



FOR IMMEDIATE RELEASE

Institutional Investors, Leading Women's Organizations Urge S & P 500 Companies to Add Women to Their Boards

"Thirty Percent Coalition" Wants Women to Hold 30% of Corporate Board Seats By 2015

Boston, MA - June 29, 2012 - A large number of institutional investors with approximately \$1.2 trillion in assets under management, along with representatives of some of the nation's leading women's organizations, yesterday sent a letter to the 41 companies within the S & P 500 Index that do not have any women on their boards of directors, urging them to embrace gender diversity by adding women to their boards.

The Thirty Percent Coalition, a coalition that includes senior business executives, statewide elected officials, national women's organizations, institutional investors, labor unions, corporate governance experts, board members and others, which was formed in late 2011 to address the lack of gender diversity in corporate boardrooms, organized the initiative and letter. The Coalition has set a goal of women holding 30% of board seats across public companies by the end of 2015. According to reports by Catalyst, ION and Governance Metrics International, women only hold roughly 12 - 16% of corporate board seats today.

"We must do better," say the signatories in their letter, which asks companies to work with them to bring the number of women on corporate boards from where it is today - with women holding somewhere from 12 to 16 percent of board seats - to a point where women will hold 30 percent of board seats by the end of 2015.

The letter was sent to the 41 companies within the S & P 500 that do not have any women on their boards (see attached list), a group that includes such nationally-known companies as Chesapeake Energy, Urban Outfitters, Expedia, Teradyne and Federated Investors. In the letter, the signatories cite studies demonstrating a correlation between greater gender diversity among corporate boards and management, good corporate governance and long-term financial performance.

According to the Thirty Percent Coalition, this is the first time that large institutional investors and national women's groups have joined forces to press companies to improve their governance by adding gender diversity to their boards.

"Women's groups across the nation have long fought for gender equality, and institutional investors have long been interested in good corporate governance and long-term investment returns," says Thirty Percent Coalition Project Leader Charlotte Laurent-Ottomane. "What's new today is that substantial research underscores the correlation between gender diversity, good governance and positive long-term corporate performance. We are urging the business community to embrace this elemental truth."

The letter references quotas being adopted in numerous countries around the world to increase the number of women on corporate boards but proposes instead that companies in the U.S. voluntarily embrace more ambitious diversity goals because it makes business sense.

"We are not advocating for quotas," says Joe Keefe, President and CEO of Pax World Mutual Funds and Chair of the Coalition's Institutional Investor Committee. "We are simply urging companies in general, and these 41 companies in particular, to do better when it comes to inclusiveness and board diversity. Three years from now, we would like to see 30% of corporate board seats held by women. This is a modest, reasonable goal when women comprise over half of the workforce, a majority of college graduates and grad students, own 40% of American businesses and are the breadwinners or co-breadwinners in two thirds of American households."

Signatories to the letter include several statewide elected officials on behalf of public retirement and pension funds in California, Connecticut, Massachusetts, Maryland, New York, Pennsylvania and Washington, mutual funds and other asset managers, the AFL-CIO, non-profit foundations, religious institutions and many of the nation's leading women's organizations, including the National Council for Research on Women, the National Council of Women's Organizations, the American Association of University Women and Feminist Majority.

The Thirty Percent Coalition promises not to stop with this letter. "We intend to follow up and engage with each of these 41 companies, asking them to join the rest of the S & P 500 in welcoming women to their boards," says Anne Sheehan, Director of Corporate Governance at the California State Teachers Retirement System (CalSTRS), one of the signatories to the letter. "Whether it's in dialogue with management, through shareholder resolutions, or related strategies, we intend to press for change. And then we'll move beyond the S & P 500 to other companies as well. Our goal is to continue engaging companies until women hold at least 30% of corporate board seats across the United States."

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About the Thirty Percent Coalition

The Thirty Percent Coalition is a group of industry leaders, including senior business executives, statewide elected officials, national women's organizations, institutional investors, corporate governance experts and board members who believe in the power of collaborative effort to achieve gender diversity in public company boardrooms, and in the necessity of attaining at least 30% multicultural female representation across public companies by the end of 2015. For more information visit www.30percentcoalition.org

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June 28, 2012

Company X

Dear X [Chair of Nominating Committee],

We the undersigned coalition of industry leaders, including senior business executives, statewide elected officials, national women's organizations, institutional investors, labor unions, corporate governance experts and board members, are writing to urge your company to increase the gender diversity on your board of directors. We believe, and research has demonstrated, that taking such a step will result in bottom-line benefits to your company. Specifically, the goal of our coalition – the Thirty Percent Coalition – is to assure that qualified women hold 30% of board seats across public companies by the end of 2015. The rationale for doing so is straightforward: companies that embrace gender diversity are better-governed, better-managed and have better long-term growth prospects. This is a win-win proposition for both companies and their shareholders.

Numerous studies have underscored the nexus between greater board and management diversity, on the one hand, and improved corporate governance and financial performance, on the other.ⁱ This is particularly true when there is a critical mass of three or more women on a board.ⁱⁱ When women are at the table, the discussion is richer, the decision-making process is better, management is more innovative and collaborative, and the organization is stronger. Quite simply, gender diversity has positive financial consequences.

Yet, overall trends on board diversity are sobering. According to Catalyst's 2011 census of Fortune 500 companies, women held just 16.1 percent of board seats in 2011 compared to 15.7 percent in 2010, and data on female executives and top earners indicates that women are no further along the corporate ladder than they were six years ago.ⁱⁱⁱ ION's 2011 Status Report noted that of the 542 new independent directors elected to corporate boards in 12 regions critical to the U.S. economy, the same inadequate percentage (16.1) were women.^{iv} Comparing 2011 to 2009, the statistics are equally dismal: according to Governance Metrics International, the share of board seats held by women barely budged from 12.1 percent to 12.3 percent across 1,763 publicly traded U.S. companies.^v

We must do better. We are asking companies to work with us to bring these numbers from where they are today - with women holding somewhere from 12 to 16 percent of corporate board seats - to a national average of 30 percent by the end of 2015.

We are not alone in recognizing the importance of this goal, which has long been promoted by many prominent institutional investors and is increasingly being recognized by parliaments and regulatory bodies worldwide. In 2002, Norway passed a law requiring that 40 percent of board members be women - a law that has now been fully implemented. Additionally, Spain, Iceland, France, the Netherlands, Malaysia, Italy and Belgium have passed comparable laws. The UK Lord Davies Report commissioned by the Cameron government set a goal of 25 percent women on FTSE 100 boards by 2015 and required listed companies to establish policies concerning boardroom diversity, including measurable objectives and annual disclosure of progress. The Australian Stock Exchange (ASX) adopted "comply or explain" corporate governance guidelines setting benchmarks for progress and reporting on gender diversity by listed companies.

In the United States, the Securities and Exchange Commission (SEC) has adopted a new rule on proxy disclosure that includes a requirement that companies disclose whether, and if so, how their nominating committees consider diversity in identifying board nominees.^{vi} The SEC rule is an acknowledgement that board diversity is now considered by many investors to be a material factor in business strategy and success.

As institutional investors and concerned women's organizations, we are requesting that your Board of Directors take positive action to correct the lack of meaningful diversity among its members, particularly the lack of any female directors.

Taking such action would also contribute to a more positive public image and improved corporate reputation which, in turn, would catalyze efforts to recruit, retain, and promote talented people, including women. We believe, and the research supports, that companies combining a commitment to competitive financial performance with a fair and equitable work environment experience gains in both the workplace and the marketplace, which helps generate long-term value for shareholders.

There are many best practices which have enabled companies to move toward a gender diverse board. We have included Model Charter Language for corporate nominating committees, developed by Calvert Investment Management Company, Inc. in 2002 and endorsed by the National Association of State Treasurers, to assist your company as it shapes policies and practices to achieve more diverse and independent boards. We urge you to share this letter with your company's board nominating committee and encourage them to better serve shareholders by presenting slates that add women to the company's board of directors.

The signatories to this letter, through their representatives, are interested in engaging with your Nominating Committee members on the plans that the Committee is contemplating or has in place to address the issue of including diversity as a significant criterion in all director searches. We believe that diversity should be included as a

stated goal of any search and that all the participants in the process should receive that intention as an explicit intention of the Nominating Committee. The Nominating Committee is comprised solely of independent directors in the great majority of public companies, who are the ones most appropriate to handle the task of staffing the board in the best interest of shareholders. The 2009 Securities Exchange Commission's disclosure rule specifically asks that nominating committees disclose how diversity is considered when the board is identifying nominees for directors. (SEC Release Nos. 33-9089; 34-61175; IC-29092; File No. S7-13-09.)

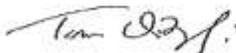
We appreciate the opportunity to present our views to you on this matter and look forward to working with you. On behalf of the undersigned, we thank you in advance for your commitment to this effort. Please feel free to address your reply to Joe Keefe, Pax World Funds, 30 Penhallow Street, Suite 400, Portsmouth, NH 03801 (603-501-7301; jkeefe@paxworld.com), and we will be glad to share your response with all the signatories. In addition, we would be pleased to set up meetings or telephone calls with representative signatories should you desire to engage in dialogue on this important issue.

Sincerely,

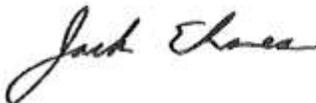
Pension Funds and State Officials



John Chiang
Controller
State of California



Thomas P. DiNapoli
Comptroller
New York State



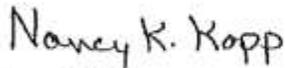
Jack Ehnes
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Steven Grossman
Treasurer and Receiver General
Chairman of the Pension Reserves Investment Management (PRIM) Board
Commonwealth of Massachusetts



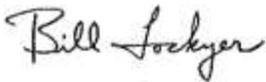
Leon Kamhi
Executive Director
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Nancy K. Kopp
Maryland State Treasurer



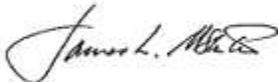
John C. Liu
Comptroller
New York City



Bill Lockyer
California State Treasurer



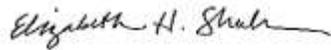
Rob McCord
Pennsylvania State Treasurer



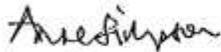
James L. McIntire
Treasurer
Chairman of the Washington State Investment Board
State of Washington



Denise L. Nappier
Connecticut State Treasurer



Elizabeth H. Schuler
Secretary-Treasurer
AFL-CIO



Anne Simpson
Senior Portfolio Manager
Investments
Director of Global Governance
California Public Employees' Retirement System

Mutual Funds and Investment Managers

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Jerome L. Dodson
President
Parnassus Investments

Amy Domini
Founder and CEO
Domini Social Investments

Thomas E. Ellington, II
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Ellen Friedman
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Compton Foundation, Inc.

Stephen Viederman
Finance Chair
Christopher Reynolds Foundation

Jacki Zehner
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Sisters of Charity of Saint Elizabeth

Laura Berry
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American Baptist Home Mission Society

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Sisters of St. Dominic of Caldwell, NJ

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UU Congregation at Shelter Rock

Mary Ellen Gondeck, CSJ
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Sisters of the Blessed Sacrament

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Sisters of St Francis of Philadelphia

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VP Community Health
Dignity Health

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Congregation of St. Basil

Women's Organizations

Ruth Acker
President
Women's City Club of New York

Linda Basch
President
National Council for Research on Women

Joan Blades
Founder and President
MomsRising

Linda Bollinger
Founder & CEO
Boardroom Bound

Bobbie Ann Brinegar
Executive Director
OWL-The Voice of Midlife and Older Women

Nita Chaundary
Co-Founder
UltraViolet

Tiffany Dufu
President
The White House Project

Malli Gero
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Vision 2020

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Janet Hanson
Founder and CEO
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Linda Lisi Juergens
Executive Director
National Association of Mothers' Centers (NAMC)

Françoise Jacobsohn
Program Manager
Legal Momentum

Linda Meric
National Director
9to5, National Assn of Working Women

Sarah Meyerrose
President
ION

Joyce D. Miller
President
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Irene Natividad
President
Global Summit of Women

Terry O'Neill
President
National Organization for Women Foundation (NOW Foundation)

Michele Ozumba
President and CEO
Women's Funding Network

Dr. Shanta Proctor
Director
National Women's Council

Kim Rippere
Co-Founder and President
Secular Women

Susan Scanlan, Chair
Martha Burk, Chair Emerita
National Council of Women's Organizations

Eleanor Smeal
President
Feminist Majority

Deirdre Joy Smith
Founder and President
POWER

Lynn Shapiro Snyder
Founder and President
Women Business Leaders in the Health Industry

Cc: CEO
Chair of Board

See, e.g., Catalyst, "The Bottom Line: Corporate Performance and Women's Representation on Boards," 2007; Catalyst, "The Bottom Line: Connecting Corporate Performance and Gender Diversity," 2004; Roy D. Adler, "Women in the Executive Suite Correlate to High Profits," European Project on Equal Pay; Desvaux, Devillard-Hoellinger and Meany, "A Business Case for Women," The McKinsey Quarterly,

September 2008.; Professor Michel Ferrary, "When Gender Diversity Protects Stock Prices From the Crash," Ceram Business School, 2009.

ⁱⁱ Catalyst, Lois Joy, et al, "The Bottom Line: Corporate Performance and Women's Representation on Boards 2004-2008", 2011; V.W. Kramer, A.M. Konrad, and S. Erkut, "Critical mass on corporate boards: Why three or more women enhance governance," Wellesley Centers for Women, Paper No.WCW11, 2006.

ⁱⁱⁱ "Census of Fortune 500 Women Board Directors, Executive Officers and Top Earners," Catalyst, December 2011.

^{iv} "Eighth Annual Status Report of Women Directors and Executive Officers of Public Companies in 14 Regions of the United States," ION, December 2011.

^v "2011 Women on Boards Report," Governance Metrics International, March 8, 2011.

^{vi} U.S. Securities and Exchange Commission, "Proxy Disclosure Enhancements," *Federal Register* 17 CRF Parts 229, 239, 240, 249 and 274, December 23, 2009.



Nominating Committee Model Charter Language on Board Diversity Guidelines for creating an inclusive board

Introduction

Calvert's goal in developing model charter language on board diversity is to give companies a means to formalize their commitment to an independent and inclusive board. We have taken the approach of suggesting language appropriate for different sections of a Nominating Committee Charter, based on the style and approach of the Board to the Charter construction. For ease of reference, we have included in bold below a suggested table of contents for a Nominating Committee Charter. We have indicated under which heading Calvert's model language onboard diversity may be inserted.

I. PURPOSE

- (1) The Board believes that diversity is an important attribute of a well-functioning board. It is the responsibility of the Nominating Committee to recommend for selection qualified candidates to serve as directors of the Company. Among the responsibilities of the Nominating Committee shall be to advise the Board on matters of diversity including race, gender, culture, thought and geography; and recommend, as necessary, measures contributing to a Board, that as a whole, reflects a range of viewpoints, backgrounds, skills, experience, and expertise.

II. ORGANIZATION

(Company to provide information)

III. COMPOSITION OF THE COMMITTEE

(Company to provide information)

IV. MEETINGS AND PROCEDURES OF THE COMMITTEE

(Company to provide information)

V. GOALS AND RESPONSIBILITIES

- (2) The Nominating Committee shall develop a set of criteria for Board, membership that strives to attain a diversity of background and skills for the Board. The Committee shall also create a search protocol that seeks qualified Board candidates from, among other areas, the traditional corporate environment, government, academia, private enterprise, non-profit organizations, and professions such as accounting, human resources, and legal services.
- (3) In the process of searching for qualified persons to serve on the Board, the Nominating Committee shall strive for the inclusion of diverse groups, knowledge, and viewpoints. To accomplish this, the Committee may retain an executive search firm to help meet the Committee's diversity objective as well as form alliances with organizations representing the interests of women and minorities. In connection with its efforts to create and maintain a diverse Board, the Nominating Committee will:
 - (a) Develop recruitment protocols that seek to include diverse candidates in any director search. These protocols should take into account that qualified, but often overlooked, candidates may be found in a broad array of organizations, including academic institutions, privately held businesses, nonprofit organizations, and trade associations, in addition to the traditional candidate pool of corporate directors and officers.

(b) Strive to use, to their fullest potential, the current network of organizations and trade groups that may help identify diverse candidates.

(c) Periodically review director recruitment and selection protocols so that diversity remains a component of any director search.

(4) The Nominating Committee shall seek diverse populations, expertise, and viewpoints for representation on the Board. The Board recognizes, however, that the representation of specific groups may vary over time.

VI. INVESTIGATIONS AND STUDIES: OUTSIDE ADVISERS

(Company to provide information)

VII. PERFORMANCE EVALUATIONS

(5) The Nominating Committee shall periodically review Board composition to ensure that the Board reflects a balance of knowledge, experience, skills, expertise and diversity, including racial and gender diversity required for the Board to fulfill its duties.