

# CtW Investment Group

## FOR IMMEDIATE RELEASE

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## RiskMetrics/ISS Urges Shareholders to Withhold from WaMu Directors

**Washington DC** — The CtW Investment Group announced today that leading proxy voting service RiskMetrics/ISS has recommended that shareholders withhold votes from all members of the finance and human resources committees at Washington Mutual's annual meeting of stockholders on April 15, 2008. The CtW Investment Group earlier called for withholding from Mary E. Pugh and James H. Stever, the chairs of the finance and human resources committees.

In its April 4 analysis, RiskMetrics/ISS wrote that the finance committee's failure to "question management's strategy of continuing to issue risky loans between 2005 and 2007 constitute a systemic failure of risk management oversight at WAMU," and recommended that shareholders withhold from all members of the committee "to send a message that strong independent oversight is needed at WAMU."

Citing a failure to structure executive compensation around the principle of pay for performance, a "central tenet of sound corporate governance," RiskMetrics/ISS also recommended shareholders withhold from the members of the compensation committee.

The recommendations by ISS come on the heels of yesterday's recommendation by proxy advisor Glass Lewis for withholds from Pugh, Stever and other members of the human resources committee. Proxy advisor Egan Jones also recommended yesterday that shareholders withhold from Stever, citing his role in establishing "insufficiently objective" compensation standards.

"We welcome the recommendations for new leadership on Washington Mutual's board," said Bill Patterson, Executive Director of the CtW Investment Group. "Given the severity of the losses Washington Mutual shareholders have already sustained, and the likelihood that credit losses and foreclosure costs will continue, we believe that the removal of Ms. Pugh and Mr. Stever will strengthen the board during this critical period."

In an March 27 letter urging Washington Mutual shareholders to withhold from directors Pugh and Stever, the CtW Investment Group argued that as chairs of the committees charged with risk management oversight and compensation plan design, respectively, Ms. Pugh and Mr. Stever bear responsibility for Washington Mutual's failure to recognize and act in a timely manner on the risks to shareholder value presented by the housing bubble, and for attempting to insulate executive bonuses from the consequences of this risk management failure.

For additional information on the CtW Investment Group, including our letter explaining in detail why we believe shareholders should withhold from Pugh and Stever, please visit [www.ctwinvestmentgroup.com](http://www.ctwinvestmentgroup.com).

*This is not a proxy solicitation and no proxies will be accepted.  
Please DO NOT send your proxy to the CtW Investment Group.*

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