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Walden Asset Management Announces Shareholder Advocacy Actions for 2005

BOSTON, MA – February 25, 2005 - Walden Asset Management announced today its shareholder advocacy initiatives for 2005, covering a wide range of social, environmental, and corporate governance issues. Walden filed or co-filed 12 resolutions in 2005, and is engaged in on-going discussions with dozens of companies. In addition, Walden is pressing for greater corporate responsibility and investor rights through a number of different forums, including lobbying the Securities Exchange Commission (SEC).

“One of the most powerful points of leverage for creating corporate social change is ownership in a company. Knowing this, concerned investors are not only screening portfolios but also actively engaging with companies, using their voice and votes as shareowners to influence company policies and practices,” stated Timothy Smith, Walden’s Senior Vice President and Director of Socially Responsive Investing. Walden has a multi-pronged approach to company engagement. This includes proxy voting, filing shareholder resolutions and communicating with management through letter writing, telephone calls, and in-person meetings. Walden manages approximately \$1.4 billion in assets for clients with investment objectives that, in addition to competitive financial performance, include social, environmental and corporate governance goals.

Examples of Walden’s involvement in dialogue and advocacy initiatives for 2005 include:

Environment

- Climate Change: **Apache, American International Group, Biomet, *Exxon Mobil*
- Recycling: *Coca-Cola, Dell, Hewlett-Packard, *IBM, Johnson & Johnson, *PepsiCo, Pfizer*

Equality Issues

- Equal Employment Opportunity Disclosure: **Amgen, First Midwest Bancorp, *Home Depot, *Wal-Mart*
- Inclusive Non-Discrimination Policy: **ALLTEL, *Carlisle, Exxon Mobil, *Gentex*

International Labor/Human Rights

- Vendor Standards: *Dell, Federated Department Stores, Hershey’s, Hewlett-Packard, Home Depot, IBM, *TJX Companies*
- HIV/AIDS Health Pandemic: *Colgate-Palmolive*

Corporate Governance

- Political Contributions: **BellSouth*
** Walden has filed a shareholder resolution at this company*

Walden’s work has borne early fruit in the 2005 proxy season, which runs primarily from the fall of 2004 through the spring of 2005. Many of the companies have responded positively to dialogue or shareholder initiatives. In November, Johnson & Johnson agreed to reduce and replace packaging containing PVC, a difficult to recycle plastic that can contaminate the recyclable plastic waste stream, stating that the company’s goal is to avoid PVC in consumer product packaging. In October, Gillette took steps to begin electing its board annually to increase board accountability. Walden had been advocating for this governance reform through the proxy resolution process, and the reform was supported by a majority vote of shareholders in 2003 and 2004. Last month, Procter & Gamble, which has a classified board, agreed to purchase Gillette. Three Walden-led resolutions requesting that ALLTEL, Gentex, and Carlisle adopt more inclusive employment nondiscrimination policies were withdrawn after these companies added “sexual orientation” to their policies.

In many cases, Walden's engagement for the 2005 season builds on past involvement with companies. For example, at TJX, Walden continues to address supply chain management and labor standards. There were positive developments in 2004 when the company hired staff and retained outside counsel to further explore the issue. Walden also continues to be active on the issue of equal employment opportunity (EEO) disclosure, believing that greater transparency and accountability complements and strengthens a company's initiatives on workforce diversity. For the second year, Walden leads a coalition of investors seeking greater disclosure from Amgen, and is also reviving a similar action this year with Home Depot after the company pulled back from an earlier commitment to provide comprehensive EEO information to shareholders. Walden's efforts to encourage increased openness at these two companies do not stem from any significant EEO concern, but instead reflects a desire to urge increased leadership.

Walden has identified a number of new topic areas that it expects to become increasingly involved with in 2005. These include supporting proxy policies that require a director to receive a majority of the vote in order to be elected to a board. Currently, shareholders are only able to vote in favor of a director or to withhold their vote; there is no "against" vote. Also on the horizon, building on its work regarding board independence, Walden plans to advocate for the separation of the chair and CEO positions at a number of companies.

In the 2004 proxy season, Walden had substantive communication with more than 100 companies on a range of corporate social responsibility issues. "While communication, in and of itself, does not necessarily lead to improved company performance, we believe it is an important catalyst for corporate change," Timothy Smith said.

Walden Asset Management (<http://www.waldenassetmgmt.com>) is the socially responsive investment division of Boston Trust & Investment Management Company. Founded in 1975, Walden has been a pioneer in socially responsive portfolio management on behalf of individual and institutional clients. Walden blends a disciplined investment style and expertise in social screening with a commitment to using its leverage as an investor to improve corporate social performance.