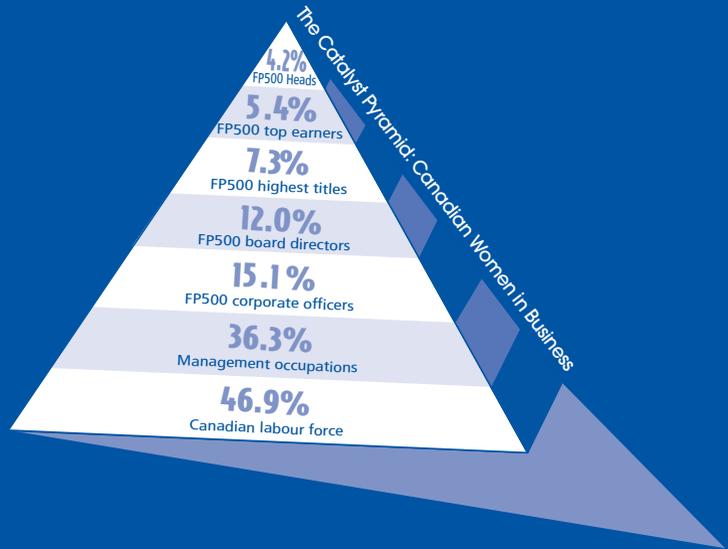


2006 CATALYST CENSUS OF WOMEN CORPORATE OFFICERS AND TOP EARNERS OF THE FP500 IN CANADA



A MESSAGE FROM THE EXECUTIVE DIRECTOR

This year marks the fourth time that Catalyst Canada has reported on the representation of women in corporate leadership in Canada. Since 1999, the story of gender diversity in corporate Canada has been one of frustratingly slow growth. This year's Census highlights the need for action.

- Despite unprecedented levels of education and professional expertise, the number of women in leadership roles in corporate Canada continues to increase at a consistently slow pace. In fact, some of the largest companies still have no women corporate officers.
- While it is encouraging that the number of companies with one or more corporate officers has increased since our 2004 Census, five generations will enter the workforce before women represent one-quarter of corporate officers in Canada.
- Women's advancement is a business imperative. Truly strategic companies ensure women gain line experience early in their careers and move the talented women in the executive pipeline into clout roles.

We once again call on corporate Canada to take up the challenge. We have a shared objective—to ensure that Canadian businesses continue to grow, reach new markets, and achieve new successes. We encourage you to analyze where women are represented in your organizations and take the necessary steps to fully harness their talent.

We hope you find this year's format—with key findings and our call to action highlighted in this document, and detailed charts and information available online—of value.

Finally, we gratefully acknowledge our sponsors, whose generous contributions supported the development and distribution of this Census: lead sponsor, American Express Canada; and participating sponsors, INCO Limited, Linamar Corporation and McKinsey & Co.



Deborah Gillis
Executive Director
Catalyst Canada Inc.

Lead Sponsor



Participating Sponsors

The logo for INCO, consisting of the letters "INCO" in a bold, black, sans-serif font.The logo for McKinsey & Company, with the text "McKinsey & Company" in a blue, serif font.

FACTS AT A GLANCE: 2002-2006

The proportion of women corporate officers continued to increase across all Catalyst benchmarks, although growth was less than two percentage points in four years.

Occupational segregation continued in the highest executive ranks, where few women held the most powerful titles such as CEO, President, and COO, and top earner positions.

FP500 HEADS (CEO/President)

4.2% = increase of 0.2%

2006: 4.2% (21 companies) 2004: 4.0% (20 companies) 2002: 2.8% (14 companies)

Women face not one but multiple glass ceilings—very few women corporate officers make it right to the top of an organization. Only 21 FP500 companies were headed by women.

TOP EARNERS

5.4% = increase of 0.9%

2006: 5.4% (58/1069) 2004: 4.5% (51/1126) 2002: 3.9% (44/1128)

Men still dominate in earnings, a key indicator of value and position within an organization. Few women corporate officers earned one of the five highest salaries at their companies.

CLOUT TITLES (CEO, President, COO, SEVP, EVP)

7.3% = increase of 0.2%

2006: 7.3% (97/1321) 2004: 7.1% (96/1351) 2002: 6.7% (88/1313)

Women are not gaining prominence in organizations. Even among corporate officers, women tended to populate the lower rungs of power, holding few clout titles, which represent the apex of power in organizations.

CORPORATE OFFICERS

15.1% = increase of 0.7%

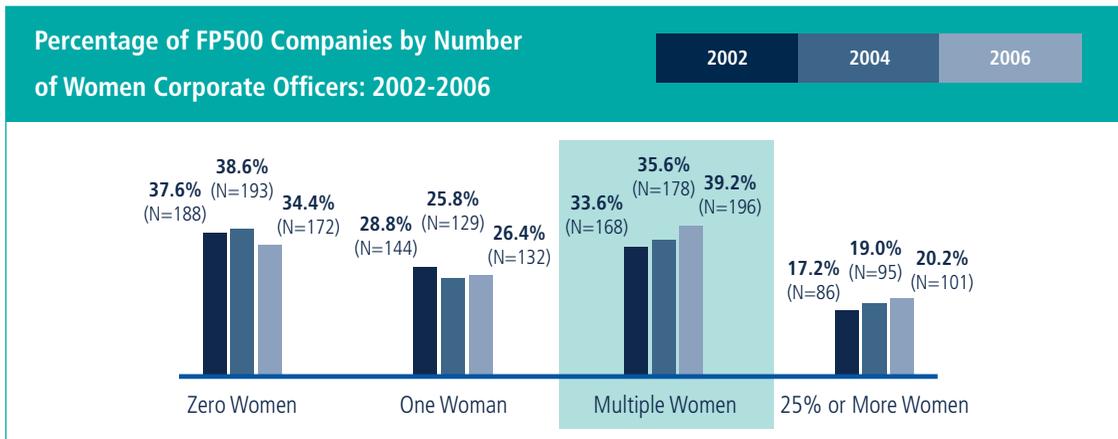
2006: 15.1% (830/5505) 2004: 14.4% (770/5347) 2002: 14.0% (752/5361)

Women comprised almost one-half of the workforce and earned over one-half of degrees, yet they were substantially underrepresented in top management positions.

Overall, women remained largely excluded from those positions within organizations that serve as indicators of status, power, and influence despite comprising 46.9 percent of the Canadian labour force and 36.3 percent of management occupations.¹

¹ Statistics Canada, *Labour Force Survey*, (2006).

THE BUSINESS IMPERATIVE



Although more than one-third of companies had no women corporate officers and continued to miss the tremendous opportunities diverse teams can yield, the number of companies with no women decreased 4.2 percentage points between 2004 and 2006. Some more good news—the proportion of companies with multiple women corporate officers increased almost four percentage points since 2004, and the proportion of companies with 25 percent corporate officer positions held by women increased slightly to 20.2 percent, from 19.0 percent in 2004.

Findings from Catalyst’s study *The Bottom Line: Connecting Corporate Performance and Gender Diversity* reveal that, on average, *Fortune* 500 companies with the highest representation of women corporate officers had significantly higher measures of financial performance than those with the lowest representation.² The signs of progress we’ve highlighted suggest that there are companies and industries in which the business imperative for gender diversity may be better understood.

While it is encouraging that the number of companies with one or more corporate officers has increased since our 2004 Census, five generations will enter the workforce before women represent one-quarter of corporate officers in Canada. Truly strategic companies ensure women gain line experience early in their careers and move the talented women in the executive pipeline into clout roles.

² Catalyst, *The Bottom Line: Connecting Corporate Performance and Gender Diversity*, (2004).

CALL TO ACTION

Since gender diversity is a characteristic of companies with excellent financial performance, we would expect more companies to increase the representation of women in their corporate ranks. Catalyst challenges companies to respond to our “Call to Action” and experience the benefits of gender diversity.

- Publicly and privately owned companies must make progress in the representation of women corporate officers to yield more substantive change among the broader FP500.
- Companies must ensure qualified women are given access to line roles that allow them to acquire the results and knowledge that are necessary for higher advancement and salaries.
- Companies must optimize their strong talent pool of women in the executive pipeline and move women into clout positions.
- Industries in which women are not traditional employees or customers—especially in the face of changing demographics and workforce turnover in Canada—must recognize that sustainability and being an employer of choice depends upon diversity.

Call to Action: Increase women’s representation in public and private companies



Since 2004, all types of companies experienced inconsequential increases in the representation of women corporate officers. Crown corporations continued to have the highest representation of women corporate officers at 23.4 percent, but crown corporations represented only nine percent of all FP500 companies. In publicly and privately owned companies, the largest and most influential segments of the Canadian corporate community, women held only 13.0 percent and 16.4 percent of corporate officer positions, respectively. These segments must change to effect a more significant increase in the overall representation of women corporate officers in Canada.

Crown corporations were also predominant among the 21 companies run by women. More than three-quarters of women CEOs and Presidents worked for crown or privately owned organizations, while women leaders at public companies, which comprised almost one-half of the FP500 list, were grossly underrepresented.

Call to Action: Provide women with line experience

| Number and Percentage of Line Positions Held by Women: 2002-2006 | | | |
|--|-----------------------------------|--------------------------------|--|
| Year | Number of Women in Line Positions | Total Number of Line Positions | Percentage of Line Positions Held by Women |
| 2006 | 310 | 3146 | 9.9% |
| 2004 | 275 | 2938 | 9.4% |
| 2002 | 265 | 2952 | 9.0% |

Almost 60 percent of all corporate officer positions were line positions, which have more power and influence on profit-and-loss and, importantly, are the feeding pool for more senior levels. Women held less than ten percent of these key line roles. The low proportion of women with clout titles is likely to persist until more women gain line experience earlier in their careers.

Call to Action: Utilize the talented women in the executive pipeline

| Number and Percentage of Executive Pipeline Positions Held by Women: 2002-2006 | | | |
|--|---|--|--|
| Year | Number of Women in Executive Pipeline Positions | Total Number of Executive Pipeline Positions | Percentage of Executive Pipeline Positions Held by Women |
| 2006 | 240 | 1483 | 16.2% |
| 2004 | 212 | 1432 | 14.8% |
| 2002 | 147 | 1177 | 12.5% |

In this Census, we examined some of the positions that are typically the pool for clout titles: Business Unit Head, Chief Information Officer, Corporate Secretary/General Counsel, Chief Financial Officer, Vice President of Finance, and Treasurer. Women's growth in the pipeline to clout titles continued to be stronger than women's growth in corporate officer positions, growing at twice the rate of women in corporate officer positions, and improving almost four percentage points since 2002. While a strengthening pipeline is outstanding, a consequent improvement in qualified women with clout titles has not occurred; therefore, women are not moving out of the executive pipeline into clout positions.

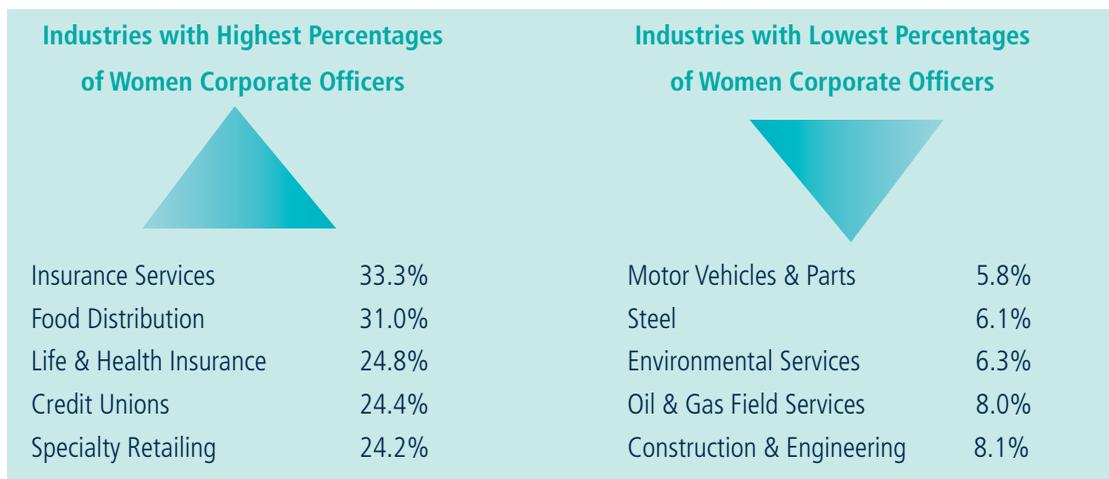
MORE INFORMATION AVAILABLE ONLINE!

Visit Catalyst's new Metrics page! You can access this brochure in PDF, download this year's appendices, and access this year's U.S. Census.

Visit www.catalyst.org/knowledge/metrics.shtml.



Call to Action: Increase women’s representation in male-dominated industries



The industries making headway are those with the highest proportions of customers or clients who are women, specifically the service industries, including credit unions, insurance, food, and retailing industries. These industries also contained a good portion of companies that had 25 percent or more women corporate officers and women who held clout titles. The industries with the fewest women corporate officers continued to be the motor vehicle, steel, environmental services, oil and gas field services, and construction and engineering industries.

WHY FOCUS ON CORPORATE OFFICERS IN THE FINANCIAL POST 500?

Financial Post 500 (“FP500”) companies are included in the Census because while individual companies on the list may shift over time, the list itself represents a universe that is widely accepted as the standard measure of corporate performance and market clout. Corporate officers are generally recognized as individuals who work at the highest level in corporations. By using these clear and stable definitions, Catalyst is able to establish trend lines year after year that enable everyone to determine if corporate Canada is making progress.

METHODOLOGY

The Census represents a rigorous and precise count of the women in leadership positions in FP500 companies on June 2, 2006. Catalyst gathers data from public sources, such as annual reports, annual information forms, proxy statements, and government databases. To ensure the accuracy of the data, Catalyst provides companies with timely opportunities to confirm the accuracy of their data. In 2006, 467 companies (93.4 percent) verified their data.



Expanding opportunities for women and business

NEW YORK

120 Wall Street, 5th Floor
New York, NY 10005
tel/ (212) 514-7600
fax/ (212) 514-8470

SAN JOSE

2825 North First Street, Suite 200
San Jose, CA 95134-2047
tel/ (408) 435-1300
fax/ (408) 577-0425

TORONTO

8 King Street East, Suite 505
Toronto, Ontario M5C 1B5
tel/ (416) 815-7600
fax/ (416) 815-7601

ZUG

c/o KPMG Fides
Landis+Gyr-Strasse 1
6300 Zug, Switzerland
tel/ +41-(0)44-208-3152
fax/ +41-(0)44-208-3500

email: caninfo@catalyst.org;
www.catalyst.org

© 2007 by CATALYST

ACKNOWLEDGMENTS

Catalyst thanks the many individuals in the FP500 companies and subsidiaries who undertook the task of verifying their companies' data. We appreciate the time and patience it took to prepare the data for our analysis.

The staff of Catalyst conceived and executed this study under the guidance of Deborah Gillis, Executive Director, Catalyst Canada Inc. Kirsten Stanger, former Associate, served as project manager and managed the data collection process, analyzed the data, and authored this document. Sylvia Vago, Intern Account Manager, and Jacqueline Lewis, Intern Account Manager, were responsible for communicating with companies, gathering the data, and the account management of the companies. Sylvia Vago and Laura Jenner, Associate, assisted with analysis, with the preparation of the appendices, and with drafting the report. Mathieu Belanger, Ph.D, developed the database and application to support the project. Nancy Carter, Ph.D., Vice President of Research, and Lois Joy, Ph.D., Director, Research, provided invaluable insight and expertise to the Canadian Census team.

Joy Ohm, Senior Associate Editor, edited the report under the guidance of Liz Roman Gallese, Vice President and Publisher. Ulrike Balke, Ulrike Balke Art and Design, designed the report. Kristine Ferrell, Graphic Designer, reviewed the report design and layout. Ruchika Bhalla, former Associate, Alicia Sullivan, Office Manager, and Sylvia Vago fact-checked the report.

About Catalyst

Catalyst is the leading research and advisory organization working with businesses and the professions to build inclusive environments and expand opportunities for women at work, with offices in New York, San Jose, Toronto, and Zug. As an independent, nonprofit membership organization, Catalyst conducts research on all aspects of women's career advancement and provides strategic and web-based consulting services globally. In addition, Catalyst honors exemplary business initiatives that promote women's leadership with the annual Catalyst Award.