

SURVEY METHODOLOGY

To examine pay trends for CFOs of publicly traded retail companies, STORES asked executive compensation research firm Equilar to compile and analyze pay data from the corporate filings of leading retail sector companies selected by the magazine.

For each executive, total compensation is calculated as the sum of base salary, cash bonus payouts, the grant date value of equi-

ty awards and other compensation. Other compensation typically includes benefits and perquisites.

Base salary, bonus payout and other compensation values are taken directly from the Summary Compensation Table of each company's proxy statement. Grant date values for equity awards (stock and options) are taken from the Grants of Plan-Based Awards Table provided by each company.

Whenever grant date values are not pro-

vided for option awards, Equilar values these grants using the widely accepted Black-Scholes methodology and the company's own option valuation assumptions.

Change in pay for each executive is calculated using compensation data from the prior fiscal year. This data is collected in the same fashion described above. For some officers, such as recent hires or newly promoted executives, a change in pay is not available and is denoted as "N.A."