



**Walden Asset Management**  
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### **Shareholders Urge Home Depot to Release Diversity Data**

(BOSTON, MA) – Socially responsive investors have filed a shareholder resolution requesting that Atlanta, Georgia-based Home Depot (NYSE: HD) provide a report on its diversity record, including equal employment opportunity (EEO) statistics. Walden Asset Management, a division of Boston Trust & Investment Management Company, led the filing of this resolution, which was co-sponsored by a coalition of about two dozen institutional shareowners representing religious investors, non-governmental organizations, foundations, mutual funds and investment firms. The resolution will be voted on at Home Depot's annual meeting on Thursday, May 25, 2006.

In 2005, 30% of voting Home Depot shareholders supported a resolution requesting a comprehensive diversity report – the highest level of support ever on this issue at any company – sending a strong signal to management that shareowners desire increased accountability on EEO. In addition, the resolution is currently a 'Key Vote' for the AFL-CIO and it will evaluate how its investment managers vote on this issue. The resolution is also being supported by the proxy voting advisory services Institutional Shareholder Services (ISS) and Proxy Governance.

Heidi Soumerai, Director of Social Research at Walden Asset Management stated, "While we believe Home Depot aspires to leadership on issues of equality in the workplace, full public accountability and disclosure would help demonstrate management's dedication." Walden filed similar diversity data disclosure requests in 1998, 1999, 2000, 2001 and 2005. In 2001, Home Depot, in an agreement with a coalition of more than two-dozen institutional investors, began providing comprehensive EEO information to investors upon request. Since then, however, Home Depot has reversed its policy on disclosure of this information.

Allegations of discrimination in the workplace have the potential to create a significant burden for shareholders given the high cost of litigation and the potential loss of government contracts. Such litigation may also damage a company's reputation. The cost to Home Depot shareholders for settling discrimination lawsuits has exceeded \$100 million in the last 10 years. While Home Depot's most significant EEO settlement of \$87 million was in 1997, allegations of discrimination have persisted. In August 2004, Home Depot agreed to pay \$5.5 million to settle U.S. Equal Employment Opportunity Commission charges of class-wide discrimination based on gender, race and national origin in its Colorado stores.

Many major U.S. corporations provide diversity reports with detailed EEO information, including such well-known companies as Wal-Mart, Chevron-Texaco, Coca-Cola, Intel, IBM, and Merck. Filers of this resolution believe that companies with a good EEO record have a competitive advantage in employee recruitment and retention. Ms. Soumerai noted, "U.S. customers are becoming increasingly diverse. A representative work force is more likely to anticipate and respond effectively to evolving consumer demand."

Transparency on women and minority hiring and advancement is a critical component of a corporation's commitment to diversity and equal employment opportunity (EEO). Ms. Soumerai explained, "To be credible and accountable to investors, a company must provide basic factual data. We have negligible hard information on Home Depot's EEO record. Just as the Financial Accounting Standards Board sets the standard on how to report financial data, the Equal Employment Opportunity Commission sets the standard on how to report diversity data – the EEO-1 report."

The 1995 bipartisan Glass Ceiling Commission report recommended that "public disclosure of diversity data—specifically data on the most senior positions—is an effective incentive to develop and maintain innovative, effective programs to break the glass ceiling barriers." However, according to Peopleclick Research Institute using year 2000 census numbers, in U.S. corporations, women and minorities comprise 47% and 27% of the workforce, respectively, yet they represent less than 19% and 11% of executive-level positions. Representation in management is better, but still disproportionately low at 36% for women and 17% for minorities.

Other filers of the resolution include: Adrian Dominican Sisters, Amnesty International USA, Boston Common Asset Management, Calvert Asset Management Company, Camilla Madden Charitable Trust, Community Church of New York, Congregation of the Sisters of St. Joseph of Brighton, Conservation Land Trust, Domini Social Investments, Edward W. Hazen Foundation, Funding Exchange, Glenmary Home Missioners (Home Missioners of America), Izzetta Smith, Manhattan Country School, Max and Anna Levinson Foundation, Missionary Oblates of Mary Immaculate, Needmor Fund, NorthStar Asset Management, Oneida Trust Department, Progressive Investment Management, Sisters of Notre Dame de Namur-Boston, Sisters of the Blessed Sacrament, Andy Smith, Tides Foundation, Trillium Asset Management, and the Unitarian Universalist Association.

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.