	1	4	6	Y	1	1	2	2	2	1	2	2	0	2	2	2	2	50
	Baker Hughes Company	70.0	4	4	0	6	0	0	4	1	4	6	N	2	1	0	2	2	2	2	2	0	2	2	1	2	49
	Ball Corp.	70.0	4	4	4	3	6	0	4	0	0	6	N	2	2	2	2	2	0	2	0	2	2	0	2	0	49
	Gartner Inc.	70.0	4	4	4	0	0	0	4	2	4	6	N	2	2	2	2	2	0	2	0	2	2	2	2	1	49
	Marathon Petroleum Corp.	70.0	4	4	0	3	0	0	4	1	4	6	N	2	1	2	2	2	2	2	2	0	2	2	2	2	49
	Autodesk Inc.	68.6	4	4	4	3	3	0	4	2	4	6	N	0	2	2	2	0	0	0	0	0	0	4	2	2	48
	Chipotle Mexican Grill Inc.	68.6	4	4	4	0	0	0	4	1	2	6	N	2	2	2	2	2	2	2	0	2	2	2	2	1	48
	EOG Resources	68.6	4	4	4	0	0	0	4	2	2	6	N	2	2	2	2	2	2	2	2	0	2	2	2	0	48
	Equinix Inc.	68.6	4	4	4	3	0	0	0	2	2	6	N	2	2	1	2	2	2	2	2	0	0	4	2	2	48
	Hershey Co., The	68.6	4	4	4	3	6	0	2	2	4	6	Y	1	2	2	2	0	0	0	0	0	0	2	2	2	48
	Home Depot Inc.	68.6	4	4	4	3	0	0	4	2	0	6	N	1	1	2	2	2	2	2	2	1	2	2	2	0	48
	Marathon Oil Corp.	68.6	0	2	4	3	3	0	4	2	0	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	48
	Occidental Petroleum Corp.	68.6	4	4	0	3	0	0	4	2	4	6	N	2	1	0	2	2	2	2	2	0	2	2	2	2	48
	Synchrony Financial	68.6	4	4	4	3	0	0	4	2	2	6	N	2	1	0	2	2	2	2	2	0	2	2	2	0	48
	Valero Energy Corp.	68.6	4	2	2	6	3	0	2	2	0	6	N	1	2	0	2	2	2	2	2	0	2	2	2	2	48
Dentsply Sirona Inc.	67.1	4	4	4	0	0	0	4	2	4	6	N	0	1	1	2	2	2	2	2	1	2	2	0	2	47	
Eli Lilly & Co.	67.1	4	4	0	3	6	0	4	0	4	3	N	0	1	2	0	2	2	2	2	0	2	2	2	2	47	
Oracle Corp.	67.1	4	4	4	3	0	0	0	2	4	6	N	2	1	2	2	2	0	2	1	0	2	2	2	2	47	
Pioneer Natural Resources Co.	67.1	4	4	0	6	3	0	4	2	0	6	N	0	1	2	2	2	0	2	2	0	2	2	2	1	47	
American Electric Power Company Inc.	65.7	4	4	0	6	6	0	0	2	0	6	N	1	1	1	2	2	1	2	2	0	2	2	2	0	46	
Eaton Corp. PLC	65.7	4	4	4	0	0	0	4	2	0	6	N	2	2	0	2	2	2	2	2	0	2	2	2	2	46	
Facebook Inc.	65.7	4	2	4	3	3	0	4	2	4	6	N	2	2	2	2	0	0	0	0	0	0	2	2	2	46	

	Company	Score																									Raw Score
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
Second Tier	Leidos Holdings	65.7	4	4	4	0	6	0	0	1	2	6	N	1	1	1	2	2	1	2	2	0	2	2	2	1	46
	Oneok Inc.	65.7	4	4	0	6	6	0	4	0	0	6	N	1	1	2	0	2	1	1	2	0	2	2	2	0	46
	PulteGroup Inc.	64.3	4	4	0	6	0	0	4	2	4	6	N	0	1	0	2	2	0	2	0	0	2	2	2	2	45
	Wynn Resorts Ltd.	64.3	4	0	0	6	0	0	0	2	4	6	N	2	2	2	2	2	2	2	1	0	2	2	2	2	45
	CMS Energy Corp.	61.4	4	0	0	6	0	0	0	2	0	6	N	2	1	2	2	2	2	2	2	2	2	2	2	2	43
	Duke Energy Corp.	61.4	0	4	0	3	0	0	0	1	4	6	N	2	1	2	2	2	2	2	2	0	2	4	2	2	43
	Exxon Mobil Corp.	61.4	4	4	0	0	0	0	0	2	4	6	N	2	1	2	2	2	2	2	0	2	2	2	2	2	43
	Huntington Bancshares Inc.	61.4	4	4	4	0	0	0	4	2	0	6	N	2	1	0	2	2	2	2	0	0	2	2	2	2	43
	Invesco Ltd.	61.4	4	4	4	0	0	0	4	1	2	6	N	2	2	2	2	2	0	2	0	2	2	0	2	0	43
	Netapp Inc.	61.4	4	4	4	0	0	0	4	1	2	3	N	2	2	2	2	2	1	2	0	2	2	2	2	0	43
	Southern Co.	61.4	2	2	2	6	3	0	2	2	2	6	N	1	2	2	2	2	0	1	0	0	0	2	2	2	43
	Weyerhaeuser Co.	61.4	4	4	4	3	0	0	4	0	4	3	N	1	1	2	0	2	1	2	2	0	2	2	2	0	43
	CenturyLink Inc.	60.0	2	4	0	3	6	0	2	2	0	6	N	2	1	2	2	2	0	0	0	0	0	4	2	2	42
	NextEra Energy Inc.	60.0	0	0	0	6	0	0	0	2	2	6	N	2	1	2	2	2	2	2	2	1	2	4	2	2	42
	PVH Corp.	60.0	4	4	4	0	0	0	4	1	2	3	N	2	2	2	2	2	0	2	0	2	2	2	2	0	42
	Whirlpool Corp.	60.0	4	4	0	3	3	0	4	1	4	6	N	1	2	2	2	1	0	0	0	0	0	2	2	1	42
Celanese Corporation	58.6	4	4	0	6	0	0	4	2	2	6	N	1	1	1	2	1	0	1	0	0	0	2	2	2	41	
Third Tier	Eastman Chemical Co.	58.6	0	0	4	6	0	0	0	2	2	6	N	1	2	0	2	2	2	2	2	0	2	2	2	41	
	Hasbro Inc.	58.6	4	4	4	0	0	0	4	1	0	3	N	2	2	2	2	2	2	2	1	2	2	0	2	0	41
	NortonLifeLock Inc.	58.6	4	4	4	6	0	0	0	1	0	0	N	1	1	2	2	2	2	2	2	0	2	2	2	2	41
	Sherwin-Williams Co.	58.6	4	4	4	0	0	0	4	0	0	6	N	2	2	2	2	2	0	2	0	2	2	0	2	1	41
	Southwest Airlines Co.	58.6	0	4	0	3	6	0	4	2	4	6	N	2	1	1	2	2	0	1	0	0	0	2	1	0	41
	Tapestry Inc.	58.6	4	4	4	0	0	0	4	1	0	6	N	2	2	2	2	2	0	2	0	2	2	0	2	0	41
	Adobe Systems Inc.	57.1	4	4	0	3	0	0	0	2	4	6	N	1	1	2	2	2	1	1	1	0	0	2	2	2	40
	Boston Properties Inc.	57.1	0	2	2	3	3	0	2	2	0	6	N	2	2	0	2	2	2	2	2	0	2	0	2	2	40
	Emerson Electric Co.	57.1	4	0	0	3	0	0	4	2	0	6	N	1	1	2	2	2	2	2	0	2	2	2	2	1	40
	Fleetcor Technologies, Inc.	57.1	4	4	4	0	0	0	4	1	0	3	N	2	2	2	2	2	0	2	0	2	2	2	2	0	40
	NRG Energy Inc.	57.1	4	0	0	3	0	0	0	2	2	6	N	2	1	2	2	2	2	2	2	0	2	2	2	2	40
	Raytheon Company	57.1	0	0	4	0	0	0	4	2	4	6	N	1	1	0	2	2	2	2	2	0	2	2	2	2	40
	Albemarle Corp.	55.7	4	2	4	0	0	0	0	2	4	6	N	0	1	2	2	2	0	2	0	0	2	2	2	2	39

Third Tier	Company	Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Raw Score	
	Booking Holdings Inc.	55.7	0	0	4	0	6	0	0	2	0	6	N	1	2	0	2	2	2	2	2	2	2	0	2	2	2	39
	Masco Corp.	55.7	4	4	4	0	0	0	0	2	4	6	N	2	1	0	2	2	0	2	0	0	2	2	2	0	39	
	Maxim Integrated Products Inc.	55.7	4	4	4	0	0	0	4	2	0	3	N	2	2	2	2	2	0	2	0	2	2	0	2	0	39	
	Nike Inc.	55.7	2	0	0	0	0	0	2	2	4	6	N	2	2	1	2	2	2	2	2	0	2	2	2	2	39	
	S&P Global Inc.	55.7	4	4	0	3	6	0	0	2	0	6	N	1	2	2	2	2	0	0	0	0	0	2	2	1	39	
	Sealed Air Corp.	55.7	4	4	4	0	0	0	4	0	2	3	N	2	2	2	2	2	0	2	0	2	2	0	2	0	39	
	Thermo Fisher Scientific Inc.	55.7	4	0	4	6	6	0	4	1	0	6	N	0	2	0	2	0	0	0	0	0	0	2	2	0	39	
	TJX Companies Inc.	55.7	4	4	4	0	0	0	0	2	0	6	N	2	2	1	2	2	2	2	2	0	2	0	2	0	39	
	Arista Networks	54.3	4	4	4	0	0	0	4	1	0	3	N	2	2	2	2	2	0	2	0	2	2	0	2	0	38	
	News Corp.	54.3	4	4	4	0	0	0	4	2	4	6	N	2	1	1	2	0	0	0	0	0	0	2	2	0	38	
	Expedia Inc.	52.9	0	0	4	0	6	0	0	2	0	6	N	2	2	1	2	2	2	2	2	0	0	0	2	2	37	
	Waste Management Inc.	51.4	0	0	0	6	3	0	0	2	0	6	N	2	2	2	2	2	1	1	1	0	0	2	2	2	36	
	Zoetis Inc.	51.4	0	4	4	0	0	0	4	0	2	6	N	2	2	2	1	0	0	2	0	1	2	0	2	2	36	
	Amphenol Corp.	50.0	4	4	4	0	0	0	0	2	0	6	N	2	1	0	2	2	0	2	2	0	2	0	2	0	35	
	Equifax Inc.	50.0	0	0	0	3	3	0	0	2	0	6	N	1	2	0	2	2	2	2	2	0	2	2	2	2	35	
	FMC Corp.	50.0	4	0	0	6	3	0	4	2	4	3	N	0	1	0	2	0	0	0	0	0	0	4	2	0	35	
	Illumina Inc.	50.0	4	4	4	3	0	0	4	1	4	3	N	0	0	2	2	0	0	0	0	0	0	2	0	2	35	
	PNC Financial Services Group Inc.	50.0	4	0	4	0	0	0	0	1	0	6	N	1	2	1	2	2	2	2	2	0	2	2	2	0	35	
	Republic Services Inc.	50.0	0	0	0	3	0	0	0	2	0	6	N	2	2	2	2	2	2	2	2	0	2	2	2	2	35	
	Atmos Energy Corporation	48.6	4	0	0	6	0	0	0	2	0	6	N	1	1	0	2	2	0	2	2	0	2	2	1	1	34	
	FirstEnergy Corp.	48.6	0	0	0	6	0	0	0	1	2	6	N	2	2	0	2	2	2	2	2	0	2	0	2	1	34	
	Northern Trust Corp.	48.6	4	0	0	3	0	0	0	0	2	6	N	2	1	2	0	2	2	2	2	0	2	2	2	0	34	
	Synopsys Inc.	48.6	4	4	0	3	0	0	4	1	4	6	N	0	1	2	1	0	0	0	0	0	0	2	2	0	34	
International Flavors & Fragrances Inc.	47.1	4	4	2	3	3	0	0	2	4	3	N	1	1	2	2	0	0	0	0	0	0	2	0	0	33		
Motorola Solutions Inc.	45.7	0	0	0	3	0	0	0	2	0	6	N	2	1	2	2	2	2	2	2	0	2	0	2	2	32		
Dollar Tree Inc.	44.3	4	4	4	0	0	0	0	0	4	3	N	0	1	0	0	1	2	1	1	0	2	2	2	0	31		
Progressive Corp.	44.3	0	0	0	3	0	0	0	1	0	6	N	2	2	1	2	2	2	2	2	0	2	0	2	2	31		
Wabtec Corporation	44.3	4	4	4	0	0	0	0	1	0	6	N	1	1	2	2	2	0	1	1	0	0	0	1	1	31		
Alaska Air Group	42.9	0	0	4	0	0	0	0	2	0	6	N	2	1	1	2	2	2	2	1	0	2	0	1	2	30		
Equity Residential	41.4	0	0	0	3	0	0	0	2	0	6	N	2	1	0	2	2	1	2	2	0	2	0	2	2	29		

	Company	Score																									Raw Score
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
Third	General Dynamics Corp.	41.4	4	4	0	3	0	0	0	2	0	6	N	1	2	0	2	2	0	0	0	0	2	1	29		
	Interpublic Group of Companies Inc.	41.4	4	0	4	0	0	0	2	2	0	6	N	0	1	0	2	2	2	2	0	0	2	0	29		
	AutoZone Inc.	40.0	0	0	0	0	0	0	0	2	0	6	N	2	1	2	2	2	2	2	1	0	2	0	28		
	Centene Corp.	40.0	0	0	0	0	0	0	0	2	0	6	N	2	1	1	2	2	2	2	2	0	2	0	28		
Fourth Tier	AvalonBay Communities Inc.	38.6	0	0	0	0	0	0	2	0	6	N	2	2	1	2	2	2	2	0	0	2	0	27			
	Pentair PLC	38.6	0	0	0	0	0	0	2	0	6	N	1	2	1	2	2	0	2	1	0	2	2	2	27		
	DaVita HealthCare Partners Inc.	37.1	0	0	0	0	0	0	2	0	6	N	1	1	2	2	2	2	2	0	2	2	0	26			
	DTE Energy Co.	37.1	0	0	0	0	0	0	2	0	6	N	1	1	1	2	2	2	2	2	0	2	0	26			
	Universal Health Services Inc.	37.1	0	0	0	0	0	0	2	0	6	N	2	2	0	2	2	2	2	2	0	2	0	26			
	CarMax Inc.	35.7	0	0	4	0	0	0	2	0	6	N	1	1	1	2	2	0	2	0	0	2	0	25			
	Kroger Co., The	35.7	0	0	0	0	0	0	1	2	6	N	0	1	1	2	2	2	2	0	0	2	0	25			
	L Brands Inc.	35.7	0	2	0	6	0	0	0	2	0	6	N	1	1	1	2	0	0	0	0	0	2	2	25		
	Cabot Oil & Gas Corp.	34.3	0	0	0	3	0	0	0	2	0	6	N	0	1	1	2	2	2	1	0	0	0	24			
	Cadence Design Systems Inc.	32.9	4	4	0	0	0	0	2	2	2	3	N	0	1	0	2	0	1	0	0	0	2	0	23		
	Delta Air Lines Inc.	32.9	0	0	0	0	0	0	2	0	6	N	2	1	1	2	2	0	2	1	0	2	0	23			
	Verisk Analytics Inc.	32.9	4	4	4	0	0	0	1	0	6	N	0	1	1	0	0	0	0	0	0	0	0	2	23		
	Hewlett Packard Enterprise Co.	31.4	4	0	0	0	0	0	2	0	0	3	N	0	1	0	0	2	2	2	2	0	2	0	22		
	Truist Financial Corporation	31.4	4	4	0	0	0	0	0	0	0	3	N	2	1	0	0	2	2	1	1	0	2	0	22		
	Vulcan Materials Co.	31.4	4	4	4	3	0	0	0	0	0	6	N	0	1	0	0	0	0	0	0	0	0	0	22		
	Colgate-Palmolive Co.	30.0	4	0	0	6	0	0	0	0	0	6	N	0	1	0	0	0	0	0	0	0	2	2	21		
	Comerica Inc.	30.0	4	4	0	3	0	0	0	2	0	3	N	0	1	0	2	0	0	0	0	0	2	0	21		
	Deere & Co.	30.0	0	0	4	0	0	0	2	0	6	N	2	1	0	2	0	0	0	0	0	0	2	2	21		
	Fox Corporation	28.6	0	0	0	0	0	0	2	0	6	N	1	1	1	2	1	1	1	1	0	0	0	1	20		
	Johnson Controls International plc	28.6	0	0	0	3	0	0	2	0	6	N	2	1	2	2	0	0	0	0	0	0	2	0	20		
	Paychex Inc.	28.6	4	4	0	0	0	0	4	2	0	6	N	0	0	0	0	0	0	0	0	0	0	0	20		
	Air Products and Chemicals Inc.	27.1	2	0	0	0	0	0	0	0	0	3	N	2	1	0	1	2	2	2	0	0	2	0	19		
	Trane Technologies plc	27.1	0	4	0	3	0	0	0	0	0	6	N	1	1	2	0	0	0	0	0	0	2	0	19		
	Wal-Mart Stores Inc.	27.1	0	0	0	0	0	0	2	0	6	N	0	0	0	2	2	1	1	1	1	2	0	1	19		
Charles Schwab Corp.	25.7	0	0	0	0	0	0	1	0	6	N	0	1	0	2	2	0	2	0	0	2	0	2	18			
Harley-Davidson Inc.	25.7	0	0	0	0	0	0	0	0	0	6	N	1	0	0	2	2	1	1	1	0	0	2	18			

	Company	Score																									Raw Score
			1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	
Fourth Tier	HCA Holdings Inc.	25.7	4	0	0	0	0	0	0	0	0	6	N	1	1	2	2	0	0	0	0	0	0	2	0	18	
	Royal Caribbean Cruises Ltd.	25.7	0	0	0	0	0	0	0	2	0	6	N	1	2	1	2	0	0	0	0	0	0	2	2	18	
	United Airlines Holdings Inc.	25.7	0	0	0	0	0	0	0	1	0	3	N	0	0	2	2	2	2	2	2	0	2	0	0	18	
	Halliburton Co.	24.3	4	0	0	0	0	0	0	1	0	6	N	1	1	0	2	0	0	0	0	0	0	2	0	17	
	Public Storage	22.9	0	0	0	0	0	0	0	2	0	3	N	0	1	0	2	2	2	2	0	2	0	0	0	16	
	Alliance Data Systems Corp.	21.4	0	0	0	0	0	0	0	2	0	6	N	1	0	1	2	0	0	0	0	0	0	1	2	15	
	Essex Property Trust Inc.	21.4	0	0	0	0	0	0	0	2	0	6	N	0	1	0	2	0	0	0	0	0	0	2	2	15	
	Laboratory Corp. of America Holdings	21.4	2	0	0	0	3	0	0	1	0	3	N	0	1	1	2	0	0	0	0	0	0	0	2	15	
	TE Connectivity Ltd.	21.4	0	0	0	3	0	0	0	1	0	6	N	1	1	0	2	0	0	0	0	0	0	1	0	15	
	Advance Auto Parts Inc.	20.0	4	0	0	0	0	0	0	2	0	3	N	0	1	0	2	0	0	0	0	0	0	2	0	14	
	Assurant Inc.	20.0	0	0	4	0	0	0	0	2	0	3	N	0	1	0	2	0	0	0	0	0	0	2	0	14	
	CBRE Group Inc.	20.0	2	2	2	0	0	0	2	1	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	14	
	Concho Resources Inc.	20.0	0	0	0	0	0	0	0	2	0	3	N	0	1	0	2	2	2	0	0	0	0	0	2	14	
	Juniper Networks Inc.	20.0	4	0	0	3	0	0	0	0	0	3	N	0	1	2	1	0	0	0	0	0	0	0	0	14	
	Lamb Weston Holdings, Inc.	20.0	0	0	0	0	0	0	0	1	0	3	N	0	0	0	2	2	0	2	2	0	2	0	0	14	
	Snap-On Inc.	20.0	4	4	0	0	0	0	0	0	0	3	N	0	1	0	0	0	0	0	0	0	0	0	2	14	
Bottom Tier	Las Vegas Sands	18.6	0	0	0	0	0	0	1	0	3	N	0	0	0	1	2	0	2	0	0	2	0	2	13		
	Twitter Inc.	18.6	0	0	0	3	0	0	4	0	0	3	N	0	0	1	0	0	0	0	0	0	2	0	13		
	Abiomed, Inc.	17.1	4	0	0	0	0	0	0	1	0	6	N	0	1	0	0	0	0	0	0	0	0	0	12		
	Henry Schein Inc.	17.1	0	0	0	0	0	0	0	1	0	6	N	0	1	0	2	0	0	0	0	0	0	2	12		
	Molson Coors Brewing Co.	17.1	0	0	0	0	0	0	0	2	0	6	N	0	0	1	2	0	0	0	0	0	0	1	12		
	Stryker Corp.	17.1	4	0	0	0	0	0	0	1	0	3	N	0	1	0	1	0	0	0	0	0	0	0	2	12	
	Coty Inc.	15.7	2	0	2	0	0	0	0	1	0	3	N	0	1	0	2	0	0	0	0	0	0	0	0	11	
	Discovery Inc.	15.7	0	0	0	0	0	0	0	2	0	3	N	2	0	0	2	0	0	0	0	0	0	2	0	11	
	LKQ Corp.	15.7	0	0	0	0	0	0	0	1	0	3	N	0	0	0	2	2	0	2	1	0	0	0	0	11	
	Constellation Brands Inc.	14.3	0	0	0	0	0	0	0	1	0	3	N	1	1	1	2	0	0	0	0	0	0	0	1	10	
	Fiserv Inc.	14.3	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	2	2	2	2	0	2	0	0	10	
	Keysight Technologies	14.3	0	0	0	0	0	0	4	1	0	3	N	0	1	0	1	0	0	0	0	0	0	0	0	10	
Kinder Morgan Inc.	14.3	4	0	0	0	0	0	0	1	0	3	N	0	1	0	1	0	0	0	0	0	0	0	0	10		
Perrigo Company PLC	14.3	0	0	0	0	0	0	0	1	0	3	N	0	1	0	1	0	0	0	0	0	0	2	2	10		

Bottom Tier	Company	Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Raw Score		
	Prologis Inc.	14.3	2	0	0	0	0	0	0	0	2	0	3	N	0	1	0	2	0	0	0	0	0	0	0	0	0	0	10
	Stanley Black & Decker Inc.	14.3	0	0	0	3	0	0	0	2	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	10
	Sysco Corp.	14.3	0	0	0	0	0	0	0	2	0	3	N	1	0	2	2	0	0	0	0	0	0	0	0	0	0	0	10
	Vertex Pharmaceuticals Inc.	14.3	0	0	0	0	0	0	0	2	0	3	N	1	0	2	2	0	0	0	0	0	0	0	0	0	0	0	10
	Vornado Realty Trust	14.3	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	2	2	2	2	0	2	0	0	0	0	0	10
	Willis Towers Watson PLC	14.3	2	0	0	0	0	0	0	0	0	0	N	0	0	0	0	2	2	2	0	0	2	0	0	0	0	0	10
	Zions Bancorp.	14.3	0	4	0	0	0	0	0	1	0	3	N	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	10
	Healthpeak Properties, Inc.	12.9	0	0	0	0	0	0	0	0	0	3	N	0	1	0	1	2	0	0	0	1	0	0	1	0	0	9	
	Howmet Aerospace Inc.	12.9	4	0	0	0	0	0	0	0	0	3	N	0	1	0	0	0	0	0	0	0	0	0	0	0	1	9	
	Leggett & Platt Inc.	12.9	0	0	0	0	0	0	0	0	0	3	N	1	0	1	0	0	0	0	0	0	0	0	0	2	2	9	
	Loews Corp.	12.9	0	0	0	3	0	0	0	0	0	3	N	0	0	0	0	2	0	0	0	0	0	0	0	0	1	9	
	Otis Worldwide	12.9	0	0	0	0	0	0	0	0	0	3	N	0	0	0	0	2	1	1	2	0	0	0	0	0	0	9	
	Raymond James Financial Inc.	12.9	0	0	0	0	0	0	0	1	0	3	N	0	1	0	2	0	0	0	0	0	0	0	0	0	2	9	
	SBA Communications Corp.	12.9	0	0	0	0	0	0	0	2	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	0	2	9	
	Align Technology Inc.	11.4	4	0	0	0	0	0	0	0	0	3	N	0	0	0	0	0	0	0	0	0	0	0	0	0	1	8	
	Crown Castle International Corp.	11.4	0	0	0	0	0	0	0	2	0	3	N	0	1	0	2	0	0	0	0	0	0	0	0	0	0	0	8
	Live Nation Entertainment	11.4	0	0	0	0	0	0	0	1	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	0	2	8	
	Microchip Technology Inc.	11.4	0	0	0	0	0	0	0	2	0	3	N	0	1	0	2	0	0	0	0	0	0	0	0	0	0	0	8
	Packaging Corp. of America	11.4	0	0	0	0	0	0	0	2	0	3	N	0	1	0	2	0	0	0	0	0	0	0	0	0	0	0	8
	Qorvo Inc.	11.4	0	0	0	0	0	0	0	2	0	3	N	0	1	0	2	0	0	0	0	0	0	0	0	0	0	0	8
	STERIS plc	11.4	0	0	0	0	0	0	0	2	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	0	1	8	
	TechnipFMC PLC	11.4	4	0	0	0	0	0	0	0	0	3	N	0	1	0	0	0	0	0	0	0	0	0	0	0	0	0	8
	Akamai Technologies Inc.	10.0	0	0	0	0	0	0	0	2	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	7
C.H. Robinson Worldwide Inc.	10.0	0	0	0	0	0	0	0	2	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	7	
Carnival Corp.	10.0	0	0	0	0	0	0	0	2	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	7	
CDW	10.0	4	0	0	0	0	0	0	1	0	0	N	0	1	0	1	0	0	0	0	0	0	0	0	0	0	0	7	
Citizens Financial Group Inc.	10.0	0	0	0	0	0	0	0	1	0	3	N	0	1	0	2	0	0	0	0	0	0	0	0	0	0	0	7	
D.R. Horton Inc.	10.0	0	0	0	0	0	0	0	2	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	7	
Dollar General Corp.	10.0	0	0	0	0	0	0	0	2	0	3	N	0	0	0	2	0	0	0	0	0	0	0	0	0	0	0	7	
First Republic Bank	10.0	4	0	0	0	0	0	0	0	0	3	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	7	

Bottom Tier	Company	Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Raw Score	
	Extra Space Storage Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	F5 Networks Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Fastenal Co.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Federal Realty Investment Trust	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Fidelity National Information Services Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Fortive Corp.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Garmin Ltd.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Genuine Parts Co.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Hologic Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Huntington Ingalls Industries Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	IDEX Corporation	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	IDEXX Laboratories Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	J.B. Hunt Transport Services Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Kimberly-Clark Corp.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	M&T Bank Corp.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	MarketAxess	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Mid-America Apartment Communities Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Netflix Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	NVR Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Omnicom Group Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	PACCAR Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Paycom	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
	Realty Income Corp.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0
ServiceNow	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
SL Green Realty Corp.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Take-Two Interactive Software, Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
TransDigm Group Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Verisign Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Waters Corp.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Xylem Inc.	0.0	0	0	0	0	0	0	0	0	0	0	0	N	0	0	0	0	0	0	0	0	0	0	0	0	0	0	

APPENDIX F: SCORES OF COMPANIES THAT DO NOT SPEND

Company	Score	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	Raw Score
Accenture PLC	100.0	4	4	4	6	6	2	4	2	4	6	Y	2	2	2	2	2	2	2	2	2	2	4	2	2	70
Automatic Data Processing Inc.	100.0	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	70
DuPont de Nemours	100.0	4	4	4	6	6	2	4	2	4	6	Y	2	2	2	2	2	2	2	2	2	2	4	2	2	70
Goldman Sachs Group Inc.	100.0	4	4	4	6	6	2	4	2	4	6	Y	2	2	2	2	2	2	2	2	2	2	4	2	2	70
MSCI Inc.	100.0	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	70
Schlumberger Ltd.	100.0	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	70
Welltower Inc.	100.0	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	2	70
Hess Corp.	98.6	4	4	4	6	6	2	4	2	4	6	Y	2	2	2	2	2	2	2	2	2	2	4	2	1	69
International Business Machines Corp.	98.6	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	1	2	2	2	2	4	2	2	69
Nielsen Holdings NV	98.6	4	4	4	6	6	2	4	2	4	6	Y	2	2	2	2	2	1	2	2	2	2	4	2	2	69
Mettler-Toledo International Inc.	97.1	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	2	2	2	2	2	4	2	0	68
Ralph Lauren Corp.	97.1	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	1	2	2	2	2	4	2	1	68
Fortune Brands Home & Security	95.7	4	4	4	6	6	2	4	2	4	6	N	2	2	2	2	2	1	2	2	2	2	4	2	0	67

APPENDIX G: CPA-WHARTON ZICKLIN MODEL CODE OF CONDUCT



The Carol and Lawrence
ZICKLIN CENTER
for Business Ethics Research

A Model Code of Conduct for Corporate Political Spending

Preamble

The heightened risk posed by engaging in political activity makes it paramount that companies adopt a code of conduct to govern their political participation. Whether a company is directly contributing to or spending in elections or indirectly participating through payments to political or advocacy organizations, a code commits senior management and directors to responsible participation in our nation's politics. The code is a public commitment to employees, shareholders and the public to transparency and accountability. It not only mitigates risk but also demonstrates the company's understanding that its participation in politics must reflect its core values, its respect for the law and its responsibilities as a member of the body politic.

With investors and the wider public placing ever more emphasis on companies being responsible members of the broader society and accountable participants in the democratic process, a code becomes an essential tool for meeting those demands. It is also an element of Corporate Social Responsibility. An indication of the importance of this is the Business Roundtable's Statement on the Purpose of a Corporation (August 2019) which addresses the relationship companies should have with a full range of stakeholders.

The scrutiny that a company's election-related spending is receiving, how the spending aligns with a company's values, and how it affects the wider society and other stakeholders require the board and senior management to pay close attention to where the company's money goes and its wider consequences. In the end, directors and officers are responsible and accountable for the political choices and broader impact that may result from their company's election-related spending, no matter how financially immaterial it may seem.

The model code is intended as a guide for companies that seek to:

- be responsible members of society and participants in the democratic process and responsive to the range of stakeholders, in both letter and spirit,
- be recognized for their leadership in aligning corporate integrity and accountability with codified values,
- prudently manage company resources, and
- avoid the increased level of reputational, business and legal risk posed by the seismic shifts in how society engages with and scrutinizes corporations. The risk is exacerbated by the evolution of social media and a resurgence of activism in civil society.

Companies are encouraged to develop standards and procedures beyond those outlined in the model code that demonstrate their commitment to ethical behavior as they engage in political activity.

Model Code

1. Political spending shall reflect the company's interests, as an entity, and not those of its individual officers, directors, and agents.
2. In general, the company will follow a preferred policy of making its political contributions to a candidate directly.
3. No contribution will be given in anticipation of, in recognition of, or in return for an official act or anything that has appearance of a gratuity, bribe, trade or quid pro quo of any kind.
4. Employees will not be reimbursed directly or through compensation increases for personal political contributions or expenses.
5. The company will not pressure or coerce employees to make personal political expenditures.
6. All corporate political expenditures must receive prior written approval from the appropriate corporate officer.
7. The company will disclose publicly all direct contributions and expenditures with corporate funds on behalf of candidates, political parties and political organizations.
8. The company will disclose dues and other payments made to trade associations and contributions to other tax-exempt organizations that are or that it anticipates will be used for political expenditures. The disclosures shall describe the specific political activities undertaken.
9. The board shall require a report from trade associations or other third-party groups receiving company money on how it is being used and the candidates whom the spending promotes.
10. The board of directors or an independent committee of the board shall receive regular reports, establish and supervise policies and procedures, and assess the risks and impacts related to the company's political spending
11. The company shall review the positions of the candidates or organizations to which it contributes to determine whether those positions conflict the company's core values and policies. This review should be considered by senior management and the full board of directors annually.
12. The board of directors shall, independent of this review, consider the broader societal and economic harm and risks posed by the company's political spending.

