

## APPENDIX 10 METHODOLOGY

Catalyst's Census is distinguished by the rigorous verification process we conduct on our data and by the comparability of our data over time and across industries and geographies. Catalyst counts each woman and man in a leadership position, which provides a precise picture of women's status and progress that is comparable from year to year. While Catalyst does provide companies with repeated opportunities to confirm the accuracy of their data, we publish publicly available information without their verification if necessary.

In June 2008, we sent a letter to our contacts at each of the *Financial Post* 500 (FP500) companies and top subsidiaries.<sup>1</sup> The letter requested that the companies:

- Certify the total number of corporate officers and number of women corporate officers as of June 3, 2008.<sup>2</sup>
- Verify the name, title, and gender of each corporate officer as of June 3, 2008.
- Determine the line or staff status of all corporate officers.
- Confirm the name, title, and gender of each of the most highly compensated individuals listed in the company's management proxies.

If companies did not respond to the initial letter, Catalyst staff placed follow-up calls. If companies still did not verify the requested data, Catalyst sent letters to the company's chief executive officer to inform the company that we had not received their company-vetted data and that we would publish publicly available data even if the company did not provide verification.

For those companies that, despite repeated attempts, did not verify the requested data, Catalyst published data collected from public sources, including annual reports and management proxy statements. In the *2008 Catalyst Census of Women Corporate Officers and Top Earners of the FP500*, 479 companies (95.8 percent) of FP500 companies verified their data.

### TOP EARNERS

Catalyst gathered top earner information for the 232 publicly traded FP500 companies. Public companies are obligated to declare their most highly compensated individuals, referred to as the company's "Named Executive Officers." We asked public companies to verify these top earners as well as their corporate officers. "Top earners" can be individuals other than corporate officers.<sup>3</sup>

### FOREIGN-OWNED COMPANIES

Catalyst defines ownership according to the definition used by Statistics Canada, which describes two types of control: direct and effective control.<sup>4</sup> Direct control is foreign ownership of at least 50 percent of a firm's voting equity. Effective control is ownership through methods other than holding a majority of a firm's voting equity.

For example, when a foreign company holds more than 33 percent of a Canadian company's voting equity and the sum of the shares owned by the next two largest shareholders is less than the number of shares owned by the foreign shareholder, the Canadian company is said to be under effective control. We consider a company "foreign" according to the effective control definition. We determined ownership based on data provided in the FP500 list.

1. As listed in the June 2008 issue of the *National Post Business Magazine*.

2. Beginning in 2004, to remain consistent with the definition of corporate officer and allow comparability among banks included in the Census, Catalyst only included positions at the executive vice president level and above in the count of corporate officers with the exception of National Bank of Canada, which included senior vice president titles in 2008.

3. The Canadian Securities Administrators (CSA) is a forum for the 13 securities regulators of Canada's provinces and territories to coordinate and harmonize regulation of the Canadian capital markets. In September 2008, the CSA announced it was adopting Form 51-102F6 *Statement of Executive Compensation* in respect of financial years ending on or after December 31, 2008 (Canadian Securities Administrators, *Notice Form 51-102F6, Statement of Executive Compensation (in respect of financial years ending on or after December 31, 2008) and Consequential Amendments*, September 18, 2008) as part of National Instrument 51-102, *Continuous Disclosure Obligations* (See Ontario Securities Commission, *Category 5: Ongoing Requirements for Issuers and Insiders*, [http://www.osc.gov.on.ca/Regulation/Rulemaking/Current/rrn\\_part5\\_index.jsp](http://www.osc.gov.on.ca/Regulation/Rulemaking/Current/rrn_part5_index.jsp)). Form 51-102F6 states that a CEO, a CFO, and each of the three most highly compensated executive officers, or the three most highly compensated individuals acting in a similar capacity, other than the CEO and CFO, at the end of the most recently completed financial year whose total compensation was, individually, more than \$150,000, as determined in accordance with subsection 1.3(6), for that financial year; and each individual who would be an Named Executive Officer under these terms but for the fact that the individual was neither an executive officer of the company, nor acting in a similar capacity, at the end of that financial year. The named executive officers are very similar in the amended Form 51-102F6 (See Ontario Securities Commission, *Unofficial Consolidated Form 51-102F2*, December 29, 2006, [http://www.osc.gov.on.ca/Regulation/Rulemaking/Current/rrn\\_part5\\_index.jsp](http://www.osc.gov.on.ca/Regulation/Rulemaking/Current/rrn_part5_index.jsp)).

4. Statistics Canada, *Corporations Returns Act*, 2000.