

## APPENDIX 1

### METHODOLOGY

#### IMPETUS

In 1993, Catalyst instituted an annual Census to systematically examine women’s representation at the highest levels of corporate America. First assessing the status of women on boards, in 1996 Catalyst expanded the series to measure women’s representation in senior leadership positions. The Census reports were designed to establish accurate statistics and provide points of comparison with the goal of promoting women’s advancement and garnering attention for this issue.

#### RESEARCH DESIGN

The Catalyst Census utilizes a research methodology that counts a population. This design differentiates Catalyst’s research from studies that utilize survey methodologies because it removes the need for a representative sample, thereby ensuring a precise picture of women’s status and progress.

Catalyst studies *Fortune* 500 companies as the population not only because these are the largest companies by revenue in the United States each year, but also because they are widely recognized as the most powerful and influential businesses.

Catalyst gathered public data from Securities and Exchange Commission (SEC) annual filings submitted as of June 30, 2011. For insurance companies that do not submit annual filings to the SEC, Catalyst obtained data from the National Association of Insurance Commissioners’ (NAIC) regulatory database of key annual statements submitted as of June 30, 2011. Data submitted to the SEC and NAIC comply with federal or state requirements governing the content and timing of the filings.

To provide additional points of comparison, Catalyst analyzed *Fortune* 500 companies by regional headquarters location and North American Industrial Classification System (NAICS) industry sectors.

#### COMPANIES

##### 2011 Notes

Catalyst studied companies on the *Fortune* 500 list published May 23, 2011. An event and specific company structure necessitated the use of the following data sources:

<i>Fortune</i> Rank	Company	Situation
59	Chrysler Group	SEC Form 10 General Form for Registration of Securities
87	TIAA-CREF	TIAA’s NAIC Key Annual Statement and CREF’s SEC Proxy Statement

##### 2011 Excluded

Insufficient data for three companies led to their exclusion from analysis. Certain situations prevented the following companies from updating their annual filings with the SEC:

<i>Fortune</i> Rank	Company	Situation	Date
218	Land O’Lakes	Delisted with the SEC (Redeemed bonds)	12/16/2009
249	Peter Kiewit Sons’	Delisted with the SEC (Filed Form 15)	01/15/2008
369	Smurfit-Stone Container	Delisted with the SEC (Filed Form 15)	06/30/2010

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#### 2010 Excluded

Catalyst studied companies on the *Fortune* 500 list published May 3, 2010. Insufficient data for three companies led to their exclusion from analysis. Certain situations prevented the following companies from updating their annual filings with the SEC:

Fortune Rank	Company	Situation	Date
226	Land O'Lakes	Delisted with the SEC (Redeemed bonds)	12/16/2009
238	Peter Kiewit Sons'	Delisted with the SEC (Filed Form 15)	01/15/2008
372	Barnes & Noble	Lacked updated SEC filings	06/30/2010

#### 2011 Catalyst Census: Fortune 500 Women Board Directors

- Individuals included are those listed in SEC filings as serving on the board up to the annual meeting of shareholders and those listed in NAIC filings as Directors.
- Catalyst collects race/ethnicity data from many sources, including previous Catalyst Census data, diversity publications, and biographies. Catalyst emailed and called contacts at *Fortune* 500 companies to request the verification of the collected race/ethnicity data. Contacts, which varied by company, included employees in media and investor relations departments. Additionally, Catalyst emailed women board directors for self-verification.
- The race/ethnicity data was drawn from 495 companies, including 439 companies with complete race/ethnicity data for each woman board director and 56 companies with no women board directors. Verifiable data increased from 491 companies in 2010.

#### 2011 Catalyst Census: Fortune 500 Women Executive Officers and Top Earners

- Individuals included are those listed as Executive Officers<sup>1</sup> in SEC filings and those listed in NAIC filings as Officers.

### DEFINITIONS

#### Board Leadership Positions

Women's share of board leadership positions is a visible indicator of women's power on boards. Catalyst counts the disclosed board leadership positions—which can include the board chair, lead director, and the chairs of the Audit, Compensation, and Nominating/Governance committees—by company. For analysis purposes, this means that an individual can hold more than one leadership position, either at different companies or within the same company. For example, an individual director serving on two boards can be Company A's board chair and Company B's lead director. Another example would be an individual director serving as both the lead director and the compensation committee chair at Company C.

#### Board Seats

Catalyst collects the names and genders of every board member for each *Fortune* 500 company. For analysis purposes, this means that directors can serve on more than one company's board. For example, an individual director who serves on the board of Company A and Company B would be counted twice.

#### Company Type

2011 analysis is based on 463 public, 18 private, 15 mutual insurance companies, and one cooperative company. A public company has held an initial public offering and has shares that are traded on a stock exchange or in the over-the-counter market. Private companies are owned by one or several individual(s), a family, or a parent company, and do not trade shares on a stock market. A mutual insurance company is owned by its policyholders and does

1. "The term executive officer, when used with reference to a registrant, means its president, any vice president of the registrant in charge of a principal business unit, division or function (such as sales, administration or finance), any other officer who performs a policy making function or any other person who performs similar policy making functions for the registrant. Executive officers of subsidiaries may be deemed executive officers of the registrant if they perform such policy making functions for the registrant." Source: Electronic Code of Federal Regulations, Title 17: Commodity and Securities Exchange, section 240.3b-7.

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not trade shares on a stock market. Cooperatives are jointly owned by a collective of individuals, operate on the principles of democracy, and do not trade shares. For the purposes of these reports, company type was determined by the 2011 *Fortune* 500 list.

### Race/Ethnicity

The share of board seats held by women of color is another visible indicator of the level of diversity on boards. Catalyst uses the race and ethnicity definitions established by the U.S. Census Bureau, but treats race and ethnicity as mutually exclusive categories. “Women of color” refers to the aggregate of the following categories: Asian women (“origins in any of the original peoples of the Far East, Southwest Asia, or the Indian subcontinent”); Black women (“origins in any of the black racial groups of Africa”); Latinas (“of Cuban, Mexican, Puerto Rican, South or Central American, or other Spanish culture or origin”); and Other women (identifying as a woman of color but not elsewhere classified). The fifth category is White women (“origins in any of the original peoples of Europe, the Middle East, or North Africa”).<sup>2</sup>

### Top Earner

Women’s share of top earner Executive Officer positions is a visible indicator of women’s status in companies. Catalyst counts the number of top earners for *Fortune* 500 companies that submit annual filings to the SEC. Catalyst defines top earners as current Executive Officers whose total compensation is among the top five amounts disclosed.<sup>3</sup> For analysis purposes, this means that a company can have five or fewer top earners. 2011 analysis is based on 479 companies.

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2. U.S. Census Bureau, Office of Management and Budget, Revisions to the Standards for the Classification of Federal Data on Race and Ethnicity.

3. SEC regulations require the disclosure of the total compensation of at least five individuals: the principal executive officer (CEO), the principal financial officer (CFO), and the company’s three most highly compensated executive officers (excluding the CEO/CFO) as of the end of the company’s last completed fiscal year. In addition, companies must disclose the total compensation of up to two additional individuals who would have been top earners except for the fact that these individuals were not employed as named executive officers as of the end of the company’s last completed fiscal year. Source: Electronic Code of Federal Regulations, Title 17: Commodity and Securities Exchange, section 229.402(a)(3).