



EXPANDING OUR REACH

2010 Study of Texas Women in the Board Room

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Leading companies rely on a wide range of perspectives, not token representation, on their corporate boards. The breadth of perspective, not the mere inclusion of various diverse traits, leads to successful navigation of complex issues faced in the business world. Advocates expand discussion about the inclusion of women on corporate boards and continue to highlight the benefits of diversity.

A group of proactive business leaders, women and men, from an array of different professions in the Dallas-Fort Worth area, came together in 2009 to create The Board Connection (TBC), a not-for-profit organization that advocates, educates and connects female business leaders. TBC's mission is to increase the number of women serving on corporate boards and in the executive suite in Texas.

In early 2009, we conducted research and published a study about women serving on boards and in executive positions in the DFW Metroplex. In conjunction with market researchers at Big Four firm KPMG LLP, TBC expanded its study in 2010 to women serving on boards and in executive positions in FORTUNE 1000 companies in Texas to provide a statewide baseline.

Also in 2010, TBC became a member of the InterOrganization Network (ION), an alliance of 14 women's business organizations across the United States. TBC is expanding its network across the nation and strengthening its membership and clout.

In Texas, in 2010, 11 percent of director seats for FORTUNE 1000 companies are filled by women; the national level is a bit higher, with 14.5 percent of director seats filled by women at FORTUNE 1000 companies.

The DFW Metroplex reflected a positive trend for women serving on corporate boards. Women from the DFW area who served on the boards of FORTUNE 500 companies exceeded the national average. In addition, our 2010 survey indicated that the number of FORTUNE 500 companies in DFW with no women directors decreased from 33 percent in 2009 to 10 percent in 2010.

The following report is a summary of the study, providing a snapshot to look at statistics about the participation of women serving on corporate boards.

We hope that the published study provides you with insight, and challenges those of influence to renew their diversity efforts for recruiting and retaining corporate talent. Join TBC in expanding and strengthening the pipeline of qualified, capable women to take their place in the C suite.



A handwritten signature in black ink that reads "Melisa Denis".

Melisa Denis, President
The Board Connection



THE BOARD CONNECTION

The Board Connection is a Texas-based nonprofit organization established in 2009 to identify, educate, and connect qualified executive professional women in Texas to opportunities for corporate board positions.

TBC offers an ongoing assessment to empower women to acquire the needed skill sets and to develop a personal, professional brand. To build a pipeline of board candidates who are within three to five years of readiness, TBC offers training for candidates for board service, providing them with a clear understanding of corporate governance, board structure, and expectations for board responsibility.

TBC leverages existing local resources with national women's organizations, such as the InterOrganization Network, Women Corporate Directors, and the National Association for Corporate Directors. Executive coaches, mentors, and professional certificate programs also strengthen skills and the résumé of a prospective board candidate.

TBC provides valuable peer networking and exposure to decision makers. Members gain knowledge and suggestions from executives who have blazed trails. In addition, TBC offers connections to companies that are looking for talent.

With a mission to increase the number of women serving on corporate boards and the executive suite in Texas, TBC offers this report based on the proxy statements of the 97 public companies headquartered in Texas.

Founding Members



Melisa Denis, President

The Board Connection's founder and president, Melisa serves as partner in charge of the International Executive Service practice with KPMG LLP in Dallas. Melisa leads the Sponsorship Committee.



Kelly McDonald, Treasurer

Director of Financial Projects at Austin Bridge & Road. She is a founding member of The Board Connection, treasurer of the organization, and leads the Web Development Committee.



Shelley Venick, Secretary

Vice president and general tax counsel of Burlington Northern Santa Fe Corporation and BNSF Railway Company. Shelley is a founding member.



Tamara Bebb, Director

Formerly the vice president of Finance for TGI Fridays. A founding member, Tamara leads the Program Committee.



Lisa Bormaster, Director

President and Publisher of the *Dallas Business Journal*.



Paula Calise, Director

Principal of Calise & Co, LLC, a Dallas executive search firm. A founding member, Paula leads the Membership Committee.



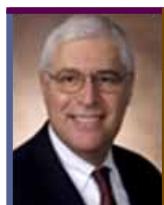
Eliane Hall, Director

Global human capital executive and strategic business transformation partner with significant experience working for FORTUNE 100 companies. A founding member, Eliane leads the Census Committee.



Carla Howard, Director

Vice president of tax and general tax counsel for Energy Future Holdings. A founding member, Carla leads the Membership Relations Committee.



Alan Stein, Director

Development executive for PwC in Dallas.

THE BOARD CONNECTION VALUE PROPOSITION

TBC provides a program to assist qualified women interested in serving on corporate boards and advancing their careers in the executive suite. The organization will dedicate resources to identify, educate, and develop women who aspire to serve on corporate boards. TBC's program consists of:

- ASSESSMENT
- TRAINING/PREPARATION
- NETWORKING/EXPOSURE
- FOCUS ON PUBLIC POLICY



The Board Connection Census Report – 2010

TBC began in 2009 with a mission to identify, educate and connect qualified executive-level women in Texas. By screening candidates with selective admission requirements, TBC grew its membership. As the pipeline of qualified female board candidates continues to grow, TBC is accelerating its efforts to provide the resources and opportunities for the candidates to further their network and gain board readiness.

Assessment

Once a potential candidate has been screened and interviewed according to particular guidelines, TBC invites her to the new member orientation. Sponsored by the membership committee, this program is a valuable introduction to the organization and provides an overview of the tools and events offered to the member.

TBC's membership will help women identify where they are in their career and help build needed skill sets. As part of the assessment tools, TBC offers seminars on building a board ready résumé and connects members with professionals who can assist in the process for personal branding.

Training/Preparation

To compete effectively for board seats, women need training and exposure to gain an understanding of corporate governance and responsibilities. TBC offers in-depth training about the role and function of the corporate board by offering quarterly meetings with current Board members and executives.

The speakers and panels include ranking executives from the board room and C suites to offer their personal experiences and insight. Current training has focused on basic governance issues, executive compensation challenges for the board, the role of the Audit Committee, and IT issues for board consideration. For those aspiring to serve, TBC provides an overview of board committee structures to assist members in identifying their best placement for service.

Networking/Exposure

TBC is the ideal place for mentoring and personal connections among its members. By providing opportunities for women to meet with executives and build personal relations, women can expand their existing networks and be ready when called to the board room.

Quarterly CEO breakfasts for TBC members and chief executives at top companies provide women access to the CEO as he or she shares insights on the decisions of great leaders in the community. They provide exposure for the growing pipeline of qualified women ready to take their seat in the boardroom.

Focus on Public Policy

TBC is a member of InterOrganization Network (ION) and works with other organizations with a shared mission such as Women Corporate Directors and the National Association of Corporate Directors.

In conjunction with ION, TBC and other members promote the need for diverse boards by submitting comment letters to the SEC on various public policy matters.

Recently enacted legislation such as the Dodd-Frank Act and new SEC regulation now require public companies to disclose the process for board member nominations and creates a diversity bureau to monitor government agencies and those corporations they conduct business with. TBC is starting the discussion at the state level by meeting with key statewide elected officials.



The Need for More Woman Board Members

Perspective:

Everything is bigger in Texas, but not so with the latest FORTUNE 500 rankings. When it comes to women on corporate boards, the state comes up short. Texas does stand out with one of the largest concentrations of FORTUNE 500 companies headquartered in the state. Texas has 50 companies headquartered in Texas, similar to New York (51) and California (52). Unfortunately, representation of women on corporate boards ranks low. Texas stands around 13 percent in the FORTUNE 500 and 11 percent for FORTUNE 1000 companies, while cities like New York City can claim 17 percent female composition on their boards and 16 percent nationwide.

To support the need for diversity even further, a recent study by executive search firm Russell Reynolds Associates examined the women who are serving in corporate boardrooms. The report entitled, ***“Difference Is Better: Why Diversity Matters in the Boardroom,”*** helps confirm that diversity leads to more innovation, better risk management, and stronger connections with customers, employees, and business partners.

Some of the study’s findings include:

- Nearly half of the women serving on FORTUNE 250 boards are from government service, academia, not-for-profits, and the legal profession.
- Companies with three or more women on their boards are more likely to be in the financial services sector, with consumer products, healthcare/pharmaceuticals and technology/telecom a step behind.
- A board of directors representing a range of perspectives leads to an environment of collaborative tension that is the essence of good governance.

Having differences is a good thing, and celebrating them is even better.

Why are there so few women serving as board members of our local public and private companies, and more importantly, does it matter?

Because it does matter, The Board Connection, a local nonprofit organization, was formed to promote participation of females in corporate boards. It has been shown time and time again that those companies with significant diversity on their boards and in the executive suite will perform financially superior to companies without diverse leadership. It is not just a good idea to have women in the board room; it just makes good business sense.

With the value proposition supporting the presence of women in the board room, why is Texas ranked so low? We believe it is a pipeline issue. If more qualified women are to serve on corporate boards, then more capable women need to gain visibility as candidates for selection. In the not-so-distant past, many companies appointed board members based on friendship with the chairman or other board members. The pool often reflected the demographics of current boards, most often, older, white males.

If women are going to diversify public and private corporate boards, they must be qualified and maintain expansive networks. Getting connected and involved with organizations like The Board Connection is a great first step to gain readiness and broaden awareness. Once positioned on your first board, the second and third (if desired) are much easier to conquer. In the process of gaining that board placement, the potential candidate should conduct her own due diligence with the company and its senior leadership to make sure it is the right fit.

CENSUS DATA



Census Data

Study Methodology

The 2010 TBC Study of Women Directors and Executive Officers for Texas was based on the 97 companies in the geographic area considered as FORTUNE 1000.

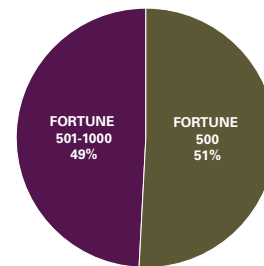
The KPMG Market Research team compiled the data for the study from the most recent Securities and Exchange Commission filings, including annual reports (form 10-Ks) and Proxy statements (DEF 14As). The most recent filing for nearly all of the companies were as of fiscal year ending December 31, 2009.

Texas FORTUNE 1000 Companies

Nationwide Statistics

The national statistics represent leading companies in Alabama, Arizona, Arkansas, California, Colorado, Connecticut, Delaware, District of Columbia, Florida, Georgia, Idaho, Illinois, Indiana, Iowa, Kansas, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, Minnesota, Missouri, Nebraska, Nevada, New Jersey, New York, North Carolina, North Dakota, Ohio, Oklahoma, Oregon, Pennsylvania, Rhode Island, South Carolina, Tennessee, Texas, Utah, Virginia, Washington, and Wisconsin.

All FORTUNE 1000 in Texas 97 companies



Compensation

In the analysis of top compensation of executives, a vast majority of companies have no women receiving highest compensation.

27.8%	Companies with women among the top compensated (27/97)
72.2%	Companies with no women among the top compensated (70/97)

Executive Officers

In Texas, few women are in the ranks of top company executives.

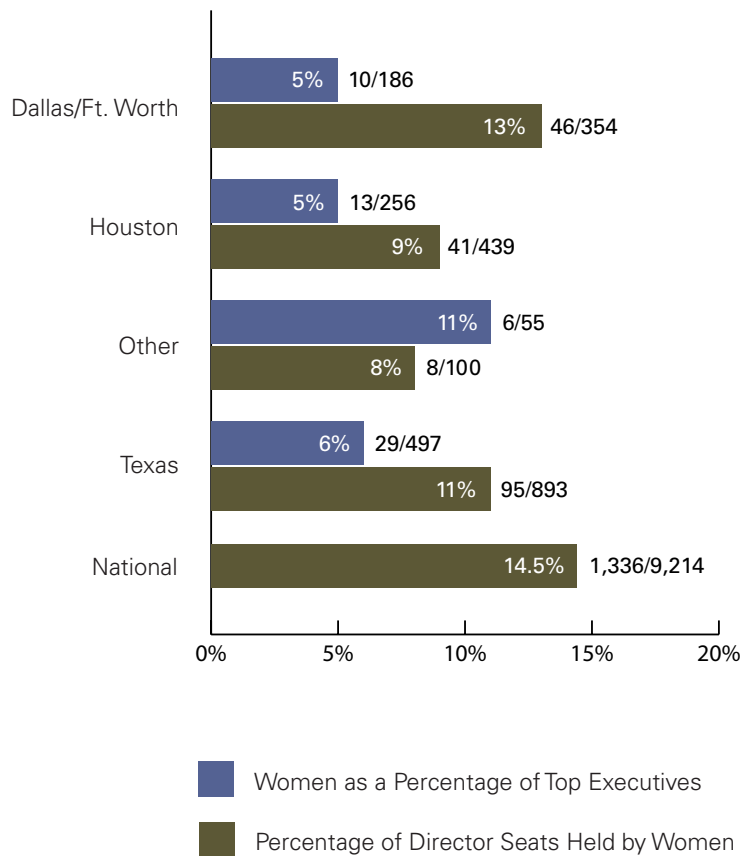
5.1%	Executive officers who are women
73.2%	Companies with no women executive officers
2.0%	Companies with a woman CEO
2.2%	Board seats held by women of color

CENSUS DATA

- Texas is well behind the national average in both women top executives and women holding board seats.
- However, the Dallas/Forth Worth metroplex exceeds the Texas average in women on boards.

Women on FORTUNE 1000 Boards in Texas by Area

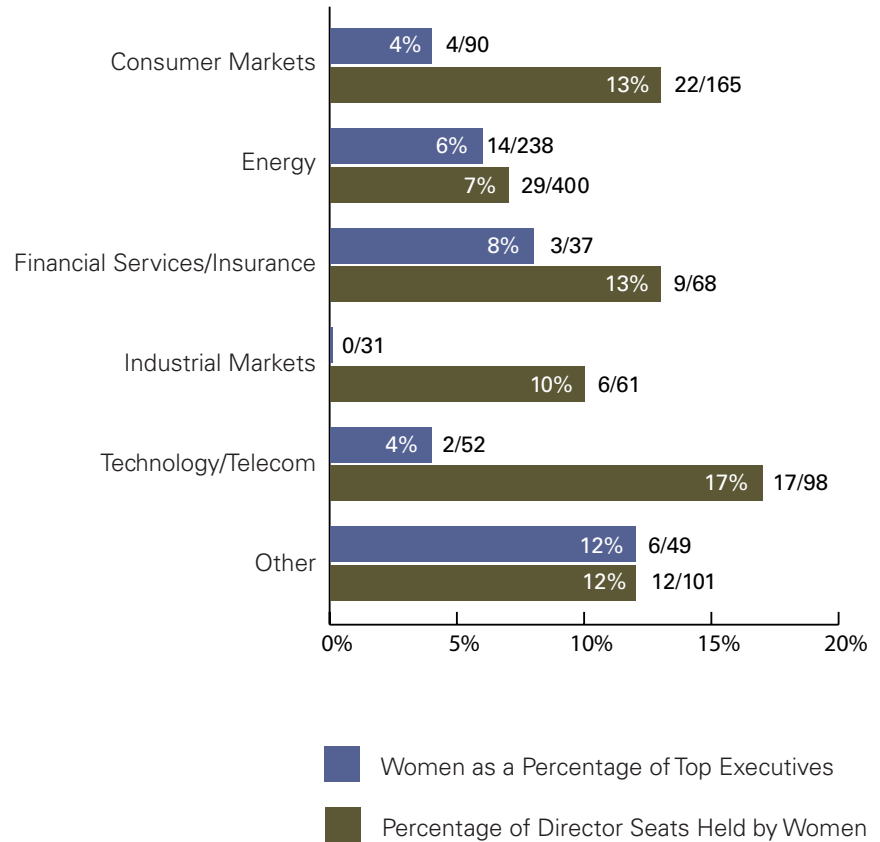
Overview of women serving on boards and top executives in Texas regions, compared with statewide and national statistics.



CENSUS DATA

- Texas companies in the technology and telecommunications industries lead the way in women holding board seats, even exceeding the national average. Yet, they lag well behind in women top executives.
- The energy industry has the lowest percentage of women on boards.

Percentage of Director Seats Held by Women/Top Executives in the Texas FORTUNE 1000 by Industry



CENSUS DATA

This data reflects the participation of women as directors of large companies. The FORTUNE 500 in DFW exceed national board participation by women.

Despite progress in the report, almost half (47.1%) of FORTUNE 500-1000 companies in DFW have no women serving as top executives.

Year Over Year Comparisons - Dallas/Fort Worth Area

Prior year data was not available for Texas companies outside the Dallas/Fort Worth area; the comparative statistics are shown for the DFW area only.

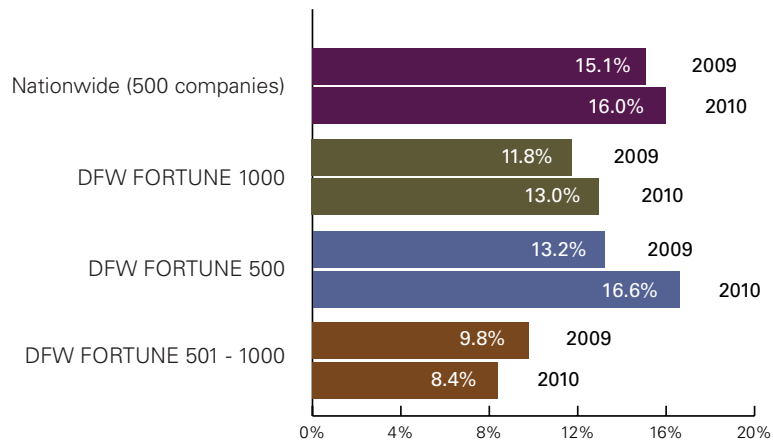
Among the largest companies in the Dallas/Fort Worth metroplex, good progress was made over the prior year in women's board membership.

Within FORTUNE 500 companies, the DFW region now exceeds the national average for percentage of board seats held by women.

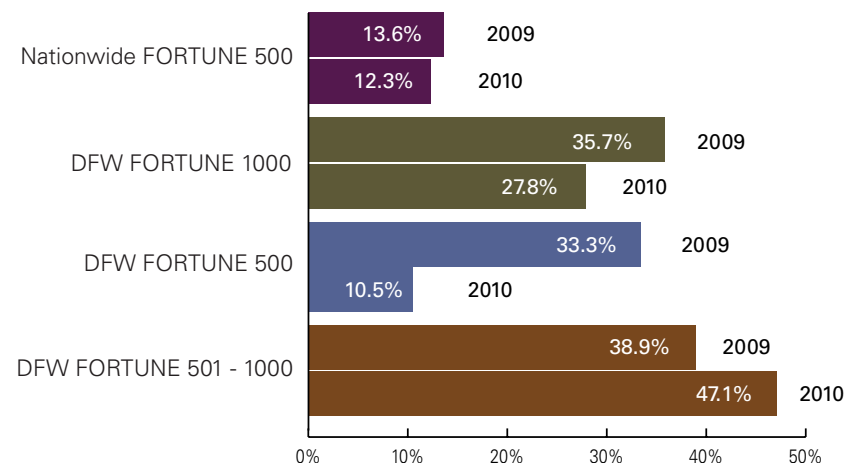
The DFW metroplex also experienced a dramatic reduction in the percentage of FORTUNE 500 companies with no women directors, going from 33% to approximately 10% from 2009 to 2010.

More progress needs to be made at companies within the FORTUNE 501 - 1000 ranking.

Percentage of Director Seats Held by Women



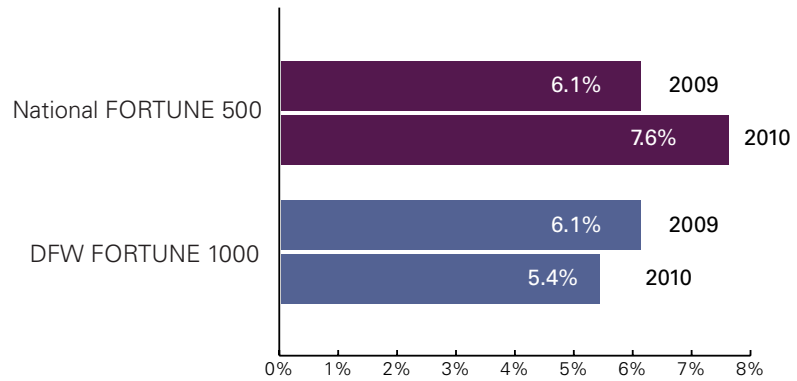
Percentage of Companies with No Women Executives



CENSUS DATA

Unfortunately, the opposite effect has also taken place within top earners in the workplace. Dallas/Fort Worth encountered decreases year over year in the percentage of women among the highest compensated executive officers, while the national average increased.

Women among Highest Compensated Executive Officers



CENSUS DATA

Company	2010 FORTUNE rank	Total number of top executives	Number of top female Executives	Total number of directors	Total number of female directors	
Exxon Mobil	2	5	0	11	1	Marilyn Carlson Nelson
ConocoPhillips	6	6	0	14	3	Victoria Tschinkel, Kathryn Turner, Ruth Harkin
AT&T	7	5	0	12	4	Patricia Upton, Joyce Roche, Laura Tyson, Lynn Martin,
Valero Energy	26	5	1	10	1	Susan Purcell
Dell	38	5	0	11	1	Judy Lewent
Marathon Oil	41	6	1	12	1	Shirley Jackson
Sysco	55	5	0	11	4	Nancy Newcomb, Jacquelyn Ward, Judith Craven, Phyllis Sewell
Enterprise GP Holdings	92	5	0	8	1	Randa Williams
Fluor	111	6	0	12	3	Rosemary Burkery, Paulett Eberhart, Suzanne Woolsey
AMR	120	5	0	13	2	Judith Rodin, Ann Korologos
Kimberly-Clark	126	5	0	13	3	Mae Jamison, Nancy Karch, Linda Rice
Plains All American Pipeline	128	5	0	8	0	
JCPenney	133	5	1	11	3	Colleen Barrett, Geraldine Laybourne, Mary Beth West
Tesoro	139	5	0	8	0	
Halliburton	158	5	0	11	2	Nance Dicciani, Debra Reed
National Oilwell Varco	182	5	0	8	0	
Continental Airlines	183	4	0	9	2	Karen Williams, Carolyn Corvi
KBR	193	5	1	7	0	
Waste Management	196	5	0	8	1	Pastora Cafferty
Dean Foods	208	5	0	10	2	Janet Hill, Doreen Wright
Texas Instruments	223	5	0	11	4	Ruth Simmons, Christine Whitman, Pamela Patsley, Carrie Cox
Southwest Airlines	229	5	1	10	1	Nancy Loeffler
Baker Hughes	243	5	0	13	1	Claire Gargalli
Tenet Healthcare	253	5	1	10	2	Karen Garrison, Brenda Gaines
GameStop	255	4	0	10	1	Stephanie Shern
Anadarko Petroleum	260	5	0	9	2	Paulett Eberhart, Paula Reynolds
Apache	271	5	0	11	1	Patricia Graham
CenterPoint Energy	275	5	0	13	2	Susan Rheney, Janeice Longoria
Whole Foods Market	284	5	1	11	2	Gabrielle Greene, Stephanie Kugelman
Kinder Morgan	315	5	1	5	0	
Pilgrim's Pride	317	5	0	9	0	
Commercial Metals	327	5	0	10	1	Dorothy Owen
Western Refining	330	5	0	8	1	Carin Barth
Calpine	338	5	0	9	1	Denise O'Leary
Enbridge Energy Partners	364	5	0	8	1	Martha Hesse
Dr Pepper Snapple Group	378	5	0	9	2	Anne Szostak, Pamela Patsley
Energy Transfer Equity (2007)	388	6	0	10	0	
Cameron International	399	5	0	9	0	
Celanese	414	5	1	9	1	Farah Walters
Atmos Energy	424	6	0	13	1	Nancy Quinn
Holly	431	5	1	7	0	
EOG Resources	434	5	0	7	0	
Spectra Energy	437	5	1	11	1	Pamela Carter
El Paso	447	6	0	12	1	Ferrell McClean
Group 1 Automotive	457	5	0	7	1	Beryl Raff
FMC Technologies	467	5	0	11	2	Maury Devine, Claire Farley
Flowserve	473	6	0	11	1	Gayla Delly
RadioShack	481	6	0	7	1	Edwina Woodbury
Frontier Oil	488	7	1	6	0	

Company	2010 FORTUNE rank	Total number of top executives	Number of top female Executives	Total number of directors	Total number of female directors	
BJ Services	501	3	0	7	0	
Targa Resources Partners	505	5	0	7	0	
RRI Energy	528	5	0	5	1	Laree Perez
NuStar Energy	529	5	1	6	0	
D.R. Horton	548	4	1	7	0	
Brinker International	551	5	0	9	2	Harriet Edelman, Cece Smith
Temple-Inland	558	5	0	10	1	Cassandra Carr
MetroPCS Communications	567	5	0	7	0	
Quanta Services	587	5	0	11	0	
Torchmark	602	5	1	10	1	Jane Buchan
Comerica	615	5	2	10	2	Jacqueline Kane, Nina Vaca
CVR Energy	618	5	0	9	0	
Susser Holdings	643	5	1	7	0	
American National Insurance	656	5	0	9	1	Frances Moody-Dahlberg
Lennox International	663	6	0	11	1	Janet Cooper
Exterran Holdings	676	5	0	9	1	Janet Clark
Rent A Center	684	5	0	8	1	Paula Stern
Sally Beauty Holdings	701	5	0	11	2	Kathleen Affelt, Martha de Lombera
Dynegy	714	6	1	7	1	Patricia Hammick
Trinity Industries	718	4	0	11	1	Diana Natalicio
SuperMedia	725	5	0	10	1	Robin Domeniconi
HCC Insurance Holdings	743	5	0	9	1	Judy Bozeman
Westlake Chemical	756	5	0	7	1	Dorothy Jenkins
Noble Energy	758	6	1	9	0	
Dresser-Rand Group	762	5	1	8	1	Rita Foley
Southern Union	784	5	1	10	1	Michal Barzuza
Southwestern Energy	791	5	0	7	0	
Oil States International	796	5	1	9	1	Cindy Taylor
Benchmark Electronics	800	3	1	7	2	Berneer Strom, Laura Lang
AmeriCredit	804	6	0	10	0	
Service Corp. International	813	5	0	11	0	
Kinetic Concepts	833	5	2	11	1	Catherine Burzik
Cinemark Holdings	840	5	0	10	0	
Alliance Data Systems	847	7	0	8	0	
Adams Resources & Energy	851	4	1	5	0	
Men's Wearhouse	861	5	0	8	0	
Crosstex Energy	871	5	0	7	0	
BMC Software	872	7	1	11	1	Kathleen O'Neil
Pioneer Natural Resources	876	5	0	10	0	
Oceaneering International	895	5	0	6	0	
Pride International	898	7	0	8	0	
Zale	906	5	0	6	0	
Buckeye GP Holdings	910	5	0	3	0	
Rowan Companies	911	5	0	11	0	
Stewart Information Services	934	6	0	9	2	Laurie Moore, Catherine Allen
Crown Castle International	941	5	0	11	1	Cindy Christy
Administaff	953	5	0	8	0	
Fossil	996	5	1	10	2	Elaine Agather, Elysia Ragusa

DID YOU KNOW...

Highlighting progress among the FORTUNE 1000 companies studied for the 2010 TBC report:

- At Sysco, Texas Instruments, and AT&T, women comprise more than 30% of the board seats.
- At Benchmark Electronics, JCPenney, and Fluor, women comprise more than 25 percent of the board seats.
- Texas has 2 women serving as CEOs at Kinetic Concepts and Oil States International.

For information about The Board Connection

General questions about TBC:

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ION ADVANCES THE CAUSE

InterOrganization Network Advances the Cause

In 2010, TBC became a member of InterOrganization Network (ION)

ION is an alliance of 14 women's business organizations across the United States that combine energies to advance women to positions of power in the business world, primarily to boards of directors and executive suites. ION gives its geographically dispersed members a national voice, a network to broaden advocacy efforts, an expanded pool of qualified candidates to recommend to companies, and the ability to leverage resources to achieve the common goal. More information about ION is available on its website.

<p>CALIFORNIA</p> <p>Forum of Women Entrepreneurs and Executives/Graduate School of Management, University of California-Davis www.fweande.org</p>	<p>MICHIGAN</p> <p>Forum of Women Entrepreneurs www.inforummichigan.org</p>
<p>CHICAGO</p> <p>The Chicago Network www.thechicagonetwork.org</p>	<p>MINNESOTA</p> <p>Minnesota Women's Economic Roundtable kayn@netman.com</p>
<p>FLORIDA</p> <p>Women Executive Leadership www.womenexecutiveleadership.com</p>	<p>NEW YORK</p> <p>Financial Women's Association of New York www.fwa.org</p>
<p>GEORGIA</p> <p>The Board of Directors Network www.boarddirectorsnetwork.org</p>	<p>PHILADELPHIA</p> <p>The Forum of Executive Women www.forumofexecutivewomen.com</p>
<p>KANSAS CITY</p> <p>The Central Exchange www.centralexchange.org</p>	<p>TENNESSEE</p> <p>CABLE (Nashville) www.nashvillecable.org</p>
<p>MARYLAND</p> <p>Network 2000 www.network2000md.org</p>	<p>TEXAS</p> <p>The Board Connection www.theboardconnection.org</p>
<p>MASSACHUSETTS</p> <p>The Boston Club www.thebostonclub.com</p>	<p>WISCONSIN</p> <p>Milwaukee Women inc www.milwaukeewomeninc.org</p>



InterOrganization Network Advances the Cause

Formed in 2004, the InterOrganization Network (ION) consists of 14 regional organizations in the United States representing more than 10,000 women in business across a wide range of industries. Through ION, these women combine their energies in advocating the advancement of women to positions of power in the business world, especially to boards of directors and executive suites.

One of ION's strengths is characterized by the many accomplished women represented across its 14 member organizations.

ION and its members annually conduct benchmarking and periodic tracking of women directors and executive officers of public companies based in their respective regions, publishing key research findings and encouraging comparisons across regions. The research data that ION's members publish provide both breadth and depth of information that is not available anywhere else.

www.ionwomen.org



