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INVESTORS ANNOUNCE CHALLENGES ON POLITICAL SPENDING TO CORPORATE RESPONSIBILITY LEADERS

ROLE AS U.S. CHAMBER OF COMMERCE BOARD MEMBERS HIGHLIGHTED

BOSTON, MA – November 4 – Investors today announced the filing of shareholder resolutions at several corporations that sit on the Board of the U.S. Chamber of Commerce, challenging their corporate boards to review their policies and oversight of political expenditures, especially through trade associations. The first four companies to receive this resolution are Accenture, IBM, Pepsi and Pfizer.

Each of these companies has strong corporate governance records and is understandably proud of its leadership in corporate responsibility. In addition, IBM, Pfizer and Pepsi have strong vendor standards policies holding their suppliers to high standards of conduct through audits and engagement.

“Yet as Board members and major corporate contributors to the U.S. Chamber of Commerce they play a passive and compliant role, remaining silent while the Chamber reportedly poured \$75 million into the 2010 election while working to unseat any member of the U.S. Congress who voted in favor of healthcare reform. The Chamber also works vigorously against legislation and regulation on climate change and financial reform. Ironically, the Chamber works to undercut the very leadership these companies demonstrate on sustainability,” commented Timothy Smith, Senior Vice President of Walden Asset Management and one of the lead sponsors of the shareholder resolutions.

Adam Kanzer, General Counsel at Domini Social Investments and a filer of the resolution at IBM, stated “The Chamber of Commerce is an aggressively partisan organization that is standing in the way of solutions to our nation’s most pressing problems, from health care to climate change. We are asking why these companies would lend their good names—and their implicit endorsement—to the Chamber’s agenda, which often runs contrary to their own, stated policies and practices. We are simply asking them to do what directors are supposed to do – ask hard questions and exercise meaningful oversight.”

The Chamber website describes Board member responsibilities as follows:

“Directors determine the U.S. Chamber’s policy positions on business issues and advise the U.S. Chamber on appropriate strategies to pursue. Through their participation in meetings and activities held across the nation, directors help implement and promote U.S. Chamber policies and objectives.”

The resolution sponsors argue that a company serving on the Chamber's Board can be widely perceived as supporting and promoting its policies and programs, which can have a negative impact on a company with a strong reputation for good governance and corporate responsibility.

The resolution is also expected to be filed with several other companies on the Chamber's Board. The Board has over 100 members including, AT&T, Caremark, Caterpillar, Deere & Company, Dow Chemical, FedEx, JPMorgan Chase & Co., UPS, and Xerox.

Stephen Viederman of the Christopher Reynolds Foundation, one of the sponsors of the Pfizer resolution said, "As Chamber Board members these companies need to stand up and be counted; clarifying which side they are on. If they differ with the political positions of the Chamber, they need to speak out and make their positions clear."

Controversy about the Chamber's role in thwarting environmental and climate change legislation led Nike to withdraw from the Board; and PG&E, Exelon, Apple and Levi Strauss to withdraw their Chamber memberships in 2009. In addition, several local Chambers of Commerce have withdrawn their national affiliation.

To date, the 25 filers of these resolutions include a broad range of investors, including Walden Asset Management, Domini Social Investment, the Christopher Reynolds Foundation, Catholic Health East, Catholic Healthcare West, Green Century Balanced Fund, the Funding Exchange, the Needmor Fund, Missionary Oblates of Mary Immaculate, Sisters of Notre Dame Toledo Province, Catholic Healthcare East, the Tides Foundation, Boston Common Asset Management, Zevin Asset Management as well as several individual investors. The list of filers is expected to expand before the shareholder resolution date.

Walden Asset Management has been a leader in integrating environmental, social and governance (ESG) analysis into investment decision-making since 1975. Walden offers separately managed accounts tailored to meet client-specific investment guidelines and works to strengthen corporate ESG performance, transparency and accountability. Walden Asset Management is a division of Boston Trust & Investment Management Company. www.waldenassetmgmt.com

Domini Social Investment is a New York City based investment firm specializing exclusively in socially responsible investing. Domini manages assets for individual and institutional mutual fund investors seeking to create positive change in society by integrating social and environmental standards into their investment decisions. www.domini.com

SAMPLE RESOLUTION BELOW

REVIEW POLITICAL CONTRIBUTIONS POLICY – PFIZER

Whereas: Political spending by companies is increasingly controversial, heightened by the recent *Citizens United* Supreme Court decision, which allows companies to make independent expenditures in favor of or in opposition to, a candidate's election campaign.

Corporate expenditures supporting a contentious 2010 ballot initiative suspending California's Global Warming Solutions Act added fuel to the controversy, as did Target and Best Buy contributions for a controversial candidate for Governor in Minnesota.

Over the last five years, corporate political spending has become a major investor concern. Investors asked hundreds of companies to disclose their policies establish board oversight and disclose all direct and indirect expenditures for political purposes. More than seventy-five S&P 500 companies now disclose their political expenditures and policies on their website. Shareowner proposals urging such disclosure averaged more than 30 percent of votes in 2010, indicating strong investor support.

Many companies are updating their political spending policies. For example, Morgan Stanley stated it will not make direct or indirect independent political expenditures.

Left out of many company commitments, however, is transparency around payments to trade associations and other tax-exempt groups for political purposes.

Pfizer is on the board of the U.S. Chamber of Commerce, which announced it will spend \$75 million in political campaigns in 2010. The Chamber, allegedly on behalf of the business community, lobbies, speaks publicly and puts political dollars to work which effectively challenge Pfizer's positions on environmental issues. Pfizer has strong environmental policies and urges companies in its supply chain to follow suit. Yet as a Chamber board member, Pfizer plays a passive role and does not seek to influence or challenge the Chamber's environmental positions.

Pfizer also has clear policies prohibiting political spending, but does not challenge the Chamber on its partisan political activities. These inconsistencies could be harmful to Pfizer's reputation.

The Chamber's website states: "Directors determine the U.S. Chamber's policy positions on business issues and advise the U.S. Chamber on appropriate strategies to pursue. Through their participation in meetings and activities held across the nation, Directors help implement and promote U.S. Chamber policies and objectives." As a Chamber board member Pfizer certainly may be perceived as supporting its policies.

Resolved: Shareholders request that the independent Board members institute a comprehensive review of Pfizer's political spending policies and oversight processes, both direct and indirect, including through trade associations, and present a summary report by September 2011. The report may omit confidential information and limit costs. Items for review include:

- Review and disclosure of any direct and indirect expenditures supporting or opposing candidates, or for issue ads designed to affect political races, including dues and special payments made to trade associations, such as the U.S. Chamber of Commerce, or political and other organizations that can hide any contributions.
- Risks and responsibilities associated with serving on boards of and paying dues to trade organizations when positions of the trade association contradict the company's own positions.
- Management and board oversight processes for all political spending, direct or indirect.