



## **Walden Asset Management**

### Preface to the *General Proxy Voting Guidelines*

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Walden Asset Management (Walden), the socially responsive division of Boston Trust & Investment Management Company, understands that the voting of proxies with respect to securities held in investment management accounts is a fiduciary responsibility having economic value. Walden aims to represent and vote proxies in the best long-term interest of its clients, exercising care, skill, prudence and diligence.

It is the policy of Walden to vote proxies in accordance with its *General Proxy Voting Guidelines*. Our Corporate Governance Committee (CGC) reviews these guidelines annually in their entirety. Additional meetings of the CGC are held on an as-needed basis to address new proxy issues or a specific company proxy item. It is understood that some of the guidelines may become moot over time with the passage of new legislation (e.g. Sarbanes-Oxley Act of 2002) or rules promulgated by various regulatory bodies (e.g. New York Stock Exchange). Because of the dynamic nature of the proxy process, the *General Proxy Voting Guidelines* may not cover every proxy resolution topic we vote, yet the guidelines cover the vast majority of proposals. Conversely, we also have established guidelines on proxy issues that may or may not come up in any given year.

The *General Proxy Voting Guidelines* identify specific issues and stipulate votes of CASE-BY-CASE, FOR, AGAINST, WITHHOLD (for director nominees only) or, in rare cases, ABSTAIN. Walden has adopted a CASE-BY-CASE approach to address proxy items where we believe a uniform guideline is inappropriate (e.g. mergers and significant acquisitions). Some of the guidelines describe policies to vote AGAINST proxy resolutions if certain conditions are met. It should be understood that if the particular conditions are *not* met, the general guideline is to vote FOR the resolution. Clients of Walden receive a proxy voting record report upon request.

A guiding principle in formulating Walden's *General Proxy Voting Guidelines* is that proxy resolutions that *reduce* shareholders' rights will generally *not* be supported, and conversely, resolutions that *sustain* or *increase* shareholders' rights will be supported. Another guiding principle is Walden's belief that resolutions calling for greater disclosure and accountability on financial and other matters are generally beneficial and in the long-term best interest of the company and its shareholders, absent any meaningful competitive reasons for limiting disclosure. Such shareholder-sponsored resolutions typically ask management to provide a report to investors on an issue of concern.

Given that our *General Proxy Voting Guidelines* reflect general policy, in some instances Walden may cast a vote that does not appear consistent with pre-specified guidelines. For example, Walden may vote against a proxy item despite general agreement with the intended result if we believe the resolution is not well crafted. Or, in unusual circumstances, Walden may vote contrary to the general guideline if the specific characteristics of the company under consideration lead us to believe it is in the best interest of our clients to do so.

For well over a decade, Walden has invested considerable resources to ensure the integrity of our proxy voting process. We have also participated in shaping related public policy, such as our advocacy for greater disclosure of proxy policies and records. Moreover, on behalf of our clients, Walden has led or participated in more than one hundred shareholder resolutions since the mid-1980s. These actions have addressed a variety of social, environmental and corporate governance issues consistent with the long-term economic interests of our clients. Walden is proud of this record of leadership.

**Walden Asset Management**  
General Proxy Voting Guidelines - 2005

**MANAGEMENT PROPOSALS**

**AUDITORS**

**Selection of Auditors**

Walden Asset Management (Walden) votes generally for management proposals to ratify the board's selection of an auditor. However, Walden will vote against ratification if the previous auditor was dismissed because of a disagreement with the company (as disclosed in the proxy statement), or non-audit services exceed 50 percent of fees.

**BOARD OF DIRECTORS**

**Election of Directors**

Walden withholds votes from any non-independent director nominee, excluding the CEO, if 50 percent or more of the directors are (1) employees of the company or (2) individuals with financial or other ties to the company as reported in the proxy statement. Walden also WITHHOLDS votes from non-independent director nominees if any directors serving and voting on the board's compensation, audit or nominating committees are not independent. Furthermore, Walden withholds votes from director nominees if the board does not include at least one woman director and at least one minority director. Walden votes contested elections of directors on a case-by-case basis.

**Classified Boards**

Walden votes generally against management proposals to adopt a classified board and votes generally for management proposals seeking to repeal a classified board.

**Cumulative Voting**

Walden votes generally against management proposals to eliminate cumulative voting and votes generally for management proposals seeking to adopt cumulative voting.

**Director Liability Provisions**

Walden votes generally for management proposals seeking to limit the liability of directors and votes generally for management proposals seeking to amend director liability provisions.

**Indemnification Provisions**

Walden votes generally for management proposals to indemnify directors and officers and votes generally for management proposals to amend provisions concerning the indemnification of directors and officers.

**Approve Board Size**

Walden votes generally for management proposals to set the board size as well as for management proposals seeking to give the board the authority to set the size of the board without shareholder approval.

**No Shareholder Approval to Fill Vacancy**

Walden votes generally for management proposals to allow the directors to fill vacancies on the board without shareholder approval.

## **Removal of Directors**

Walden votes generally for management proposals regarding the removal of directors unless the proposal would allow for the removal of directors without cause.

## **BYLAW & CHARTER AMENDMENTS**

### **Charter Amendments**

Walden votes generally for management proposals to approve multiple amendments unless the amendment reduces shareholders' rights.

### **Bylaw Amendments**

Walden votes generally for management proposals to amend a company's bylaws unless the amendments reduce shareholders' rights.

### **Fair Price Provisions**

Walden votes generally for management proposals to establish a fair price provision and against management proposals to repeal a fair price provision. Walden considers proposals to amend a fair price provision on a case-by-case basis.

### **Advance Notice Requirements**

Walden votes generally against management proposals to adopt advance notice requirements if the provision requires advance notice of more than 90 days.

## **COMPENSATION ISSUES**

Walden generally supports aligning the interests of directors, executives and employees with investors through the use of various stock incentive programs. The policies below, however, describe the circumstances for which Walden would not approve of the proposed incentive, mostly related to dilution concerns.

### **Stock Incentive Plans**

Walden votes generally against management proposals to adopt, amend or add stock to a stock incentive plan, and to extend the term of a stock incentive plan, for employees if the minimum potential dilution from all company plans (including the proposed plan) is more than 15 percent of the total outstanding voting power. Walden also votes generally against management proposals to adopt, amend or add shares to a stock incentive plan for employees if the proposed plan allows: repricing or replacing underwater options without shareholder approval, accelerating the vesting requirements of outstanding awards, granting of reloaded stock options, or pricing of non-qualified options at less than 85% of the fair market value on the grant date.

Additionally, Walden votes generally against such proposals if the proposed plan has a share replenishment feature—that is, it adds a specified number or percentage of outstanding shares for awards each year, or if the company does not have stock ownership guidelines for executives or does not require executives to hold some or all shares received upon exercise during their tenure. Walden votes generally against management proposals to exchange underwater options (options with a per-share exercise price that exceeds the underlying stock's current market price).

### **Limit Annual Awards**

Walden votes generally for management proposals to limit per-employee annual option awards.

## **Director Stock Option Plans**

Walden votes generally against management proposals to adopt, amend or add shares to a stock incentive plan for non-employee directors if the minimum potential dilution from all plans (including the proposed plan) is more than 15 percent of the outstanding common stock. Walden also votes generally against such plans if they allow the purchase of stock at less than 85 percent of the fair market value at the time of the grant, or repricing or replacing underwater options without shareholder approval.

## **Employee Stock Purchase Plans**

Walden votes generally against management proposals to adopt, amend, or add shares to an employee stock purchase plan if the potential dilution of all plans, including this proposal, is more than 15 percent of the outstanding common stock or if the proposed plan allows employees to purchase stock at less than 85 percent of the fair market value.

## **Executive Stock Award Plans**

Walden votes generally against management proposals to adopt, amend or add shares to a stock award plan for employees if the minimum potential dilution from all plans (including the proposed plan) is more than 15 percent of the total outstanding common stock. Walden also votes generally against management proposals to amend a stock award plan for employees if the amendment shortens the vesting requirements or lessens the performance requirements.

## **Director Stock Awards**

Walden votes generally against management proposals to adopt, amend, or add shares to a stock award plan for non-employee directors if the minimum potential dilution from all plans (including the proposed plan) is more than 15 percent of the total outstanding common stock. Walden also votes generally against management proposals to adopt or add shares to a stock award plan for non-employee directors if dilution represented by the proposed plan is more than 5 percent of the total outstanding common stock.

## **Annual Bonus Plans**

Walden votes generally against management proposals to approve an annual cash bonus plan if the maximum per-employee payout and performance criteria are not disclosed.

## **Savings Plans**

Walden votes generally for management proposals to adopt a savings plan.

## **Stock Option/Awards Grants**

Walden votes generally against management proposals to grant one-time stock options or stock award if potential dilution from all company plans, including this proposal, is more than 15 percent of the outstanding common stock. Also, Walden votes generally against the option/stock award if it is priced at less than 85 percent of the fair market value on the grant date.

## **Deferred Compensation Plans**

Walden votes generally against management proposals to adopt a deferred compensation plan if the dilution represented by the proposal is more than 10 percent of the outstanding common stock. Management proposals seeking to amend a deferred compensation plan are voted on a case-by-case basis.

## **Long-Term Bonus Plans**

Walden votes generally against management proposals to approve a long-term cash bonus plan if the maximum per-employee payout or performance criteria are not disclosed or if dilution represented by the proposal is more than 10 percent of the outstanding common stock. Management proposals seeking to amend long-term bonus plans are voted on a case-by-case basis.

## **Employment Agreements**

Walden votes management proposals dealing with employment agreements on a case-by-case basis.

## **Omnibus Budget Reconciliation Act (OBRA)**

Walden votes generally against management proposals to reapprove stock option or bonus plan for satisfying requirements of the OBRA if the maximum per-employee pay out or performance criteria are not disclosed, or if the company repriced or replaced options in the past fiscal year.

## **MERGERS, RESTRUCTURING, SPIN-OFF, BUY-OUT, AND REINCORPORATION**

### **Mergers/Acquisitions**

Walden votes case-by-case on management proposals to merge with or acquire another company and researches potential corporate responsibility issues that may arise from the merger or acquisition.

### **Non-financial Effects of Mergers**

Walden votes generally case-by-case on management proposals to expand or clarify the authority of the board of directors to consider factors other than the interests of shareholders in assessing a takeover bid.

### **Restructuring/Recapitalization/Liquidation**

Walden votes management proposals dealing with restructuring, recapitalization or liquidation on a case-by-case basis.

### **Approve Reincorporation**

Walden votes generally against management-sponsored reincorporation proposals if the company proposes to move to a state with weaker shareholders' rights provisions or to move the company's location outside of the U.S.

### **Approve Leveraged Buyout**

Walden votes generally case-by-case management proposals seeking approvals for a leveraged buyout, while also assessing potential corporate responsibility issues that may arise from the acquisition.

### **Approve Spin-off**

Walden votes generally for management proposals to spin off certain company operations or divisions.

### **Approve Sale of Assets**

Walden votes generally for management proposals to approve the sale of assets.

### **Antigreenmail Provisions**

Walden votes generally for management proposals to limit the payment of greenmail.

### **State Anti-takeover Laws**

Walden votes generally for management proposals seeking to opt out of a state antitakeover statutory provision.

## **MISCELLANEOUS MANAGEMENT PROPOSALS**

### **Name Change**

Walden votes generally for management proposals to change the company's name.

## **Other Business**

Walden votes generally against management proposals to approve other business.

## **Technical Amendments**

Walden votes generally for management proposals to make technical amendments to the charter and/or bylaws.

## **SHAREHOLDER RIGHTS**

### **Poison Pills**

Walden votes generally against management proposals to ratify or adopt a shareholder rights plan (poison pill) and votes generally for management proposals to redeem a shareholder rights plan (poison pill).

### **Special Meetings**

Walden votes generally against management proposals to eliminate shareholders' right to call a special meeting. Walden also votes generally against management proposals to limit shareholders' right to call special meetings if the limitation requires approval of more than 10 percent of the outstanding shares to call a special meeting. Walden votes generally for management proposals to restore shareholders' right to call a special meeting.

### **Written Consent**

Walden votes generally for management proposals to restore shareholders' right to act by written consent. Walden votes generally against management proposals seeking to eliminate shareholders' right to act by written consent. Walden also votes generally against management proposals seeking to limit shareholders' right to act by written consent if the limitation requires written consent of more than 50% of outstanding shares.

### **Supermajority Requirements**

Walden votes generally for management proposals to eliminate a supermajority vote provision to approve a merger or other business combination. Walden votes generally against management proposals to establish a supermajority vote provision to approve a merger or other business combination. Walden also votes generally against management proposals to amend supermajority vote provisions to approve a merger or other business combination if the amendment increases the vote requirement to more than 50 percent of the outstanding shares or if it would increase the vote required to approve the transaction.

### **Supermajority Lock-ins**

Walden votes generally for management proposals to eliminate supermajority vote requirements (lock-ins) to change certain bylaw or charter provisions. Walden votes generally against management proposals to adopt supermajority vote requirements (lock-ins) to change certain bylaw or charter provisions. Walden also votes generally against management proposals to amend supermajority vote requirements (lock-ins) to change certain bylaw or charter provisions if the changes would increase the vote requirement to more than 50 percent of the outstanding voting power or if the changes would result in establishing a complete lock-in on all of the charter and bylaw provisions.

## **STOCK-RELATED**

Walden generally supports director and management discretion to issue, increase, split or repurchase various types of equity securities. The policies below, however, describe the circumstances for which Walden would not approve of the proposed stock-related proposal, mostly related to concerns about dilution or a negative impact on shareholders' rights.

## **Authorized Common Stock**

Walden votes generally against management proposals to increase authorized common stock if the proposed increase represents potential dilution of more than 20 percent. Walden votes generally for management proposals to decrease authorized common stock. Proposals asking to amend authorized common stock are voted on a case-by-case basis.

## **Common Stock Issuance**

Walden votes generally against proposals asking for approval of a common stock issuance if the proposed issuance creates potential dilution of more than 20 percent of total outstanding voting power before the stock issuance, if common stock is issued at a discount to fair market value or if it has superior voting rights.

## **Stock Warrant Issuance**

Walden votes against proposals asking for approval of a stock warrant issuance if, when exercised, they would exceed 20 percent of the outstanding voting power.

## **Preferred Stock**

Walden votes generally against management proposals to authorize or increase preferred stock if the board has asked for (or currently has) the unlimited right to set the terms and conditions for the class and may issue the shares for antitakeover purposes without shareholder approval (known as blank check preferred stock), or if it creates potential dilution of more than 20 percent. Walden votes generally for management proposals to decrease or cancel a class or series of authorized preferred stock. Proposals to amend authorized preferred stock are voted on case-by-case basis.

## **Preferred Stock Issuance**

Walden votes generally against management proposals to issue preferred stock if the voting power represented by the proposed issuance creates potential dilution of more than 20 percent of the total outstanding voting power before the stock issuance, or if the shares are issued with voting rights more than those available to other shareholders.

## **Preemptive Rights**

Walden votes generally for management proposals to create or restore preemptive rights and votes generally against management proposals to eliminate preemptive rights.

## **Dual Class Stock**

Walden votes generally against management proposals to authorize dual class common stock if the proposed shares have inferior or superior voting rights. Walden votes generally for management proposals to eliminate authorized dual or multiple classes of stock. Proposals to amend dual class stock are voted on case-by-case basis.

## **Increase Authorized Dual Class Stock**

Walden votes generally against management proposals to increase authorized shares of one or more classes of dual or multiple class common stock if the increase will allow the company to issue additional shares of the superior voting rights stock, thereby continuing to disenfranchise holders of the stock with lesser voting rights. Generally, Walden also votes against management proposals to increase authorized shares of one or more classes of dual or multiple class common stock if the voting power represented by the proposed increase represents potential dilution of more than 20 percent of the total outstanding voting power.

## **Share Repurchases**

Walden votes generally for management proposals to approve a stock repurchase program.

## **Stock Splits**

Walden votes generally for management proposals to approve a stock split or a reverse stock split. However, Walden votes generally against a reverse stock split if the company does not intend to proportionally reduce the number of authorized shares.

# **SHAREHOLDER PROPOSALS (CORPORATE GOVERNANCE)**

## **AUDITORS**

### **Shareholder Proposal — Auditors**

Walden votes generally for shareholder proposals calling for stockholder ratification of auditors. Also, Walden votes generally case-by-case shareholder proposals that limit consulting by auditors and against proposals calling for auditor rotation.

## **BOARD OF DIRECTORS**

### **Shareholder Proposal — Board Inclusiveness**

Walden votes generally for shareholder proposals asking the board to take steps to include more women and minorities as directors.

### **Shareholder Proposal — Increase Board Independence**

Walden votes generally for shareholder proposals seeking to increase board independence.

### **Shareholder Proposal — Majority Vote**

Walden votes generally for shareholder proposals seeking a majority vote of shares cast to elect directors.

### **Shareholder Proposal — Director Tenure/Retirement Age**

Walden votes generally against shareholder proposals seeking to limit the period of time a director can serve by establishing a retirement or tenure policy.

### **Shareholder Proposal — Minimum Stock Ownership by Directors**

Walden votes generally case-by-case shareholder proposals to require a specified minimum stock ownership by directors.

### **Shareholder Proposal — Union/Employee Representatives on the Board**

Walden votes generally case-by-case shareholder proposals that seek to provide for union or employee representatives on the board of directors.

### **Shareholder Proposal — Nominating Committee**

Walden votes generally for shareholder proposals to create a nominating committee of the board and shareholder proposals calling for increasing director independence on the nominating committee.

### **Shareholder Proposal — Create Shareholder Committee**

Walden votes case-by-case shareholder proposals asking the board to create a shareholder committee.

### **Shareholder Proposal — Independent Board Chairman**

Walden votes generally for shareholder proposals asking that the chairman of the board of directors be chosen from among the non-employee directors.

### **Shareholder Proposal — Lead Director**

Walden votes generally for shareholder proposals asking that a lead director be chosen from among the ranks of the non-employee directors.

### **Shareholder Proposal — Cumulative Voting**

Walden votes generally for shareholder proposals calling for the adoption of cumulative voting.

### **Shareholder Proposal — Nominee Statements in Proxy**

Walden votes generally against shareholder proposals to require directors to place a statement of candidacy in the proxy statement.

### **Shareholder Proposal — Double Board Nominees**

Walden votes generally to abstain from a shareholder proposal to nominate two director candidates for each open board seat.

### **Shareholder Proposal — Director Liability**

Walden votes shareholder proposals to make directors liable for acts or omissions that constitute a breach of fiduciary care resulting from a director's gross negligence and/or willful neglect on a case-by-case basis.

### **Shareholder Proposal — Classified Board**

Walden votes generally for shareholder proposals to repeal a classified board.

## **BYLAW & CHARTER AMENDMENTS**

### **Shareholder Proposal — Fair Price Provisions**

Walden votes generally against shareholder proposals that seek to repeal fair price provisions.

### **Shareholder Proposal — Opt Out of State Takeover Statute**

Walden votes generally for shareholder proposals seeking for the company to opt out of a state antitakeover statutory provision.

## **COMPENSATION ISSUES**

### **Shareholder Proposal — Executive Compensation**

Walden votes generally for shareholder proposals that ask management to review, report on and/ or link executive compensation to non-financial criteria. Walden votes generally case-by-case on shareholder proposals seeking enhanced disclosure of executive compensation, shareholder approval of executive compensation, or a cap or restriction on executive pay.

### **Shareholder Proposal — Director Compensation**

Walden votes generally against shareholder proposals calling for directors to be paid solely with company stock if the resolution requires directors to receive their entire compensation in the form of company stock. Walden votes generally for shareholder proposals calling for the termination of director retirement plans. Walden votes shareholder proposals asking the board to restrict director compensation on a case-by-case basis.

### **Shareholder Proposal — Award Performance-based Stock Options**

Walden votes generally for shareholder resolutions seeking to award performance-based stock options.

### **Shareholder Proposal — Requirement to Hold Options**

Walden votes generally for shareholder resolutions that require option shares to be held for a period of time.

### **Shareholder Proposal — Expense Stock Options**

Walden votes generally for shareholder resolutions establishing a policy of expensing the costs of all future stock options issued by the company providing that a particular methodology is not specified.

### **Shareholder Proposal — Repricing of Underwater Options**

Walden votes generally for shareholder proposals seeking shareholder approval to reprice or replace underwater stock options.

### **Shareholder Proposal — Pension Fund Surplus**

Walden votes generally for shareholder proposals that request future executive compensation be determined without regard to any pension fund income.

### **Shareholder Proposal — Golden Parachutes**

Walden votes generally for shareholder proposals calling for a ban or shareholder votes (i.e. approval) on future golden parachutes.

### **Shareholder Proposal — Independent Compensation Committee**

Walden votes generally for proposals seeking to increase the independence of directors on the compensation committee, as well as for shareholder proposals to require that all members of the compensation committee be independent directors.

### **Shareholder Proposal — Hire Independent Compensation Consultant**

Walden votes shareholder proposals asking the board to hire an independent compensation consultant on a case-by-case basis.

### **Shareholder Proposal — Committee Independence**

Walden votes generally for shareholder proposals seeking to increase the independence of the audit and nominating committees.

## **MERGERS, RESTRUCTURING, SPIN-OFF, BUY-OUT, AND REINCORPORATION**

### **Shareholder Proposal — Sale/Merger of the Company**

Walden votes shareholder proposals asking the board to study the sale or merger of the company on a case-by-case basis.

### **Shareholder Proposal — Reincorporation**

Walden votes generally against shareholder proposals to reincorporate the company if the proposal is to move the company to a state with more antitakeover provisions.

### **Shareholder Proposal — Antigreenmail Provisions**

Walden votes generally for shareholder proposals to limit greenmail payments.

## **PROXY VOTING & MATERIALS**

### **Shareholder Proposal — Confidential Voting**

Walden votes generally for shareholder proposals asking the board to adopt confidential voting and independent tabulation of proxy ballots.

### **Shareholder Proposal — Counting Shareholder Votes**

Walden votes generally for shareholder proposals asking the company to refrain from counting abstentions and broker non-votes in vote tabulations.

### **Shareholder Proposal — Discretionary Voting**

Walden votes generally for shareholder proposals to eliminate the company's discretion to vote unmarked proxy ballots.

### **Shareholder Proposal — Equal Access to the Proxy**

Walden votes shareholder proposals to provide equal access to the proxy materials for shareholders with regard to director nominations on a case-by-case basis.

### **Shareholder Proposal — Annual Meetings**

Walden votes generally against shareholder proposals to change the annual meeting location or to change the annual meeting date.

## **SHAREHOLDER RIGHTS**

### **Shareholder Proposal — Redeem or Vote on Poison Pill**

Walden votes generally for shareholder proposals asking the board to redeem or to allow shareholders to vote on a poison pill shareholder rights plan.

### **Shareholder Proposal — Supermajority Provisions**

Walden votes generally for shareholder proposals that seek to eliminate or reduce supermajority vote requirements.

### **Shareholder Proposal — Shareholders' Rights**

Walden votes generally for shareholder proposals to restore shareholders' right to call a special meeting as well those asking to restore shareholders' rights to act by written consent.

### **Shareholder Proposal — Prohibit Targeted Share Placement**

Walden votes generally for shareholder proposals to limit the board's discretion to issue targeted share placements or to require shareholder approval before such block placements can be made.

## **STOCK-RELATED**

### **Shareholder Proposal — Preemptive Rights**

Walden votes generally for shareholder proposals to restore preemptive rights.

## SHAREHOLDER PROPOSALS (SOCIAL ISSUE)

### ENVIRONMENT

#### **Shareholder Proposal — Ceres Principles**

Walden votes generally for shareholder proposals that ask management to report on or endorse the Ceres principles on the environment.

#### **Shareholder Proposal - Report on Environmental Impact**

Walden votes generally for shareholder proposals that ask management to report on environmental impact or plans.

#### **Shareholder Proposal — Control Generation of Pollutants**

Walden votes generally for shareholder proposals that ask companies to control emissions of pollutant(s).

#### **Shareholder Proposal — Climate Change/Energy Efficiency and Renewables**

Walden votes generally for shareholder proposals that ask management to report or take action on climate change. Walden also votes generally for shareholder proposals that ask companies to review reliance on nuclear and fossil fuels, its development or use of solar and wind power, or its energy efficiency.

#### **Shareholder Proposal — Genetically-Engineered Foods**

Walden votes generally for shareholder proposals that ask management to report on or label genetically engineered products.

### EQUAL EMPLOYMENT OPPORTUNITY

#### **Shareholder Proposal —Equal Employment Opportunity**

Walden votes generally for shareholder proposals that ask management to report on the company's affirmative action policies and programs, including releasing its EEO-1 forms and providing statistical data on specific positions within the company. Walden, however, will vote against such proposals if the company's publicly available EEO-1 reports and compliance record indicate it is at least average.

#### **Shareholder Proposal — Sexual Orientation Non-Discrimination Policy**

Walden votes generally for shareholder proposals that ask management to adopt a sexual orientation non-discrimination policy. Walden votes generally against a shareholder proposal asking management to drop sexual orientation from EEO policy.

### GLOBAL OPERATING STANDARDS

#### **Shareholder Proposal — Operations in Mexico**

Walden votes generally for shareholder proposals that ask management to report on, review, or adopt standards for Mexican operations.

#### **Shareholder Proposal — Operations in Burma**

Walden votes generally for shareholder proposals that ask for a comprehensive report on operations in or contracting from Burma and for resolutions that ask companies to limit or end operations in Burma.

### **Shareholder Proposal — Operations in China**

Walden votes generally for shareholder proposals that ask management to certify that company operations are free of forced labor. Walden votes generally for shareholder proposals that ask management to implement and/or increase activity on each of the principles of the U.S. Business Principles for Human Rights of Workers in China or of similar codes.

### **Shareholder Proposal — MacBride Principles**

Walden votes generally for shareholder proposals that ask management to review or implement the MacBride principles in Northern Ireland operations. Walden also votes generally for shareholder proposals that ask management to encourage its contractors and/or franchisees in Northern Ireland to implement the MacBride principles.

### **Shareholder Proposal — Company/Contractor Global Operating Standards**

Walden votes generally for shareholder proposals that ask management to report on or review its global labor practices or those of their contractors.

### **Shareholder Proposal — Adopt ILO standards**

Walden votes generally for shareholder proposals that ask management to adopt, implement, and enforce a global workplace code of conduct based on the International Labor Organization's (ILO) core labor conventions, as well as proposals that ask management to use independent third parties to monitor compliance with these standards.

### **Shareholder Proposal – Report on Human Rights Policy**

Walden votes generally for shareholder proposals that ask management to develop or report on human rights policies.

## **MILITARY**

### **Shareholder Proposal — Military/Weapons**

Walden votes generally for shareholder proposals that ask management to report on or develop social, economic and ethical criteria that the company could use to determine the acceptability of military contracts and to govern the execution of the contracts. Walden also votes generally for shareholder proposals that ask management to report on the company's foreign military sales activities and proposals that ask management to report on the company's offset activities. Walden also votes generally for shareholder proposals that ask management to report on the company's government contracts for the development of ballistic missile defense technologies and related space systems.

Walden generally votes case-by-case shareholder proposals asking for a plan for converting facilities dependent on defense contracts toward the production of commercial markets. Walden also generally votes case-by-case shareholder proposals asking a company to review, limit or end nuclear weapons production.

## **POLITICAL CONTRIBUTIONS & DISCLOSURE**

### **Shareholder Proposal — Political and PAC Gifts and Policies**

Walden votes generally for shareholder proposals requesting affirmation of political nonpartisanship. Walden also votes generally for shareholder proposals that ask companies to increase disclosure of political and PAC contributions and activities, unless the information requested is already easily available or if compliance is costly. Walden generally abstains from proposals calling for limiting or ending political spending.

### **Shareholder Proposal — Prior Government Service**

Walden votes generally against shareholder proposals requesting the disclosure of company executives' prior government service.

## **MISCELLANEOUS SHAREHOLDER PROPOSALS**

### **Shareholder Proposal — Animal Testing**

Walden votes generally for shareholder proposals that ask management to report on animal testing, and votes generally against shareholder proposals that ask management to end consumer product safety tests with animals.

### **Shareholder Proposal — Charitable Contributions**

Walden votes generally against shareholder proposals that ask companies to limit or end charitable contributions. Walden votes generally against shareholder proposals that ask companies to establish shareholder-designated contribution programs.

### **Shareholder Proposal — Drug Pricing**

Walden votes generally for shareholder proposals that ask management to report on pharmaceutical drug pricing or distribution and votes case-by-case shareholder proposals asking for a specific action.

### **Shareholder Proposal — Review Fair Lending Policy**

Walden votes generally for shareholder proposals requesting reports and/or reviews of plans or policies on fair lending practices.

### **Shareholder Proposal — Sustainability**

Walden votes generally for a shareholder proposal requesting reports on sustainability.

### **Shareholder Proposal — Tobacco**

Walden votes generally for shareholder proposals that ask management to report on or change tobacco product labeling standards or marketing practices, including reporting on or adopting ethical criteria for accepting tobacco advertising. Walden votes generally case-by-case shareholder proposals on severing a company's links to the tobacco industry or those asking a company to refrain from challenging tobacco-related laws.

*Last Update: Mar-05*

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